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

FORM 10-Q

☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended June 30, 2015

OR

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period to

Commission File No. 000-54899

CARLYLE GMS FINANCE, INC.
(Exact name of Registrant as specified in its charter)

Maryland	**80-0789789**
(State or other jurisdiction of incorporation or organization)	**(I.R.S. Employer Identification Number)**

520 Madison Avenue, 38th Floor, New York, NY 10022
(Address of principal executive office) (Zip Code)

(212) 813-4900
(Registrant's telephone number, including area code)

N/A
(Former name, former address and former fiscal year, if changed since last report)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days: Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes ☐ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See definitions of "large accelerated filer," "accelerated filer," and "smaller reporting company" in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer	☐	Accelerated filer	☐
Non-accelerated filer	☒ (Do not check if a smaller reporting company)	Smaller reporting company	☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date.

Class	**Outstanding at August 12, 2015**
Common stock, $0.01 par value	26,757,953

CARLYLE GMS FINANCE, INC.
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CARLYLE GMS FINANCE, INC.
CONSOLIDATED STATEMENTS OF ASSETS AND LIABILITIES
(dollar amounts in thousands, except per share data)

	June 30, 2015 (unaudited)	December 31, 2014
ASSETS		
Investments—non-controlled/non-affiliated, at fair value (amortized cost of $917,292 and $707,701, respectively)	$ 912,502	$ 698,662
Cash	46,477	8,754
Deferred financing costs	6,687	4,635
Interest receivable	2,702	4,512
Prepaid expenses and other assets	1,328	157
Total assets	$ 969,696	$ 716,720
LIABILITIES		
Payable for investments purchased	$ 30,523	$ 55,343
Secured borrowings (Note 5)	134,958	308,441
2015-1 Notes payable (Note 6)	273,000	—
Due to Investment Adviser	43	41
Interest and credit facility fees payable (Notes 5 and 6)	3,368	1,192
Base management and incentive fees payable (Note 4)	5,916	6,319
Dividend payable (Note 8)	9,902	6,276
Administrative service fees payable (Note 4)	120	91
Other accrued expenses and liabilities	1,214	760
Total liabilities	459,044	378,463
Commitments and contingencies (Notes 7 and 11)		
NET ASSETS		
Common stock, $0.01 par value; 200,000,000 shares authorized; 26,755,935 shares and 17,932,697 shares, respectively, issued and outstanding	268	179
Paid-in capital in excess of par value	522,674	351,636
Offering costs	(74)	(74)
Accumulated net investment income (loss), net of cumulative dividends of $35,897 and $18,162, respectively	(7,698)	(4,388)
Accumulated net realized gain (loss)	272	(57)
Accumulated net unrealized appreciation (depreciation)	(4,790)	(9,039)
Total net assets	$ 510,652	$ 338,257
NET ASSETS PER SHARE	$ 19.09	$ 18.86

The accompanying notes are an integral part of these consolidated financial statements.

CARLYLE GMS FINANCE, INC.
CONSOLIDATED STATEMENTS OF OPERATIONS
(dollar amounts in thousands, except per share data)
(unaudited)

	For the three month periods ended		For the six month periods ended	
	June 30, 2015	June 30, 2014	June 30, 2015	June 30, 2014
Investment income:				
Interest income from non-controlled/non-affiliated investments	$ 15,925	$ 9,944	$ 28,904	$ 16,577
Total investment income	15,925	9,944	28,904	16,577
Expenses:				
Base management fees (Note 4)	3,080	1,455	5,803	2,446
Incentive fees (Note 4)	1,986	1,149	3,606	2,089
Professional fees	465	596	849	1,193
Administrative service fees (Note 4)	188	218	300	475
Interest expense (Notes 5 and 6)	2,129	634	3,909	983
Credit facility fees (Note 5)	446	1,526	874	2,056
Directors' fees and expenses	106	103	207	185
Transfer agency fees	44	34	93	60
Other general and administrative	562	178	772	330
Total expenses	9,006	5,893	16,413	9,817
Waiver of base management fees (Note 4)	1,026	485	1,934	815
Net expenses	7,980	5,408	14,479	9,002
Net investment income (loss)	7,945	4,536	14,425	7,575
Net realized gain (loss) and net change in unrealized appreciation (depreciation) on investments:				
Net realized gain (loss) on investments—non-controlled/non-affiliated	593	145	329	191
Net change in unrealized appreciation (depreciation) on investments—non-controlled/non-affiliated	677	(89)	4,249	842
Net realized gain (loss) and net change in unrealized appreciation (depreciation) on investments	1,270	56	4,578	1,033
Net increase (decrease) in net assets resulting from operations	$ 9,215	$ 4,592	$ 19,003	$ 8,608
Basic and diluted earnings per common share (Note 8)	$ 0.40	$ 0.36	$ 0.89	$ 0.73
Weighted-average shares of common stock outstanding—Basic and Diluted (Note 8)	23,062,818	12,891,548	21,330,007	11,819,417
Dividends declared per common share (Note 8)	$ 0.37	$ 0.27	$ 0.74	$ 0.46

The accompanying notes are an integral part of these consolidated financial statements.

CARLYLE GMS FINANCE, INC.
CONSOLIDATED STATEMENTS OF CHANGES IN NET ASSETS
(dollar amounts in thousands)
(unaudited)

	For the six month periods ended	
	June 30, 2015	**June 30, 2014**
Increase (decrease) in net assets resulting from operations:		
Net investment income (loss)	$ 14,425	$ 7,575
Net realized gain (loss) on investments—non-controlled/non-affiliated	329	191
Net change in unrealized appreciation (depreciation) on investments—non-controlled/non-affiliated	4,249	842
Net increase (decrease) in net assets resulting from operations	19,003	8,608
Capital transactions:		
Common stock issued	171,082	65,472
Reinvestment of dividends	45	3
Dividends declared (Note 11)	(17,735)	(5,930)
Net increase (decrease) in net assets resulting from capital share transactions	153,392	59,545
Net increase (decrease) in net assets	172,395	68,153
Net assets at beginning of period	338,257	186,002
Net assets at end of period	$ 510,652	$ 254,155

The accompanying notes are an integral part of these consolidated financial statements.

CARLYLE GMS FINANCE, INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
(dollar amounts in thousands)
(unaudited)

	For the six month periods ended	
	June 30, 2015	**June 30, 2014**
Cash flows from operating activities:		
Net increase (decrease) in net assets resulting from operations	$ 19,003	$ 8,608
Adjustments to reconcile net increase (decrease) in net assets resulting from operations to net cash provided by (used in) operating activities:		
Amortization of deferred financing costs	516	1,347
Net accretion of discount on securities	(1,223)	(518)
Net realized (gain) loss on investments—non-controlled/non-affiliated	(329)	(191)
Net change in unrealized (appreciation) depreciation on investments—non- controlled/non-affiliated	(4,249)	(842)
Cost of investments purchased and change in payable for investments purchased	(359,342)	(225,613)
Proceeds from sales and repayments of investments	126,483	55,267
Changes in operating assets:		
Interest receivable	1,810	(3,404)
Prepaid expenses and other assets	(1,171)	(82)
Changes in operating liabilities:		
Due to Investment Adviser	2	5
Interest and credit facility fees payable	283	178
Base management and incentive fees payable	(403)	2,433
Administrative service fees payable	29	29
Other accrued expenses and liabilities	454	114
Net cash provided by (used in) operating activities	(218,137)	(162,669)
Cash flows from financing activities:		
Proceeds from issuance of common stock	171,082	65,472
Borrowings on Revolving Credit Facility and Facility	223,700	108,100
Repayments of Revolving Credit Facility and Facility	(397,183)	(21,182)
Proceeds from issuance of 2015-1 Notes	273,000	—
Debt issuance costs paid	(675)	(1,958)
Dividends paid in cash	(14,064)	(2,446)
Net cash provided by (used in) financing activities	255,860	147,986
Net increase (decrease) in cash	37,723	(14,683)
Cash, beginning of period	8,754	42,010
Cash, end of period	$ 46,477	$ 27,327
Supplemental disclosures:		
Offering expenses and financing costs due	$ 1,893	$ —
Interest paid during the period	$ 3,562	$ 795
Dividends declared during the period	$ 17,735	$ 5,930
Reinvestment of dividends	$ 45	$ 3

The accompanying notes are an integral part of these consolidated financial statements.

CARLYLE GMS FINANCE, INC.
CONSOLIDATED SCHEDULE OF INVESTMENTS
As of June 30, 2015
(dollar amounts in thousands)
(unaudited)

Investments—non-controlled/non-affiliated (1)	Industry	Interest Rate	Maturity Date	Acquisition Date	Par/ Principal Amount	Amortized Cost (6)	Fair Value (7)	Percentage of Net Assets
First Lien Debt (72.47%)								
Access CIG, LLC (2)(3)(5)(13)	Business Services	6.00%	10/17/2021	10/16/2014	$ 18,616	$ 18,471	$ 18,616	3.64%
ACP Tower Merger Sub, Inc. (Telular Corporation) (2)(3)(4)	Telecommunications	5.50	6/24/2019	6/24/2013	5,625	5,610	5,560	1.09
AF Borrower LLC (Accuvant) (2)(3)(5)(13)	High Tech Industries	6.25	1/28/2022	12/15/2014	16,359	16,122	16,305	3.19
Alpha Packaging Holdings, Inc. (2)(3)(4)(13)	Containers, Packaging & Glass	5.25	5/12/2020	5/12/2014	11,409	11,398	11,211	2.19
Anaren, Inc. (2)(3)(4)(13)	Telecommunications	5.50	2/18/2021	2/18/2014	11,439	11,345	11,299	2.21
APX Group, Inc. (5)(8)	Consumer Services	6.38	12/1/2019	10/15/2014	10,000	9,723	9,700	1.90
Audax AAMP Holdings, Inc. (2)(3)(4)(13)	Durable Consumer Goods	6.50	6/24/2017	5/22/2015	11,325	11,229	11,300	2.21
Blue Bird Body Company (2)(3)(4)(8)(13)	Transportation: Consumer	6.50	6/27/2020	7/22/2014	10,969	10,488	10,476	2.05
Brooks Equipment Company, LLC (2)(3)(4)(13)	Construction & Building	6.75	8/29/2020	8/29/2014	7,595	7,538	7,567	1.48
Capstone Logistics Acquisition, Inc. (2)(3)(4)(13)	Transportation: Cargo	5.50	10/7/2021	10/3/2014	19,900	19,719	19,623	3.84
Captive Resources Midco, LLC (2)(3)(5)(9)(13)	Banking, Finance, Insurance & Real Estate	6.75	6/30/2020	6/30/2015	30,000	29,486	29,667	5.81
Castle Management Borrower LLC (Highgate Hotels L.P.) (2)(3)(4)(13)	Hotel, Gaming & Leisure	5.50	9/18/2020	10/10/2014	9,928	9,850	9,692	1.90
Central Security Group, Inc. (2)(3)(4)(13)	Consumer Services	6.25	10/6/2020	10/3/2014	24,875	24,541	24,298	4.76
Consolidated Aerospace Manufacturing, LLC. (2)(3)(4)(13)	Aerospace & Defense	5.00	3/27/2020	2/28/2014	6,183	6,165	6,048	1.19
Coyote Logistics, LLC (2)(3)(5)(13)	Transportation: Cargo	6.25	3/26/2022	3/24/2015	20,800	20,600	21,008	4.11
CRCI Holdings Inc. (CLEAResult Consulting, Inc.) (2)(3)(4)(13)	Utilities: Electric	5.25	7/10/2019	7/29/2014	5,943	5,922	5,903	1.16
Dent Wizard International Corporation (2)(3)(4)(13)	Automotive	5.75	4/7/2020	4/28/2015	8,000	7,961	7,913	1.55
DTZ U.S. Borrower, LLC (2)(3)(4)(13)	Construction & Building	5.50	11/5/2021	10/28/2014	10,448	10,304	10,286	2.01
EP Minerals, LLC (2)(3)(4)(13)	Metals & Mining	5.50	8/20/2020	8/20/2014	10,421	10,378	10,376	2.03
FCX Holdings Corp. (2)(3)(4)(13)	Capital Equipment	5.50	8/4/2020	8/4/2014	10,098	10,091	9,951	1.95
Genex Holdings, Inc. (2)(3)(13)	Banking, Finance, Insurance & Real Estate	5.25	5/30/2021	5/22/2014	4,265	4,247	4,265	0.84
Green Energy Partners/Stonewall LLC (2)(3)(5)(10)(13)	Energy: Electricity	6.50	11/13/2021	11/12/2014	8,300	8,146	8,456	1.66
Indra Holdings Corp. (Totes Isotoner) (2)(3)(5)(13)	Non-durable Consumer Goods	5.25	5/1/2021	4/29/2014	14,850	14,724	14,526	2.84
Miller Heiman, Inc. (2)(3)(4)(13)	Business Services	6.75	9/30/2019	10/1/2013	19,468	19,252	18,885	3.70
MSX International, Inc. (2)(3)(4)(13)	Automotive	6.00	8/21/2020	8/18/2014	10,617	10,526	10,626	2.08
National Technical Systems, Inc. (2)(3)(4)(5)(13)(14)	Aerospace & Defense	7.00	6/12/2021	6/12/2015	26,000	25,646	25,881	5.07
NES Global Talent Finance US LLC (United Kingdom) (2)(3)(4)(8)(13)	Energy: Oil & Gas	6.50	10/3/2019	10/2/2013	12,031	11,851	11,674	2.29

The accompanying notes are an integral part of these consolidated financial statements.

CARLYLE GMS FINANCE, INC.
CONSOLIDATED SCHEDULE OF INVESTMENTS (Continued)
As of June 30, 2015
(dollar amounts in thousands)
(unaudited)

Investments—non-controlled/non-affiliated (1)	Industry	Interest Rate	Maturity Date	Acquisition Date	Par/ Principal Amount	Amortized Cost (6)	Fair Value (7)	Percentage of Net Assets
First Lien Debt (72.47%) (continued)								
Novetta, LLC (2) (3) (4) (13)	Aerospace & Defense	6.00%	10/2/2020	11/19/2014	$ 12,139	$ 12,040	$ 12,039	2.36%
Paradigm Acquisition Corp. (2) (3) (5) (13)	Business Services	6.00	6/2/2022	6/2/2015	23,600	23,250	23,345	4.57
Pelican Products, Inc. (2) (3) (4) (13)	Containers, Packaging & Glass	5.25	4/11/2020	4/8/2014	7,857	7,874	7,712	1.51
Plano Molding Company, LLC (2) (3) (5) (13)	Hotel, Gaming & Leisure	7.00	5/8/2021	5/1/2015	22,600	22,391	22,510	4.41
Prowler Acquisition Corp. (Pipeline Supply and Service, LLC) (2) (3) (4)	Wholesale	5.50	1/28/2020	1/24/2014	10,967	10,885	9,794	1.92
PSC Industrial Holdings Corp (2) (3) (4) (13)	Environmental Industries	5.75	12/5/2020	12/5/2014	11,940	11,833	11,836	2.32
PSI Services LLC (2) (3) (4) (12)	Business Services	7.75	2/27/2021	2/27/2015	18,000	17,494	18,625	3.65
SolAero Technologies Corp. (2) (3) (4)	Telecommunications	5.75	12/10/2020	12/9/2014	11,109	11,017	10,975	2.15
SolAero Technologies Corp. (2) (3) (13)	Telecommunications	6.25	12/10/2020	5/1/2015	9,341	9,250	9,302	1.82
Stafford Logistics, Inc. (Custom Ecology, Inc.) (2) (3) (4)	Environmental Industries	6.75	6/26/2019	7/1/2013	9,540	9,472	9,180	1.80
Synarc-Biocore Holdings, LLC (2) (3) (4) (13)	Healthcare & Pharmaceuticals	5.50	3/10/2021	3/6/2014	13,331	13,221	12,977	2.54
Systems Maintenance Services Holding, Inc. (2) (3) (13)	High Tech Industries	5.00	10/18/2019	10/18/2013	2,204	2,197	2,171	0.42
TASC, Inc. (2) (3) (4) (8) (13)	Aerospace & Defense	7.00	5/23/2020	12/17/2014	19,900	19,144	19,999	3.92
Teaching Strategies, LLC (2) (3) (4) (13)	Media: Advertising, Printing & Publishing	6.00	10/1/2019	2/5/2015	14,811	14,752	14,695	2.88
The Hilb Group, LLC (2) (3) (5) (12) (15)	Banking, Finance, Insurance & Real Estate	6.75	6/24/2021	6/24/2015	22,600	21,944	22,406	4.39
The Hygenic Corporation (Performance Health) (2) (3) (5) (13)	Non-durable Consumer Goods	6.00	10/11/2020	2/27/2015	16,000	15,783	15,886	3.11
The SI Organization, Inc. (2) (3) (4) (13)	Aerospace & Defense	5.75	11/23/2019	5/16/2014	8,824	8,754	8,835	1.73
The Topps Company, Inc. (2) (3) (4) (13)	Non-durable Consumer Goods	7.25	10/2/2018	10/1/2013	11,454	11,374	11,453	2.24
TruckPro, LLC (2) (3) (4) (13)	Automotive	5.75	8/6/2018	8/6/2013	9,274	9,236	9,219	1.80
U.S. Farathane, LLC (2) (3) (4) (13)	Automotive	6.75	12/23/2021	2/6/2015	16,234	15,925	16,330	3.20
Vetcor Professional Practices LLC (2) (3) (4) (5) (13) (16)	Consumer Services	7.00	4/20/2021	5/19/2015	8,400	8,289	8,375	1.64
Violin Finco S.A.R.L. (Alexander Mann Solutions) (United Kingdom) (2) (3) (4) (8) (13)	Business Services	5.75	12/20/2019	12/18/2013	11,315	11,230	11,315	2.22
Vitera Healthcare Solutions, LLC (2) (3) (4) (13)	Healthcare & Pharmaceuticals	6.00	11/4/2020	11/1/2013	9,489	9,414	9,449	1.85
Zest Holdings, LLC (2) (3) (4) (13)	Durable Consumer Goods	5.25	8/16/2020	8/18/2014	11,751	11,750	11,766	2.30
First Lien Debt Total						$ 659,852	$661,306	129.50%

The accompanying notes are an integral part of these consolidated financial statements.

CARLYLE GMS FINANCE, INC.
CONSOLIDATED SCHEDULE OF INVESTMENTS (Continued)
As of June 30, 2015
(dollar amounts in thousands)
(unaudited)

Investments—non-controlled/non-affiliated (1)	Industry	Interest Rate	Maturity Date	Acquisition Date	Par/ Principal Amount	Amortized Cost (6)	Fair Value (7)	Percentage of Net Assets
Second Lien Debt (19.49%)								
AF Borrower LLC (Accuvant) (2)(3)(5)	High Tech Industries	10.00%	1/28/2023	12/15/2014	$ 8,000	$ 7,924	$ 7,974	1.56%
Allied Security Holdings LLC (2)(3)(5)(13)	Business Services	8.00	8/14/2021	9/25/2014	8,000	7,945	7,990	1.57
Ascensus Inc. (2)(3)(4)	Banking, Finance, Insurance &Real Estate	9.00	12/2/2020	12/2/2013	8,000	7,902	7,929	1.55
Berlin Packaging L.L.C. (2)(3)(5)(13)	Containers, Packaging & Glass	7.75	10/1/2022	9/24/2014	9,200	9,136	9,304	1.82
Charter NEX US Holdings, Inc. (2)(3)(5)(13)	Chemicals, Plastics & Rubber	9.25	2/5/2023	1/30/2015	10,000	9,858	9,621	1.88
Confie Seguros Holding II Co. (2)(3)(5)	Banking, Finance, Insurance & Real Estate	10.25	5/8/2019	6/29/2015	12,000	11,884	11,995	2.35
Creganna Finance (US) LLC (Ireland) (2)(3)(5)(8)	Healthcare & Pharmaceuticals	9.00	6/1/2022	11/20/2014	9,900	9,809	9,962	1.95
DiversiTech Corporation (2)(3)(5)(13)	Capital Equipment	9.00	11/19/2022	5/19/2015	8,400	8,288	8,145	1.60
Drew Marine Group Inc. (2)(3)(4)(5)	Chemicals, Plastics & Rubber	8.00	5/19/2021	11/19/2013	12,500	12,477	11,993	2.35
Genex Holdings, Inc. (2)(3)(5)(17)	Banking, Finance, Insurance & Real Estate	8.75	5/30/2022	5/22/2014	5,990	5,901	5,861	1.14
Genoa, a QoL Healthcare Company, LLC (2)(3)(5)(13)	Retail	8.75	4/30/2023	4/21/2015	9,900	9,802	9,538	1.87
Institutional Shareholder Services Inc. (2)(3)(5)(13)	Banking, Finance, Insurance & Real Estate	8.50	4/30/2022	4/30/2014	12,500	12,391	11,953	2.34
Jazz Acquisition, Inc. (Wencor) (2)(3)(5)(13)	Aerospace & Defense	7.75	6/19/2022	6/25/2014	6,700	6,672	6,466	1.27
Landslide Holdings, Inc. (LANDesk Software) (2)(3)(13)	Software	8.25	2/25/2021	2/25/2014	3,500	3,478	3,236	0.63
MRI Software, LLC (2)(3)(5)	Software	9.00	6/23/2022	6/19/2015	11,250	11,084	10,929	2.14
Phillips-Medisize Corporation (2)(3)(5)(13)	Chemicals, Plastics & Rubber	8.25	6/16/2022	6/13/2014	5,000	4,956	4,982	0.98
Power Stop, LLC (5)	Automotive	11.00	5/29/2022	5/29/2015	10,000	9,802	9,964	1.95
Prime Security Services Borrower, LLC (Protection One Inc.) (2)(3)(5)	Consumer Services	9.75	7/1/2022	6/19/2015	6,700	6,602	6,612	1.30
Prowler Acquisition Corp. (Pipeline Supply and Service, LLC) (2)(3)(5)	Wholesale	9.50	7/28/2020	1/24/2014	3,000	2,950	2,474	0.48
Systems Maintenance Services Holding, Inc. (2)(3)(4)	High Tech Industries	9.25	10/18/2020	10/18/2013	6,000	5,956	5,935	1.16
TASC, Inc. (5)(8)	Aerospace & Defense	12.00	5/23/2021	12/17/2014	6,000	5,884	6,263	1.23
Vitera Healthcare Solutions, LLC (2)(3)(5)	Healthcare & Pharmaceuticals	9.25	11/4/2021	11/1/2013	2,000	1,975	1,908	0.37
Watchfire Enterprises, Inc. (2)(3)(5)(13)	Media: Advertising, Printing & Publishing	9.00	10/2/2021	10/2/2013	7,000	6,918	6,777	1.33
Second Lien Debt Total						$ 179,594	$177,811	34.82%

The accompanying notes are an integral part of these consolidated financial statements.

CARLYLE GMS FINANCE, INC.
CONSOLIDATED SCHEDULE OF INVESTMENTS (Continued)
As of June 30, 2015
(dollar amounts in thousands)
(unaudited)

Investments—non-controlled/non-affiliated (1)	Industry	Maturity Date	Acquisition Date	Par/ Principal Amount	Amortized Cost (6)	Fair Value (7)	Percentage of Net Assets
Structured Finance Obligations (7.80%) (5) (8) (11)							
1776 CLO I, Ltd., Subordinated Notes	Structured Finance	5/8/2020	2/27/2014	$ 11,750	$ 8,962	$ 7,285	1.43%
AIMCO CLO, Series 2014-A, Class F, 5.47% (2)	Structured Finance	7/20/2026	5/12/2014	2,700	2,359	2,174	0.43
AIMCO CLO, Series 2014-A, Subordinated Notes	Structured Finance	7/20/2026	5/12/2014	11,500	9,325	8,079	1.58
Ares XXVIII CLO Ltd., Subordinated Notes	Structured Finance	10/17/2024	10/10/2013	7,000	4,956	4,480	0.88
Babson CLO Ltd. 2005-I, Subordinated Notes	Structured Finance	4/15/2019	7/16/2013	7,632	432	185	0.04
Blackrock Senior Income Series V, Limited, Subordinated Notes (Ireland)	Structured Finance	8/13/2019	3/11/2014	4,600	2,397	2,266	0.44
CIFC Funding 2007-III, Ltd., Income Notes	Structured Finance	7/26/2021	5/20/2014	6,500	3,138	3,282	0.64
Clydesdale CLO 2005, Ltd., Subordinated Notes	Structured Finance	12/6/2017	7/15/2013	5,750	—	10	0.00
Flagship VII Limited, Subordinated Notes	Structured Finance	1/20/2026	12/18/2013	7,000	5,473	4,637	0.91
GoldenTree Loan Opportunities V, Limited, Subordinated Notes	Structured Finance	10/18/2021	10/11/2013	5,000	3,022	2,975	0.58
ING Investment Management CLO IV, Ltd., Preferred Shares	Structured Finance	6/14/2022	5/7/2014	9,575	5,163	5,410	1.06
ING IM CLO 2012-1 LLC, Preferred Shares	Structured Finance	3/14/2022	12/5/2014	7,610	4,866	5,083	1.00
ING IM CLO 2012-1 LLC, Subordinated Notes	Structured Finance	3/14/2022	12/5/2014	2,500	1,597	1,670	0.33
MSIM Peconic Bay, Ltd., Subordinated Notes	Structured Finance	7/20/2019	10/22/2013	4,500	1,027	1,193	0.23
Nautique Funding Ltd., Income Notes	Structured Finance	4/15/2020	2/24/2014	5,000	2,878	2,781	0.54
Steele Creek CLO 2014-I, LLC, Subordinated Notes	Structured Finance	8/21/2026	7/18/2014	18,000	14,328	13,950	2.73
Venture VI CDO Limited, Preference Shares	Structured Finance	8/3/2020	4/17/2014	7,000	3,659	3,710	0.73
Westwood CDO I, Ltd., Subordinated Notes	Structured Finance	3/25/2020	4/30/2015	4,000	2,049	2,000	0.39
Structured Finance Obligations Total					$ 75,631	$ 71,170	13.94%

Investments—non-controlled/non-affiliated (1)	Industry	Maturity Date	Acquisition Date	Par/ Principal Amount	Cost	Fair Value (7)	Percentage of Net Assets
Equity Investments (0.24%) (5) (8)							
Power Stop, LLC	Automotive		5/29/2015	7	$ 715	$ 715	0.14%
The Hilb Group, LLC	Banking, Finance, Insurance & Real Estate		6/24/2015	1,500	1,500	1,500	0.29
Equity Investments Total					$ 2,215	$ 2,215	0.43%
Total Investments—non-controlled/non-affiliated					$917,292	$912,502	178.69%

(1) Unless otherwise indicated, issuers of debt and equity investments held by Carlyle GMS Finance, Inc. ("GMS Finance" or the "Company") are domiciled in the United States and issuers of structured finance obligations are domiciled in the Cayman Islands. Under the Investment Company Act of 1940, as amended (together with the rules and regulations promulgated thereunder, the "Investment Company Act"), the Company would be deemed to "control" a portfolio company if the Company owned more than 25% of its outstanding voting securities and/or held the power to exercise control over the management or policies of the portfolio company. As of June 30, 2015, the Company does not "control" any of these portfolio companies.

The accompanying notes are an integral part of these consolidated financial statements.

CARLYLE GMS FINANCE, INC.
CONSOLIDATED SCHEDULE OF INVESTMENTS (Continued)
As of June 30, 2015
(dollar amounts in thousands)
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Under the Investment Company Act, the Company would be deemed an "affiliated person" of a portfolio company if the Company owns 5% or more of the portfolio company's outstanding voting securities. As of June 30, 2015, the Company is not an "affiliated person" of any portfolio company.

(2) Variable rate loans to the portfolio companies and variable rate notes of structured finance obligations bear interest at a rate that may be determined by reference to either LIBOR or an alternate base rate (commonly based on the Federal Funds Rate or the Prime Rate), which generally resets quarterly. For each such loan and note, the Company has provided the interest rate in effect as of June 30, 2015.

(3) Loan includes interest rate floor feature.

(4) Denotes that all or a portion of the assets are owned by the Company's wholly owned subsidiary, Carlyle GMS Finance SPV LLC (the "Borrower Sub"). The Borrower Sub has a senior secured revolving credit facility (as amended, the "Revolving Credit Facility"). The lenders of the Revolving Credit Facility have a first lien security interest in substantially all of the assets of the Borrower Sub (see Note 5, Borrowings) and such assets are assets of the Borrower Sub to satisfy obligations of the Borrower Sub under the Revolving Credit Facility and are not available to creditors of the Company.

(5) Denotes that all or a portion of the assets are owned by the Company. The Company has a senior secured revolving credit facility (as amended, the "Facility"), which was subsequently amended on January 8, 2015 (the "First Facility Amendment Effective Date"). The lenders of the Facility have a perfected first-priority security interest in substantially all of the portfolio investments held by the Company (see Note 5, Borrowings).

(6) Amortized cost represents original cost, including origination fees, adjusted for the accretion/amortization of discounts/premiums, as applicable, on debt investments using the effective interest method. Equity tranche collateralized loan obligation ("CLO") fund investments, which are referred to as "structured finance obligations", are recorded at amortized cost using the effective interest method.

(7) Fair value is determined in good faith by or under the direction of the Board of Directors of the Company (Notes 2 and 3), pursuant to the Company's valuation policies.

(8) The Company has determined the indicated investments are non-qualifying assets under Section 55(a) of the Investment Company Act. Under the Investment Company Act, the Company may not acquire any non-qualifying assets unless, at the time such acquisition is made, qualifying assets represent at least 70% of the Company's total assets.

(9) Captive Resources Midco, LLC has an undrawn delayed draw term loan of $3,125 par value at LIBOR + 5.75%, 1.00% floor, and an undrawn revolver of $1,875 par value at LIBOR + 5.75%, 1.00% floor. An unused rate of 1.25% and 0.50% is charged on the delayed draw term loan and revolver principal, respectively, while undrawn.

(10) Green Energy Partners/Stonewall LLC has an undrawn delayed draw term loan of $8,300 par value at LIBOR + 5.50%, 1.00% floor. An unused rate of 3.00% is charged on the principal while undrawn.

(11) As of June 30, 2015, the Company has a greater than 25% but less than 50% equity or subordinated notes ownership interest in certain structured finance obligations. These investments have governing documents that preclude the Company from controlling management of the entity and therefore the Company has determined that the issuer of the investment is not a controlled affiliate or a non-controlled affiliate because the investments are not "voting securities".

(12) In addition to the interest earned based on the stated interest rate of this loan, which is the amount reflected in this schedule, the Company is entitled to receive additional interest as a result of an agreement among lenders.

(13) Denotes that all or a portion of the assets secures the notes offered in connection with a $400 million term debt securitization completed by the Company on June 26, 2015 (see Note 6, 2015-1 Notes). These assets are owned by Carlyle GMS Finance MM CLO 2015-1 LLC, a wholly-owned and consolidated subsidiary of the Company, and are not available to the creditors of the Borrower Sub or the Company.

(14) National Technical Systems, Inc. has an undrawn delayed draw term loan of $4,469 par value at LIBOR + 6.00%, 1.00% floor, and an undrawn revolver of $2,031 par value at LIBOR + 6.00%, 1.00% floor. An unused rate of 1.00% and 0.50% is charged on the delayed draw term loan and revolver principal, respectively, while undrawn.

(15) The Hilb Group, LLC has an undrawn delayed draw term loan of $10,892 par value at LIBOR + 5.75%, 1.00% floor (12). An unused rate of 1.00% is charged on the principal while undrawn.

(16) Vetcor Professional Practices LLC has an undrawn delayed draw term loan of $4,200 par value at LIBOR + 6.00%, 1.00% floor. An unused rate of 1.00% is charged on the principal while undrawn.

(17) Genex Holdings, Inc. has an undrawn delayed draw second lien term loan of $2,000 par value at LIBOR + 7.75%, 1.00% floor. An unused rate of 8.75% is charged on the principal while undrawn.

The accompanying notes are an integral part of these consolidated financial statements.

CARLYLE GMS FINANCE, INC.
CONSOLIDATED SCHEDULE OF INVESTMENTS (Continued)
As of June 30, 2015
(dollar amounts in thousands)
(unaudited)

As of June 30, 2015, investments—non-controlled/non-affiliated at fair value consisted of the following:

Type	Amortized Cost	Fair Value	% of Fair Value
First Lien Debt	$659,852	$661,306	72.47%
Second Lien Debt	179,594	177,811	19.49
Structured Finance Obligations	75,631	71,170	7.80
Equity Investments	2,215	2,215	0.24
Total	$917,292	$912,502	100.00%

The industrial composition of investments—non-controlled/non-affiliated at fair value as of June 30, 2015 was as follows:

Industry	Amortized Cost	Fair Value	% of Fair Value
Aerospace & Defense	$ 84,305	$ 85,531	9.37%
Automotive	54,165	54,767	6.00
Banking, Finance, Insurance & Real Estate	95,255	95,576	10.47
Business Services	97,642	98,776	10.83
Capital Equipment	18,379	18,096	1.98
Chemicals, Plastics & Rubber	27,291	26,596	2.91
Construction & Building	17,842	17,853	1.96
Consumer Services	49,155	48,985	5.37
Containers, Packaging & Glass	28,408	28,227	3.09
Durable Consumer Goods	22,979	23,066	2.53
Energy: Electricity	8,146	8,456	0.93
Energy: Oil & Gas	11,851	11,674	1.28
Environmental Industries	21,305	21,016	2.30
Healthcare & Pharmaceuticals	34,419	34,296	3.76
High Tech Industries	32,199	32,385	3.55
Hotel, Gaming & Leisure	32,241	32,202	3.53
Media: Advertising, Printing & Publishing	21,670	21,472	2.35
Metals & Mining	10,378	10,376	1.14
Non-durable Consumer Goods	41,881	41,865	4.59
Retail	9,802	9,538	1.05
Software	14,562	14,165	1.55
Structured Finance	75,631	71,170	7.80
Telecommunications	37,222	37,136	4.07
Transportation: Cargo	40,319	40,631	4.45
Transportation: Consumer	10,488	10,476	1.15
Utilities: Electric	5,922	5,903	0.65
Wholesale	13,835	12,268	1.34
Total	$917,292	$912,502	100.00%

The accompanying notes are an integral part of these consolidated financial statements.

CARLYLE GMS FINANCE, INC.
CONSOLIDATED SCHEDULE OF INVESTMENTS (Continued)
As of June 30, 2015
(dollar amounts in thousands)
(unaudited)

The geographical composition of investments—non-controlled/non-affiliated at fair value as of June 30, 2015 was as follows:

Geography	Amortized Cost	Fair Value	% of Fair Value
Cayman Islands	$ 73,234	$ 68,904	7.55%
Ireland	12,206	12,228	1.34
United Kingdom	23,081	22,989	2.52
United States	808,771	808,381	88.59
Total	$917,292	$912,502	100.00%

The accompanying notes are an integral part of these consolidated financial statements.

CARLYLE GMS FINANCE, INC.
CONSOLIDATED SCHEDULE OF INVESTMENTS
As of December 31, 2014
(dollar amounts in thousands)

Investments—non-controlled/non-affiliated (1)	Industry	Interest Rate	Maturity Date	Acquisition Date	Par Amount	Amortized Cost (6)	Fair Value (7)	Percentage of Net Assets
First Lien Debt (73.68%)								
Access CIG, LLC (2) (3) (5)	Business Services	6.00%	10/17/2021	10/16/2014	$15,000	$ 14,855	$ 14,865	4.40%
Accuvant Finance, LLC (2) (3) (5)	High Tech Industries	7.00	10/22/2020	4/22/2014	8,988	8,917	8,988	2.66
ACP Tower Merger Sub, Inc. (Telular Corporation) (2) (3) (4)	Telecommunications	5.50	6/24/2019	6/24/2013	5,781	5,764	5,689	1.68
AF Borrower LLC (Accuvant) (2) (3) (5)	High Tech Industries	6.25	1/28/2022	12/15/2014	12,000	11,762	11,842	3.50
Alpha Packaging Holdings, Inc. (2) (3) (4)	Containers, Packaging & Glass	5.25	5/12/2020	5/12/2014	11,567	11,554	11,301	3.34
American Tire Distributors, Inc. (2) (3) (5)	Automotive	5.75	6/1/2018	6/12/2014	3,192	3,193	3,116	0.92
Anaren, Inc. (2) (3) (4)	Telecommunications	5.50	2/18/2021	2/18/2014	11,497	11,396	11,363	3.36
APX Group, Inc. (5) (8)	Consumer Services	6.38	12/1/2019	10/15/2014	10,000	9,688	9,575	2.83
Blue Bird Body Company (2) (3) (4) (8)	Transportation: Consumer	6.50	6/27/2020	7/22/2014	11,250	10,719	10,940	3.24
Brooks Equipment Company, LLC (2) (3) (4)	Construction & Building	6.75	8/29/2020	8/29/2014	7,890	7,826	7,766	2.30
Capstone Logistics Acquisition, Inc. (2) (3) (4)	Transportation: Cargo	5.50	10/7/2021	10/3/2014	19,950	19,757	19,477	5.76
Castle Management Borrower LLC (Highgate Hotels L.P.) (2) (3) (4) (9)	Hotel, Gaming & Leisure	5.50	9/18/2020	10/10/2014	8,778	8,693	8,610	2.55
Central Security Group, Inc. (2) (3) (4)	Consumer Services	6.25	10/6/2020	10/3/2014	25,000	24,638	24,780	7.33
Consolidated Aerospace Manufacturing, LLC. (2) (3) (4)	Aerospace & Defense	5.00	3/27/2020	2/28/2014	6,730	6,708	6,558	1.94
CRCI Holdings Inc. (CLEAResult Consulting, Inc.) (2) (3) (4)	Utilities: Electric	5.25	7/10/2019	7/29/2014	5,985	5,962	5,858	1.73
DTZ U.S. Borrower, LLC (2) (3) (4)	Construction & Building	5.50	11/5/2021	10/28/2014	10,500	10,347	10,290	3.04
EP Minerals, LLC (2) (3) (4)	Metals & Mining	5.50	8/20/2020	8/20/2014	10,474	10,426	10,298	3.04
FCX Holdings Corp. (2) (3) (4)	Capital Equipment	5.50	8/4/2020	8/4/2014	10,149	10,141	9,942	2.94
Genex Holdings, Inc. (2) (3) (4)	Banking, Finance, Insurance & Real Estate	5.25	5/30/2021	5/22/2014	4,286	4,268	4,227	1.25
Green Energy Partners/Stonewall LLC (2) (3) (5) (10)	Energy: Electricity	6.50	11/13/2021	11/12/2014	8,300	8,136	8,338	2.46
Hercules Achievement, Inc. (Varsity Brands Holding Co., Inc.) (2) (3) (5)	Durable Consumer Goods	6.00	12/11/2021	12/10/2014	20,000	19,803	19,820	5.86
Indra Holdings Corp. (Totes Isotoner) (2) (3) (5)	Non-durable Consumer Goods	5.25	5/1/2021	4/29/2014	14,925	14,790	14,701	4.35
Landslide Holdings, Inc. (LANDesk Software) (2) (3) (4)	Software	5.00	2/25/2020	2/25/2014	9,875	9,878	9,705	2.87
Meritas Schools Holdings, LLC (2) (3) (4)	Consumer Services	7.00	6/25/2019	6/21/2013	7,080	7,025	7,138	2.11
Miller Heiman, Inc. (2) (3) (4)	Business Services	6.75	9/30/2019	10/1/2013	19,719	19,479	19,338	5.72
MRI Software LLC (2) (3) (4)	Software	5.25	2/4/2021	1/31/2014	14,888	14,823	14,560	4.30
MSX International, Inc. (2) (3) (4)	Automotive	6.00	8/21/2020	8/18/2014	11,176	11,072	11,039	3.26
NES Global Talent Finance US LLC (United Kingdom) (2) (3) (4) (8)	Energy: Oil & Gas	6.50	10/3/2019	10/2/2013	12,188	11,988	12,188	3.60
Novetta, LLC (2) (3) (4)	Aerospace & Defense	6.00	10/2/2020	11/19/2014	12,220	12,112	12,017	3.55

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CARLYLE GMS FINANCE, INC.
CONSOLIDATED SCHEDULE OF INVESTMENTS (Continued)
As of December 31, 2014
(dollar amounts in thousands)

Investments—non-controlled/non-affiliated (1)	Industry	Interest Rate	Maturity Date	Acquisition Date	Par Amount	Amortized Cost (6)	Fair Value (7)	Percentage of Net Assets
First Lien Debt (73.68%) (continued)								
Pelican Products, Inc. (2)(3)(4)	Containers, Packaging & Glass	5.25%	4/11/2020	4/8/2014	$ 7,897	$ 7,915	$ 7,748	2.29%
Prowler Acquisition Corp. (Pipeline Supply and Service, LLC) (2)(3)(4)	Wholesale	5.50	1/28/2020	1/24/2014	11,024	10,933	10,764	3.18
PSC Industrial Holdings Corp (2)(3)(4)	Environmental Industries	7.00	12/5/2020	12/5/2014	12,000	11,884	11,820	3.50
QoL Meds, LLC (2)(3)(4)	Retail	5.50	7/15/2020	7/14/2014	12,988	12,929	12,757	3.77
RCHP, Inc. (Regionalcare) (2)(3)(4)	Healthcare & Pharmaceuticals	6.00	4/23/2019	4/21/2014	19,792	19,612	19,630	5.80
SolAero Technologies Corp. (2)(3)(4)	Telecommunications	5.75	12/10/2020	12/9/2014	11,250	11,150	10,936	3.23
Stafford Logistics, Inc. (Custom Ecology, Inc.) (2)(3)(4)	Environmental Industries	6.75	6/26/2019	7/1/2013	9,540	9,466	9,006	2.66
Sterling Infosystems, Inc (2)(3)(4)	Business Services	5.50	5/13/2021	5/12/2014	8,955	8,916	8,895	2.63
Synarc-Biocore Holdings, LLC (2)(3)(4)	Healthcare & Pharmaceuticals	5.50	3/10/2021	3/6/2014	13,399	13,280	12,953	3.83
Systems Maintenance Services Holding, Inc. (2)(3)(4)	High Tech Industries	5.00	10/18/2019	10/18/2013	2,215	2,208	2,170	0.64
TASC, Inc (2)(3)(5)(8)	Aerospace & Defense	7.00	5/23/2020	12/17/2014	20,000	19,200	19,600	5.79
The SI Organization, Inc. (2)(3)(4)	Aerospace & Defense	5.75	11/23/2019	5/16/2014	9,372	9,288	9,465	2.80
The Topps Company, Inc. (2)(3)(4)	Non-durable Consumer Goods	7.25	10/2/2018	10/1/2013	11,512	11,422	11,363	3.36
TruckPro, LLC (2)(3)(4)	Automotive	5.75	8/6/2018	8/6/2013	9,499	9,456	9,415	2.78
Violin Finco S.A.R.L. (Alexander Mann Solutions) (United Kingdom) (2)(3)(4)(8)	Business Services	5.75	12/20/2019	12/18/2013	12,375	12,274	12,375	3.66
Vitera Healthcare Solutions, LLC (2)(3)(4)	Healthcare & Pharmaceuticals	6.00	11/4/2020	11/1/2013	9,533	9,453	9,462	2.80
Zest Holdings, LLC (2)(3)(4)	Durable Consumer Goods	5.25	8/16/2020	8/18/2014	12,344	12,344	12,099	3.58
First Lien Debt Total						$ 517,450	$514,787	152.19%
Second Lien Debt (15.44%)								
AF Borrower LLC (Accuvant) (2)(3)(5)	High Tech Industries	10.00	1/28/2023	12/15/2014	8,000	7,921	7,839	2.32
Allied Security Holdings LLC (2)(3)(5)	Business Services	8.00	8/14/2021	9/25/2014	8,000	7,942	7,850	2.32
Ascensus Inc. (2)(3)(4)	Banking, Finance, Insurance & Real Estate	9.00	12/2/2020	12/2/2013	8,000	7,896	7,983	2.36
Berlin Packaging L.L.C. (2)(3)(5)	Containers, Packaging & Glass	7.75	10/1/2022	9/24/2014	9,200	9,132	9,062	2.68
Creganna Finance (US) LLC (Ireland) (2)(3)(5)(8)	Healthcare & Pharmaceuticals	9.00	6/1/2022	11/20/2014	9,900	9,804	9,402	2.78
Drew Marine Group Inc. (2)(3)(5)	Chemicals, Plastics & Rubber	8.00	5/19/2021	11/19/2013	12,500	12,475	11,720	3.46
Genex Holdings, Inc. (2)(3)(5)	Banking, Finance, Insurance & Real Estate	8.75	5/30/2022	5/22/2014	4,990	4,936	4,740	1.40
Institutional Shareholder Services Inc. (2)(3)(5)	Banking, Finance, Insurance & Real Estate	8.50	4/30/2022	4/30/2014	12,500	12,386	11,600	3.43
Jazz Acquisition, Inc. (Wencor) (2)(3)(5)	Aerospace & Defense	7.75	6/19/2022	6/25/2014	6,700	6,671	6,283	1.86
Landslide Holdings, Inc. (LANDesk Software) (2)(3)(5)	Software	8.25	2/25/2021	2/25/2014	3,500	3,477	3,335	0.99

The accompanying notes are an integral part of these consolidated financial statements.

CARLYLE GMS FINANCE, INC.
CONSOLIDATED SCHEDULE OF INVESTMENTS (Continued)
As of December 31, 2014
(dollar amounts in thousands)

Investments—non-controlled/non-affiliated (1)	Industry	Interest Rate	Maturity Date	Acquisition Date	Par Amount	Amortized Cost (6)	Fair Value (7)	Percentage of Net Assets
Second Lien Debt (15.44%) (continued)								
Phillips-Medisize Corporation (2) (3) (5)	Chemicals, Plastics & Rubber	8.25%	6/16/2022	6/13/2014	$ 5,000	$ 4,954	$ 4,743	1.40%
Prowler Acquisition Corp. (Pipeline Supply and Service, LLC) (2) (3) (5)	Wholesale	9.50	7/28/2020	1/24/2014	3,000	2,947	2,816	0.83
Systems Maintenance Services Holding, Inc. (2) (3) (4)	High Tech Industries	9.25	10/18/2020	10/18/2013	6,000	5,953	5,830	1.72
TASC, Inc (5) (8)	Aerospace & Defense	12.00	5/23/2021	12/17/2014	6,000	5,880	6,060	1.79
Vitera Healthcare Solutions, LLC (2) (3) (5)	Healthcare & Pharmaceuticals	9.25	11/4/2021	11/1/2013	2,000	1,973	1,929	0.57
Watchfire Enterprises, Inc. (2) (3) (5)	Media: Advertising, Printing &Publishing	9.00	10/2/2021	10/2/2013	7,000	6,914	6,682	1.98
Second Lien Debt Total						$ 111,261	$107,874	31.89%

Investments—non-controlled/non-affiliated (1)	Industry	Maturity Date	Acquisition Date	Par Amount	Amortized Cost (6)	Fair Value (7)	Percentage of Net Assets
Structured Finance Obligations (10.88%) (5) (8) (11)							
1776 CLO I, Ltd., Subordinated Notes	Structured Finance	5/8/2020	2/27/2014	$11,750	$ 10,106	$ 8,813	2.61%
AIMCO CLO, Series 2014-A, Class F, 5.47% (2)	Structured Finance	7/20/2026	5/12/2014	2,700	2,350	2,187	0.65
AIMCO CLO, Series 2014-A, Subordinated Notes	Structured Finance	7/20/2026	5/12/2014	11,500	9,732	9,832	2.91
Ares XXVIII CLO Ltd., Subordinated Notes	Structured Finance	10/17/2024	10/10/2013	7,000	5,242	5,278	1.56
Babson CLO Ltd. 2005-I, Subordinated Notes	Structured Finance	4/15/2019	7/16/2013	7,632	432	161	0.05
Blackrock Senior Income Series V, Limited, Subordinated Notes (Ireland)	Structured Finance	8/13/2019	3/11/2014	4,600	2,592	2,521	0.75
CIFC Funding 2007-III, Ltd., Income Notes	Structured Finance	7/26/2021	5/20/2014	6,500	3,525	3,510	1.04
Clydesdale CLO 2005, Ltd., Subordinated Notes	Structured Finance	12/6/2017	7/15/2013	5,750	—	10	0.00
Flagship VII Limited, Subordinated Notes	Structured Finance	1/20/2026	12/18/2013	7,000	5,823	5,628	1.66
GoldenTree Loan Opportunities V, Limited, Subordinated Notes	Structured Finance	10/18/2021	10/11/2013	5,000	3,136	2,920	0.86
ING Investment Management CLO IV, Ltd., Preferred Shares	Structured Finance	6/14/2022	5/7/2014	8,925	5,327	5,690	1.68
ING IM CLO 2012-1 LLC, Preferred Shares	Structured Finance	3/14/2022	12/5/2014	3,500	2,367	2,494	0.74
ING IM CLO 2012-1 LLC, Subordinated Notes	Structured Finance	3/14/2022	12/5/2014	2,500	1,691	1,781	0.53
Landmark VIII, CLO Ltd., Income Notes	Structured Finance	10/19/2020	10/22/2013	8,600	3,603	3,337	0.99
MSIM Peconic Bay, Ltd., Subordinated Notes	Structured Finance	7/20/2019	10/22/2013	4,500	1,210	1,018	0.30
Nautique Funding Ltd., Income Notes	Structured Finance	4/15/2020	2/24/2014	5,000	2,991	2,980	0.88
Pacifica CDO V, Ltd., Subordinated Notes	Structured Finance	1/26/2020	3/28/2014	4,700	87	70	0.02
Steele Creek CLO 2014-I, LLC, Subordinated Notes	Structured Finance	8/21/2026	7/18/2014	18,000	15,030	14,040	4.15
Venture VI CDO Limited, Preference Shares	Structured Finance	8/3/2020	4/17/2014	7,000	3,746	3,731	1.09
Structured Finance Obligations Total					$ 78,990	$ 76,001	22.47%
Total Investments—non-controlled/non-affiliated					$ 707,701	$698,662	206.55%

The accompanying notes are an integral part of these consolidated financial statements.

CARLYLE GMS FINANCE, INC.
CONSOLIDATED SCHEDULE OF INVESTMENTS (Continued)
As of December 31, 2014
(dollar amounts in thousands)

(1) Unless otherwise indicated, issuers of debt investments of GMS Finance are domiciled in the United States and issuers of structured finance obligations are domiciled in the Cayman Islands. Under the Investment Company Act, the Company would be deemed to "control" a portfolio company if the Company owned more than 25% of its outstanding voting securities and/or held the power to exercise control over the management or policies of the portfolio company. As of December 31, 2014, the Company does not "control" any of these portfolio companies. Under the Investment Company Act, the Company would be deemed an "affiliated person" of a portfolio company if the Company owns 5% or more of the portfolio company's outstanding voting securities. As of December 31, 2014, the Company is not an "affiliated person" of any portfolio company.

(2) Variable rate loans to the portfolio companies and variable rate notes of structured finance obligations bear interest at a rate that may be determined by reference to either LIBOR or an alternate base rate (commonly based on the Federal Funds Rate or the Prime Rate), which generally resets quarterly. For each such loan and note, the Company has provided the interest rate in effect as of December 31, 2014.

(3) Loan includes interest rate floor feature.

(4) These assets are owned by the Borrower Sub. The Borrower Sub has the Revolving Credit Facility. The lenders of the Revolving Credit Facility have a first lien security interest in substantially all of the assets of the Borrower Sub (see Note 5, Borrowings) and such assets are assets of the Borrower Sub to satisfy obligations of the Borrower Sub under the Revolving Credit Facility and are not available to creditors of the Company.

(5) These assets are owned by the Company. The Company has the Facility, which was subsequently amended on the First Facility Amendment Effective Date. The lenders of the Facility have a perfected first-priority security interest in substantially all of the portfolio investments held by the Company. The lenders of the Facility also have a perfected first-priority security interest in the unfunded investor equity capital commitments (provided that the amount of unfunded capital commitments ultimately available to the lenders is limited to $100,000) and such security interest will be released once the Company receives equity capital contributions in an amount equal to $100,000 subsequent to the First Facility Amendment Effective Date (see Note 5, Borrowings).

(6) Amortized cost represents original cost, including origination fees, adjusted for the accretion/amortization of discounts/premiums, as applicable, on debt investments using the effective interest method. Equity tranche structured finance obligations are recorded at amortized cost using an effective interest method.

(7) Fair value is determined in good faith by or under the direction of the Board of Directors of the Company (Notes 2 and 3), pursuant to the Company's valuation policies.

(8) The Company has determined the indicated investments are non-qualifying assets under Section 55(a) of the Investment Company Act. Under the Investment Company Act, the Company may not acquire any non-qualifying assets unless, at the time such acquisition is made, qualifying assets represent at least 70% of the Company's total assets.

(9) Castle Management Borrower LLC (Highgate Hotels L.P.) has an undrawn delayed draw term loan of $1,200 par value at LIBOR + 4.50%, 1.00% floor. An unused rate of 1.00% is charged on the principal while undrawn. The delayed draw term loan is owned by the Company.

(10) Green Energy Partners/Stonewall LLC has an undrawn delayed draw term loan of $8,300 par value at LIBOR + 5.50%, 1.00% floor. An unused rate of 3.00% is charged on the principal while undrawn.

(11) As of December 31, 2014, the Company has a greater than 25% but less than 50% equity or subordinated notes ownership interest in certain structured finance obligations. These investments have governing documents that preclude the Company from controlling management of the entity and therefore the Company has determined that the issuer of the investment is not a controlled affiliate or a non-controlled affiliate because the investments are not "voting securities".

The accompanying notes are an integral part of these consolidated financial statements.

CARLYLE GMS FINANCE, INC.
CONSOLIDATED SCHEDULE OF INVESTMENTS (Continued)
As of December 31, 2014
(dollar amounts in thousands)

As of December 31, 2014, investments—non-controlled/non-affiliated at fair value consisted of the following:

Type	Amortized Cost	Fair Value	% of Fair Value
First Lien Debt	$517,450	$514,787	73.68%
Second Lien Debt	111,261	107,874	15.44
Structured Finance Obligations	78,990	76,001	10.88
Total	$707,701	$698,662	100.00%

The industrial composition of investments—non-controlled/non-affiliated at fair value as of December 31, 2014 was as follows:

Industry	Amortized Cost	Fair Value	% of Fair Value
Aerospace & Defense	$ 59,859	$ 59,983	8.59%
Automotive	23,721	23,570	3.37
Banking, Finance, Insurance & Real Estate	29,486	28,550	4.09
Business Services	63,466	63,323	9.06
Capital Equipment	10,141	9,942	1.42
Chemicals, Plastics & Rubber	17,429	16,463	2.36
Construction & Building	18,173	18,056	2.58
Consumer Services	41,351	41,493	5.94
Containers, Packaging & Glass	28,601	28,111	4.02
Durable Consumer Goods	32,147	31,919	4.57
Energy: Electricity	8,136	8,338	1.19
Energy: Oil & Gas	11,988	12,188	1.74
Environmental Industries	21,350	20,826	2.98
Healthcare & Pharmaceuticals	54,122	53,376	7.64
High Tech Industries	36,761	36,669	5.25
Hotel, Gaming & Leisure	8,693	8,610	1.23
Media: Advertising, Printing & Publishing	6,914	6,682	0.96
Metals & Mining	10,426	10,298	1.47
Non-durable Consumer Goods	26,212	26,064	3.73
Retail	12,929	12,757	1.83
Software	28,178	27,600	3.95
Structured Finance	78,990	76,001	10.88
Telecommunications	28,310	27,988	4.01
Transportation: Cargo	19,757	19,477	2.79
Transportation: Consumer	10,719	10,940	1.57
Utilities: Electric	5,962	5,858	0.84
Wholesale	13,880	13,580	1.94
Total	$707,701	$698,662	100.00%

The accompanying notes are an integral part of these consolidated financial statements.

CARLYLE GMS FINANCE, INC.
CONSOLIDATED SCHEDULE OF INVESTMENTS (Continued)
As of December 31, 2014
(dollar amounts in thousands)

The geographical composition of investments—non-controlled/non-affiliated at fair value as of December 31, 2014 was as follows:

Geography	Amortized Cost	Fair Value	% of Fair Value
Cayman Islands	$ 76,398	$ 73,480	10.52%
Ireland	12,396	11,923	1.70
United Kingdom	24,262	24,563	3.51
United States	594,645	588,696	84.27
Total	$707,701	$698,662	100.00%

The accompanying notes are an integral part of these consolidated financial statements.

CARLYLE GMS FINANCE, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (unaudited)
June 30, 2015
(dollar amounts in thousands, except per share data)

1. ORGANIZATION

Carlyle GMS Finance, Inc. ("GMS Finance" or the "Company") is a Maryland corporation formed on February 8, 2012, and structured as an externally managed, non-diversified closed-end investment company. On May 2, 2013, GMS Finance filed its election to be regulated as a business development company ("BDC") under the Investment Company Act of 1940, as amended (together with the rules and regulations promulgated thereunder, the "Investment Company Act"). GMS Finance has elected to be treated, and intends to continue to comply with the requirements to qualify annually, as a regulated investment company ("RIC") under Subchapter M of the Internal Revenue Code of 1986, as amended (the "Code").

GMS Finance's investment objective is to generate current income and capital appreciation primarily through debt investments in U.S. middle market companies, which the Company defines as companies with approximately $10 million to $100 million of earnings before interest, taxes, depreciation and amortization ("EBITDA"). GMS Finance seeks to achieve its investment objective by investing primarily in first lien senior secured loans (which may include stand-alone first lien loans; "last out" first lien loans, which are loans that have a secondary priority behind "first out" first lien loans; "unitranche" loans, which are loans that combine features of first lien, second lien or subordinated loans, generally in a first lien position; and secured corporate bonds with similar features to these categories of first lien loans) and second lien senior secured loans (which may include senior secured loans, and, to a lesser extent, secured corporate bonds, with a secondary priority behind first lien loans) (collectively, "Middle Market Senior Loans"). The Middle Market Senior Loans are generally made to private U.S. middle market companies that are, in many cases, controlled by private equity firms. Depending on market conditions, GMS Finance expects that between 70% and 80% of the value of its assets will be invested in Middle Market Senior Loans, with the balance invested in higher-yielding investments, which may include middle market junior loans such as corporate mezzanine loans, equity co-investments, broadly syndicated first lien and second lien senior secured loans, high-yield bonds, structured finance obligations and/or other opportunistic investments. GMS Finance expects that the composition of its portfolio will change over time given Carlyle GMS Investment Management L.L.C.'s (the "Investment Adviser") view on, among other things, the economic and credit environment (including with respect to interest rates) in which the Company is operating.

On May 2, 2013, GMS Finance completed its initial closing of capital commitments (the "Initial Closing") and subsequently commenced substantial investment operations. Prior to May 2, 2013, GMS Finance had not commenced operations and was a development stage company as defined by Accounting Standards Codification ("ASC") 915, Development Stage Entity. During this time, GMS Finance focused substantially all of its efforts on establishing its business. If GMS Finance has not consummated an initial public offering of its common stock that results in an unaffiliated public float of at least 15% of the aggregate capital commitments received prior to the date of such initial public offering (a "Qualified IPO") by May 2, 2018, then GMS Finance (subject to any necessary stockholder approvals and applicable requirements of the Investment Company Act) will use its best efforts to wind down and/or liquidate and dissolve.

GMS Finance is an "emerging growth company" as defined in the Jumpstart Our Business Startups Act of 2012. GMS Finance will remain an emerging growth company for up to five years following an initial public offering, although if the market value of the common stock that is held by non-affiliates exceeds $700 million as of any June 30 before that time, GMS Finance would cease to be an emerging growth company as of the following December 31.

Carlyle GMS Finance SPV LLC (the "Borrower Sub") is a Delaware limited liability company that was formed on January 3, 2013. The Borrower Sub invests in first and second lien senior secured loans. The Borrower Sub is a wholly-owned subsidiary of the Company and is consolidated in these consolidated financial statements commencing from the date of its formation, January 3, 2013.

On June 26, 2015, the Company completed a $400 million term debt securitization (the "2015-1 Debt Securitization"). The notes offered in the 2015-1 Debt Securitization (the "2015-1 Notes") were issued by Carlyle GMS Finance MM CLO 2015-1 LLC (the "2015-1 Issuer"), a wholly-owned and consolidated subsidiary of the Company, and are secured by a diversified portfolio consisting primarily of first and second lien senior secured loans. Refer to Note 6 for details. The 2015-1 Issuer is consolidated in these consolidated financial statements commencing from the date of its formation, May 8, 2015.

GMS Finance is externally managed by the Investment Adviser, an investment adviser registered under the Investment Advisers Act of 1940, as amended. Carlyle GMS Finance Administration L.L.C. (the "Administrator") provides the administrative services necessary for GMS Finance to operate. Both the Investment Adviser and the Administrator are wholly-owned subsidiaries of Carlyle Investment Management L.L.C., a subsidiary of The Carlyle Group L.P. "Carlyle" refers to The Carlyle Group L.P., its affiliates and its consolidated subsidiaries, a global alternative asset manager publicly traded on NASDAQ Global Select Market under the symbol "CG". Refer to the sec.gov website for further information on Carlyle.

As a BDC, GMS Finance is required to comply with certain regulatory requirements. As part of these requirements, the Company must not acquire any assets other than "qualifying assets" specified in the Investment Company Act unless, at the time the acquisition is made, at least 70% of its total assets are qualifying assets (with certain limited exceptions).

GMS Finance has elected to be treated, and intends to continue to comply with the requirements to qualify annually, as a RIC under the Code, and operates in a manner so as to qualify for the tax treatment applicable to RICs. To qualify as a RIC, GMS Finance must, among other things, meet certain source-of-income and asset diversification requirements and timely distribute to its stockholders generally at least 90% of its investment company taxable income, as defined by the Code, for each year. Pursuant to this election, GMS Finance generally does not have to pay corporate level taxes on any income that it distributes to stockholders, provided that GMS Finance satisfies those requirements.

2. SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The consolidated financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States ("US GAAP"). The Company is an investment company for the purposes of accounting and financial reporting in accordance with Accounting Standards Update ("ASU") 2013-08, Financial Services—Investment Companies ("ASU 2013-08"): *Amendments to the Scope, Measurement and Disclosure Requirements*. The consolidated financial statements include the accounts of GMS Finance and its wholly-owned subsidiaries, the Borrower Sub and the 2015-1 Issuer. All significant intercompany balances and transactions have been eliminated. US GAAP for an investment company requires investments to be recorded at fair value. The carrying value for all other assets and liabilities approximates their fair value.

The interim financial statements have been prepared in accordance with US GAAP for interim financial information and pursuant to the requirements for reporting on Form 10-Q and Articles 6 and 10 of Regulation S-X. Accordingly, certain disclosures accompanying the annual consolidated financial statements prepared in accordance with US GAAP are omitted. In the opinion of management, all adjustments considered necessary for the fair presentation of consolidated financial statements for the interim period presented have been included. These adjustments are of a normal, recurring nature. This Form 10-Q should be read in conjunction with the Company's annual report on Form 10-K for the year ended December 31, 2014. The results of operations for the three month and six month periods ended June 30, 2015 are not necessarily indicative of the operating results to be expected for the full year.

Use of Estimates

The preparation of consolidated financial statements in conformity with US GAAP requires management to make assumptions and estimates that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Management's estimates are based on historical experiences and other factors, including expectations of future events that management believes to be reasonable under the circumstances. It also requires management to exercise judgment in the process of applying the Company's accounting policies. Assumptions and estimates regarding the valuation of investments and their resulting impact on base management and incentive fees involve a higher degree of judgment and complexity and these assumptions and estimates may be significant to the consolidated financial statements. Actual results could differ from these estimates and such differences could be material.

Investments

Investment transactions are recorded on the trade date. Realized gains or losses are measured by the difference between the net proceeds from the repayment or sale and the amortized cost basis of the investment using the specific identification method without regard to unrealized appreciation or depreciation previously recognized, and includes investments charged off during the period, net of recoveries. Net change in unrealized appreciation or depreciation on investments as presented in the accompanying Consolidated Statements of Operations reflects the net change in the fair value of investments, including the reversal of previously recorded unrealized appreciation or depreciation when gains or losses are realized. See Note 3 for further information about fair value measurements.

Cash

Cash consists of demand deposits. The Company's cash is held with two large financial institutions and cash held in such financial institutions may, at times, exceed the Federal Deposit Insurance Corporation insured limit.

Revenue Recognition

Interest from Investments and Realized Gain/Loss on Investments

Interest income is recorded on an accrual basis and includes the accretion of discounts and amortization of premiums. Discounts from and premiums to par value on debt securities purchased are accreted/amortized into interest income over the life of the respective security using the effective interest method. The amortized cost of debt investments represents the original cost, including origination fees, adjusted for the accretion of discounts and amortization of premiums, if any. At time of exit, the realized gain or loss on an investment is the difference between the amortized cost at time of exit and the cash received at exit using the specific identification method.

The Company may have loans in its portfolio that contain payment-in-kind ("PIK") provisions. PIK represents interest that is accrued and recorded as interest income at the contractual rates, increases the loan principal on the respective capitalization dates, and is generally due at maturity. As of June 30, 2015 and December 31, 2014 and for the three month and six month periods ended June 30, 2015 and 2014, no loans in the portfolio contained PIK provisions.

Interest income from investments in the "equity" class of collateralized loan obligation ("CLO") funds, which are included in "structured finance obligations", is recorded based upon an estimation of an effective yield to expected maturity utilizing assumed cash flows in accordance with ASC 325-40, *Beneficial Interests in Securitized Financials Assets*. We monitor the expected cash inflows from our CLO equity investments, including the expected residual payments and the effective yield is determined and updated at least quarterly. In estimating these cash flows, there are a number of assumptions that are subject to uncertainties, including the amount and timing of principal payments which are impacted by prepayments, repurchases, defaults,

delinquencies and liquidations of or within the CLO funds. These uncertainties are difficult to predict and are subject to future events that could have impacted the Company's estimates if the information was known at the time. As a result, actual results may differ significantly from these estimates. Interest income from investments in the notes of CLO funds, which are also included in "structured finance obligations", is recorded on an accrual basis.

Other Income

Other income may include income such as consent, waiver and amendment fees associated with the Company's investment activities as well as any fees for managerial assistance services rendered by the Company to portfolio companies. Such fees are recognized as income when earned or the services are rendered. The Company may receive a fee for guaranteeing the outstanding debt of a portfolio company. Such fee will be amortized into other income over the life of the guarantee. The unamortized amount, if any, is included in other assets in the accompanying Consolidated Statements of Assets and Liabilities.

Non-Accrual Income

Loans are generally placed on non-accrual status when principal or interest payments are past due 30 days or more or when there is reasonable doubt that principal or interest will be collected in full. Accrued and unpaid interest is generally reversed when a loan is placed on non-accrual status. Interest payments received on non-accrual loans may be recognized as income or applied to principal depending upon management's judgment regarding collectability. Non-accrual loans are restored to accrual status when past due principal and interest are paid current and, in management's judgment, are likely to remain current. Management may not place a loan on non-accrual status if the loan has sufficient collateral value and is in the process of collection. As of June 30, 2015 and December 31, 2014, and for the three month and six month periods ended June 30, 2015 and 2014, no loans in the portfolio were on non-accrual status.

Revolving Credit Facility, Facility and 2015-1 Notes Related Costs, Expenses and Deferred Financing Costs (See Note 5, Borrowings, and Note 6, 2015-1 Notes)

Interest expense and unused commitment fees on the Revolving Credit Facility and Facility are recorded on an accrual basis. Unused commitment fees are included in credit facility fees in the accompanying Consolidated Statements of Operations.

The Revolving Credit Facility and Facility are recorded at carrying value, which approximates fair value.

Deferred financing costs include capitalized expenses related to the closing of the Revolving Credit Facility and Facility. Amortization of deferred financing costs for each credit facility is computed on the straight-line basis over the respective term of each credit facility, except for a portion that was accelerated in connection with the amendment of the Revolving Credit Facility as described in Note 5. The amortization of such costs is included in credit facility fees in the accompanying Consolidated Statements of Operations.

Deferred financing costs also include capitalized expenses including structuring and arrangement fees related to the offering of the 2015-1 Notes. Amortization of deferred financing costs for the 2015-1 Notes is computed on the effective yield method over the term of 2015-1 Notes. The amortization of such costs is included in interest expense in the accompanying Consolidated Statements of Operations.

Organization and Offering Costs

The Company agreed to reimburse the Investment Adviser for initial organization and offering costs incurred on behalf of GMS Finance up to $1,500. As of June 30, 2015 and December 31, 2014, $1,500 of organization and offering costs had been incurred by GMS Finance and $57 of excess organization and offering costs had been incurred by the Investment Adviser. The $1,500 of incurred organization and offering costs are

allocated to all stockholders based on their respective capital commitment and are re-allocated amongst all stockholders at the time of each capital drawdown subsequent to the Initial Closing. The Company's organization costs incurred are expensed and the offering costs are charged against equity when incurred.

Income Taxes

For federal income tax purposes, GMS Finance has elected to be treated as a RIC under the Code, and intends to make the required distributions to its stockholders as specified therein. In order to qualify as a RIC, GMS Finance must meet certain minimum distribution, source-of-income and asset diversification requirements. If such requirements are met, then GMS Finance is generally required to pay income taxes only on the portion of its taxable income and gains it does not distribute.

The minimum distribution requirements applicable to RICs require GMS Finance to distribute to its stockholders at least 90% of its investment company taxable income ("ICTI"), as defined by the Code, each year. Depending on the level of ICTI earned in a tax year, GMS Finance may choose to carry forward ICTI in excess of current year distributions into the next tax year. Any such carryover ICTI must be distributed before the end of that next tax year through a dividend declared prior to filing the final tax return related to the year which generated such ICTI.

In addition, based on the excise distribution requirements, GMS Finance is subject to a 4% nondeductible federal excise tax on undistributed income unless GMS Finance distributes in a timely manner an amount at least equal to the sum of (1) 98% of its ordinary income for each calendar year, (2) 98.2% of capital gain net income (both long-term and short-term) for the one-year period ending October 31 in that calendar year and (3) any income realized, but not distributed, in the preceding year. For this purpose, however, any ordinary income or capital gain net income retained by GMS Finance that is subject to corporate income tax is considered to have been distributed. GMS Finance intends to make sufficient distributions each taxable year to satisfy the excise distribution requirements.

The Company evaluates tax positions taken or expected to be taken in the course of preparing its consolidated financial statements to determine whether the tax positions are "more-likely than not" to be sustained by the applicable tax authority. All penalties and interest associated with income taxes, if any, are included in income tax expense.

The Borrower Sub and the 2015-1 Issuer are disregarded entities for tax purposes and are consolidated with the tax return of GMS Finance.

Capital Calls and Dividends and Distributions to Common Stockholders

The Company records the shares issued in connection with capital calls as of the effective date, or due date, of the capital call, which is the date shares are issued. To the extent that the Company has taxable income available, the Company intends to make quarterly distributions to its common stockholders. Dividends and distributions to common stockholders are recorded on the record date. The amount to be distributed is determined by the Board of Directors each quarter and is generally based upon the taxable earnings estimated by management and available cash. Net realized capital gains, if any, are generally distributed at least annually, although the Company may decide to retain such capital gains for investment.

The Company has adopted a dividend reinvestment plan that provides for reinvestment of any distributions on behalf of its stockholders, for those who have elected to participate in the plan. As a result of adopting such a plan, if the Board of Directors authorizes, and GMS Finance declares a cash dividend or distribution, the stockholders who have elected to participate in the dividend reinvestment plan would have their cash dividends or distributions automatically reinvested in additional shares of the Company's common stock, rather than receiving cash. Prior to a Qualified IPO, the Company intends to use primarily newly issued shares of its

common stock to implement the plan issued at the net asset value per share most recently determined by the Board of Directors. After a Qualified IPO, the Company intends to use primarily newly issued shares to implement the plan so long as the market value per share is equal to or greater than the net asset value per share as of the close of business on the relevant payment date for such dividend or distribution. If the market value per share is less than the net asset value per share as of the close of business on the relevant payment date, the plan administrator would purchase the common stock on behalf of participants in the open market, unless the Company instructs the plan administrator otherwise.

Functional Currency

The functional currency of the Company is the U.S. Dollar and all transactions were in U.S. Dollars.

Recent Accounting Standards Updates

On April 7, 2015, the Financial Accounting Standards Board issued ASU 2015-3, *Interest—Imputation of Interest (Subtopic 835-30—Simplifying the Presentation of Debt Issuance Costs* ("ASU 2015-3"). ASU 2015-3 requires debt issuance costs related to a recognized debt liability to be presented in the balance sheet as a direct deduction from the carrying amount of that debt liability, consistent with debt discounts and premiums. This guidance is effective for the Company on January 1, 2016 and the ASU requires the guidance to be applied on a retrospective basis. This guidance is not expected to have a material impact on the Company's consolidated financial statements upon adoption.

3. FAIR VALUE MEASUREMENTS

The Company applies fair value accounting in accordance with the terms of Financial Accounting Standards Board ASC Topic 820, *Fair Value Measurement* ("ASC 820"). ASC 820 defines fair value as the amount that would be exchanged to sell an asset or transfer a liability in an orderly transfer between market participants at the measurement date. The Company values securities/instruments traded in active markets on the measurement date by multiplying the closing price of such traded securities/instruments by the quantity of shares or amount of the instrument held. The Company may also obtain quotes with respect to certain of its investments, such as its securities/instruments traded in active markets and its liquid securities/instruments that are not traded in active markets, from pricing services, brokers, or counterparties (i.e. "consensus pricing"). When doing so, the Company determines whether the quote obtained is sufficient according to US GAAP to determine the fair value of the security. The Company may use the quote obtained or alternative pricing sources may be utilized including valuation techniques typically utilized for illiquid securities/instruments.

Securities/instruments that are illiquid or for which the pricing source does not provide a valuation or methodology or provides a valuation or methodology that, in the judgment of the Investment Adviser or GMS Finance's Board of Directors, does not represent fair value shall each be valued as of the measurement date using all techniques appropriate under the circumstances and for which sufficient data is available. These valuation techniques may vary by investment and include comparable public market valuations, comparable precedent transaction valuations and/or discounted cash flow analyses. The process generally used to determine the applicable value is as follows: (i) the value of each portfolio company or investment is initially reviewed by the investment professionals responsible for such portfolio company or investment and, for non-traded investments, a standardized template designed to approximate fair market value based on observable market inputs, updated credit statistics and unobservable inputs is used to determine a preliminary value, which is also reviewed alongside consensus pricing, where available; (ii) preliminary valuation conclusions are documented and reviewed by a valuation committee comprised of members of senior management; (iii) the Board of Directors engages a third-party valuation firm to provide positive assurance on portions of the Middle Market Senior Loans and equity investments portfolio each quarter (such that each non-traded investment is reviewed by a third-party valuation firm at least once on a rolling twelve month basis) including a review of management's preliminary valuation and conclusion on fair value; (iv) the Audit Committee of the Board of Directors (the "Audit

Committee") reviews the assessments of the Investment Adviser and the third-party valuation firm and provides the Board of Directors with any recommendations with respect to changes to the fair value of each investment in the portfolio; and (v) the Board of Directors discusses the valuation recommendations of the Audit Committee and determines the fair value of each investment in the portfolio in good faith based on the input of the Investment Adviser and, where applicable, the third-party valuation firm.

All factors that might materially impact the value of an investment are considered, including, but not limited to the assessment of the following factors, as relevant:

- the nature and realizable value of any collateral;
- call features, put features and other relevant terms of debt;
- the portfolio company's leverage and ability to make payments;
- the portfolio company's public or private credit rating;
- the portfolio company's actual and expected earnings and discounted cash flow;
- prevailing interest rates and spreads for similar securities and expected volatility in future interest rates;
- the markets in which the portfolio company does business and recent economic and/or market events; and
- comparisons to comparable transactions and publicly traded securities.

Investment performance data utilized are the most recently available financial statements and compliance certificates received from the portfolio companies as of the measurement date which in many cases may reflect a lag in information.

Due to the inherent uncertainty of determining the fair value of investments that do not have a readily available market value, the fair value of the Company's investments may fluctuate from period to period. Because of the inherent uncertainty of valuation, these estimated values may differ significantly from the values that would have been reported had a ready market for the investments existed, and it is reasonably possible that the difference could be material.

In addition, changes in the market environment and other events that may occur over the life of the investments may cause the realized gains or losses on investments to be different from the net change in unrealized appreciation or depreciation currently reflected in the consolidated financial statements as of June 30, 2015 and December 31, 2014.

US GAAP establishes a hierarchical disclosure framework which ranks the level of observability of market price inputs used in measuring investments at fair value. The observability of inputs is impacted by a number of factors, including the type of investment and the characteristics specific to the investment and state of the marketplace, including the existence and transparency of transactions between market participants. Investments with readily available quoted prices or for which fair value can be measured from quoted prices in active markets generally have a higher degree of market price observability and a lesser degree of judgment applied in determining fair value.

Investments measured and reported at fair value are classified and disclosed based on the observability of inputs used in determination of fair values, as follows:

- Level I—inputs to the valuation methodology are quoted prices available in active markets for identical investments as of the reporting date. The types of financial instruments in Level I generally include unrestricted securities, including equities and derivatives, listed in active markets. The Company does not adjust the quoted price for these investments, even in situations where the Company holds a large position and a sale could reasonably impact the quoted price.

- Level II—inputs to the valuation methodology are either directly or indirectly observable as of the reporting date and are those other than quoted prices in active markets. The type of financial instruments in this category generally includes less liquid and restricted securities listed in active markets, securities traded in other than active markets, government and agency securities, and certain over-the-counter derivatives where the fair value is based on observable inputs.
- Level III—inputs to the valuation methodology are unobservable and significant to overall fair value measurement. The inputs into the determination of fair value require significant management judgment or estimation. Financial instruments that are in this category generally include investments in privately-held entities, collateralized loan obligations, and certain over-the-counter derivatives where the fair value is based on unobservable inputs.

In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, an investment's level within the fair value hierarchy is based on the lowest level of input that is significant to the overall fair value measurement. The Investment Adviser's assessment of the significance of a particular input to the fair value measurement in its entirety requires judgment, and considers factors specific to the investment.

Transfers between levels, if any, are recognized at the beginning of the quarter in which the transfers occur. For the three month and six month periods ended June 30, 2015 and 2014, there were no transfers between levels.

The following tables summarize the Company's investments measured at fair value on a recurring basis by the above fair value hierarchy levels as of June 30, 2015 and December 31, 2014:

	June 30, 2015			
	Level I	Level II	Level III	Total
Assets				
First Lien Debt	$ —	$9,700	$651,606	$661,306
Second Lien Debt	—	—	177,811	177,811
Structured Finance Obligations	—	—	71,170	71,170
Equity Investments	—	—	2,215	2,215
Total	$ —	$9,700	$902,802	$912,502

	December 31, 2014			
	Level I	Level II	Level III	Total
Assets				
First Lien Debt	$ —	$9,575	$505,212	$514,787
Second Lien Debt	—	—	107,874	107,874
Structured Finance Obligations	—	—	76,001	76,001
Total	$ —	$9,575	$689,087	$698,662

The changes in the Company's investments at fair value for which the Company has used Level III inputs to determine fair value and net change in unrealized appreciation (depreciation) included in earnings for Level III investments still held are as follows:

	Financial Assets For the three month period ended June 30, 2015				
	First Lien Debt	Second Lien Debt	Structured Finance Obligations	Equity Investments	Total
Balance, beginning of period	$582,393	$118,198	$ 78,131	$ —	$778,722
Purchases	167,679	58,419	2,240	2,215	230,553
Sales	(9,857)	—	(5,110)	—	(14,967)
Paydowns	(90,728)	—	(3,192)	—	(93,920)
Accretion of discount	840	36	5	—	881
Net realized gains (losses)	205	—	388	—	593
Net change in unrealized appreciation (depreciation)	1,074	1,158	(1,292)	—	940
Balance, end of period	$651,606	$177,811	$ 71,170	$ 2,215	$902,802
Net change in unrealized appreciation (depreciation) included in earnings related to investments still held as of June 30, 2015 included in net change in unrealized appreciation (depreciation) on investments non-controlled/non-affiliated on the Consolidated Statements of Operations	$ 579	$ 1,158	$ (1,252)	$ —	$ 485

	Financial Assets For the three month period ended June 30, 2014			
	First Lien Debt	Second Lien Debt	Structured Finance Obligations	Total
Balance, beginning of period	$223,959	$ 46,575	$ 47,811	$318,345
Purchases	80,968	30,939	29,437	141,344
Sales	—	(4,050)	—	(4,050)
Paydowns	(32,234)	(3,570)	(1,664)	(37,468)
Accretion of discount	308	76	—	384
Net realized gains (losses)	—	120	25	145
Net change in unrealized appreciation (depreciation)	898	1,048	(2,035)	(89)
Balance, end of period	$273,899	$ 71,138	$ 73,574	$418,611
Net change in unrealized appreciation (depreciation) included in earnings related to investments still held as of June 30, 2014 included in net change in unrealized appreciation (depreciation) on investments non-controlled/non-affiliated on the Consolidated Statements of Operations	$ 860	$ 1,022	$ (2,035)	$ (153)

	Financial Assets For the six month period ended June 30, 2015				
	First Lien Debt	Second Lien Debt	Structured Finance Obligations	Equity Investments	Total
Balance, beginning of period	$ 505,212	$107,874	$ 76,001	$ —	$ 689,087
Purchases	253,976	68,272	10,059	2,215	334,522
Sales	(9,857)	—	(8,421)	—	(18,278)
Paydowns	(103,076)	—	(5,129)	—	(108,205)
Accretion of discount	1,117	61	10	—	1,188
Net realized gains (losses)	207	—	122	—	329
Net change in unrealized appreciation (depreciation)	4,027	1,604	(1,472)	—	4,159
Balance, end of period	$ 651,606	$177,811	$ 71,170	$ 2,215	$ 902,802
Net change in unrealized appreciation (depreciation) included in earnings related to investments still held as of June 30, 2015 included in net change in unrealized appreciation (depreciation) on investments non-controlled/non-affiliated on the Consolidated Statements of Operations	$ 3,436	$ 1,604	$ (1,755)	$ —	$ 3,285

	Financial Assets For the six month period ended June 30, 2014			
	First Lien Debt	Second Lien Debt	Structured Finance Obligations	Total
Balance, beginning of period	$141,676	$ 39,767	$ 31,364	$212,807
Purchases	170,216	37,353	51,951	259,520
Sales	—	(4,050)	(3,125)	(7,175)
Paydowns	(39,742)	(3,570)	(4,780)	(48,092)
Accretion of discount	432	86	—	518
Net realized gains (losses)	—	120	71	191
Net change in unrealized appreciation (depreciation)	1,317	1,432	(1,907)	842
Balance, end of period	$273,899	$ 71,138	$ 73,574	$418,611
Net change in unrealized appreciation (depreciation) included in earnings related to investments still held as of June 30, 2014 included in net change in unrealized appreciation (depreciation) on investments non-controlled/non-affiliated on the Consolidated Statements of Operations	$ 1,378	$ 1,406	$ (1,903)	$ 881

The Company generally uses the following framework when determining the fair value of investments that are categorized as Level III:

Investments in debt securities are initially evaluated to determine whether the enterprise value of the portfolio company is greater than the applicable debt. The enterprise value of the portfolio company is estimated using a market approach and an income approach. The market approach utilizes market value (EBITDA) multiples of publicly traded comparable companies and available precedent sales transactions of comparable companies. The Company carefully considers numerous factors when selecting the appropriate companies whose multiples are used to value its portfolio companies. These factors include, but are not limited to, the type of organization, similarity to the business being valued, relevant risk factors, as well as size, profitability and growth expectations. The income approach typically uses a discounted cash flow analysis of the portfolio company.

Investments in debt securities that do not have sufficient coverage through the enterprise value analysis are valued based on an expected probability of default and discount recovery analysis.

Investments in debt securities with sufficient coverage through the enterprise value analysis are generally valued using a discounted cash flow analysis of the underlying security. Projected cash flows in the discounted cash flow typically represent the relevant security's contractual interest, fees and principal payments plus the assumption of full principal recovery at the security's expected maturity date. The discount rate to be used is determined using an average of two market-based methodologies.

Investments in structured finance obligations are generally valued using a discounted cash flow and/or consensus pricing.

Investments in equities are generally valued using a market approach and/or an income approach. The market approach utilizes EBITDA multiples of publicly traded comparable companies and available precedent sales transactions of comparable companies. The income approach typically uses a discounted cash flow analysis of the portfolio company.

The following tables summarize the quantitative information related to the significant unobservable inputs for Level III instruments which are carried at fair value as of June 30, 2015 and December 31, 2014:

	Fair Value as of June 30, 2015	Valuation Techniques	Significant Unobservable Inputs	Range		Weighted Average
				Low	High	
Investments in First Lien Debt	$ 551,529	Discounted Cash Flow	Discount Rate	5.40%	10.90%	6.88%
	100,077	Consensus Pricing	Indicative Quotes	99.13	100.94	100.05
Total First Lien Debt	651,606					
Investments in Second Lien Debt	119,010	Discounted Cash Flow	Discount Rate	9.26%	15.18%	10.12%
	58,801	Consensus Pricing	Indicative Quotes	96.50	104.38	100.11
Total Second Lien Debt	177,811					
Investments in Structured Finance Obligations	68,802	Discounted Cash Flow	Discount Rate	14.60%	22.70%	17.01%
			Default Rate	0.19	1.26	0.77
			Prepayment Rate	17.01	32.00	21.19
			Recovery Rate	68.59	75.00	73.92
	2,368	Consensus Pricing	Indicative Quotes	0.18	80.50	74.06
Total Structured Finance Obligations	71,170					
Investments in Equity	2,215	Income Approach	Discount Rate	9.70%	10.44%	10.20%
		Market Approach	Comparable Multiple	10.56x	11.09x	10.92x
Total Equity Investments	2,215					
Total Level III Investments	$ 902,802					

	Fair Value as of December 31, 2014	Valuation Techniques	Significant Unobservable Inputs	Range		Weighted Average
				Low	High	
Investments in First Lien Debt	$ 469,796	Discounted Cash Flow	Discount Rate	5.23%	9.02%	6.33%
	35,416	Consensus Pricing	Indicative Quotes	98.50	99.33	98.71
Total First Lien Debt	505,212					
Investments in Second Lien Debt	84,902	Discounted Cash Flow	Discount Rate	9.15%	11.32%	10.05%
	22,972	Consensus Pricing	Indicative Quotes	98.13	101.00	99.03
Total Second Lien Debt	107,874					
Investments in Structured Finance Obligations	59,533	Discounted Cash Flow	Discount Rate	12.65%	15.80%	13.87%
			Default Rate	—	1.32	0.60
			Prepayment Rate	18.78	32.50	25.41
			Recovery Rate	67.54	75.00	73.28
	16,468	Consensus Pricing	Indicative Quotes	0.18	81.00	77.28
Total Structured Finance Obligations	76,001					
Total Level III Investments	$ 689,087					

The significant unobservable inputs used in the fair value measurement of the Company's investments in first and second lien debt securities are discount rates and indicative quotes. Significant increases in discount rates would result in a significantly lower fair value measurement. Significant decreases in indicative quotes in isolation may result in a significantly lower fair value measurement.

The significant unobservable inputs used in the fair value measurement of the Company's investments in structured finance obligations are discount rates, default rates, prepayment rates, recovery rates and indicative quotes. Significant increases in discount rates, default rates or prepayment rates in isolation would result in a significantly lower fair value measurement, while a significant increase in recovery rates in isolation would result in a significantly higher fair value. Significant decreases in indicative quotes in isolation may result in a significantly lower fair value measurement.

The significant unobservable inputs used in the fair value measurement of the Company's investments in equities are discount rates and comparable EBITDA multiples. Significant increases in discount rates would result in a significantly lower fair value measurement. Significant decreases in comparable EBITDA multiples would result in a significantly lower fair value measurement.

Financial instruments disclosed but not carried at fair value

The following table presents the carrying value and fair value of the Company's secured borrowings and 2015-1 Notes disclosed but not carried at fair value as of June 30, 2015 and December 31, 2014.

	June 30, 2015		December 31, 2014	
	Carrying Value	Fair Value	Carrying Value	Fair Value
Secured borrowings	$ 134,958	$134,958	$ 308,441	$308,441
2015-1 Notes	273,000	273,000	—	—
Total	$ 407,958	$407,958	$ 308,441	$308,441

The carrying values of the secured borrowings and 2015-1 Notes approximate their respective fair values and are categorized as Level III within the hierarchy. Secured borrowings and 2015-1 Notes are valued generally using discounted cash flow analysis. The significant unobservable inputs used in the fair value measurement of the Company's secured borrowings are discount rates. Significant increases in discount rates would result in a significantly lower fair value measurement. The significant unobservable inputs used in the fair value measurement of the Company's 2015-1 Notes are discount rates, default rates, prepayment rates and recovery rates. Significant increases in discount rates, default rates or prepayment rates in isolation would result in a significantly lower fair value measurement, while a significant increase in recovery rates in isolation would result in a significantly higher fair value.

The carrying value of other financial assets and liabilities approximates their fair value based on the short term nature of these items.

4. RELATED PARTY TRANSACTIONS

Investment Advisory Agreement

On April 3, 2013, the Company's Board of Directors, including a majority of the directors who are not "interested persons" as defined in Section 2(a)(19) of the Investment Company Act ("Independent Directors"), approved an investment advisory and management agreement (the "Investment Advisory Agreement") between the Company and the Investment Adviser in accordance with, and on the basis of an evaluation satisfactory to such directors as required by, Section 15(c) of the Investment Company Act. The initial term of the Investment Advisory Agreement is two years from April 3, 2013 and, unless terminated earlier, the Investment Advisory Agreement will renew automatically for successive annual periods, provided that such continuance is specifically approved at least annually by the vote of the Board of Directors and by the vote of a majority of the Independent Directors. On March 11, 2015, the Company's Board of Directors, including a majority of the Independent Directors, approved the continuance of the Advisory Agreement for a one year period. The Investment Advisory Agreement will automatically terminate in the event of an assignment and may be terminated by either party without penalty upon at least 60 days' written notice to the other party. Subject to the overall supervision of the Board of Directors, the Investment Adviser provides investment advisory services to the Company. For providing these services, the Investment Adviser receives fees from the Company consisting of two components—a base management fee and an incentive fee.

Prior to a Qualified IPO, the base management fee is calculated and payable quarterly in arrears at an annual rate of 1.50% of the average daily gross assets of the Company for the period adjusted for share issuances or repurchases, excluding any cash and cash equivalents and including assets acquired with leverage from use of the Revolving Credit Facility and Facility and 2015-1 Notes (see Note 5, Borrowings, and Note 6, 2015-1 Notes). For purposes of this calculation, cash and cash equivalents include any temporary investments in cash-equivalents, U.S. government securities and other high quality investment grade debt investments that mature in 12 months or less from the date of investment. Base management fees for any partial quarter are prorated. The Investment Adviser contractually waived one-third (0.50%) of the base management fee prior to a Qualified IPO. The fee waiver will terminate if and when a Qualified IPO has been consummated.

The incentive fee has two parts. The first part is calculated and payable quarterly in arrears based on the pre-incentive fee net investment income for the immediately preceding calendar quarter. The second part is determined and payable in arrears based on capital gains as of the end of each calendar year.

Pre-incentive fee net investment income means interest income, dividend income and any other income (including any other fees (other than fees for providing managerial assistance), such as commitment, origination, structuring, diligence and consulting fees or other fees that the Company receives from portfolio companies) accrued during the calendar quarter, minus the operating expenses accrued for the quarter (including the base management fee, expenses payable under the administration agreement, and any interest expense or fees on any credit facilities or outstanding debt and dividends paid on any issued and outstanding preferred stock, but excluding the incentive fee). Pre-incentive fee net investment income does not include, in the case of investments with a deferred interest feature (such as original issue discount, debt instruments with pay-in-kind interest and

zero coupon securities), accrued income that the Company has not yet received in cash. Pre-incentive fee net investment income does not include any realized capital gains, realized capital losses or unrealized capital appreciation or depreciation.

Prior to any Qualified IPO of the Company's common stock, pre-incentive fee net investment income, expressed as a rate of return on the average daily Hurdle Calculation Value (as defined below) throughout the immediately preceding calendar quarter, is compared to a "hurdle rate" of 1.50% per quarter (6% annualized). "Hurdle Calculation Value" means, on any given day, the sum of (x) the value of net assets as of the end of the calendar quarter immediately preceding such day plus (y) the aggregate amount of capital drawn from investors (or reinvested in the Company pursuant to a dividend reinvestment plan) from the beginning of the current quarter to such day minus (z) the aggregate amount of distributions (including share repurchases) made by the Company from the beginning of the current quarter to such day but only to the extent such distributions were not declared and accounted for on the books and records in a previous quarter.

GMS Finance pays its Investment Adviser an incentive fee with respect to its pre-incentive fee net investment income in each calendar quarter as follows:

- no incentive fee based on pre-incentive fee net investment income in any calendar quarter in which its pre-incentive fee net investment income does not exceed the hurdle of 1.50%;
- 100% of pre-incentive fee net investment income with respect to that portion of such pre-incentive fee net investment income, if any, that exceeds the hurdle but is less than 1.875% in any calendar quarter (7.50% annualized). The Company refers to this portion of the pre-incentive fee net investment income (which exceeds the hurdle but is less than 1.875%) as the "catch-up." The "catch-up" is meant to provide the Investment Adviser with approximately 20% of the Company's pre-incentive fee net investment income as if a hurdle did not apply if this net investment income exceeds 1.875% in any calendar quarter; and
- 20% of the amount of pre-incentive fee net investment income, if any, that exceeds 1.875% in any calendar quarter (7.50% annualized) will be payable to the Investment Adviser. This reflects that once the hurdle is reached and the catch-up is achieved, 20% of all pre-incentive fee investment income thereafter is allocated to the Investment Adviser.

The second part of the incentive fee is determined and payable in arrears as of the end of each calendar year (or upon termination of the Investment Advisory Agreement, as of the termination date), and equals 20% of realized capital gains, if any, on a cumulative basis from inception through the date of determination, computed net of all realized capital losses on a cumulative basis and unrealized capital depreciation, less the aggregate amount of any previously paid capital gain incentive fees, provided that, the incentive fee determined at the end of the first calendar year of operations may be calculated for a period of shorter than twelve calendar months to take into account any realized capital gains computed net of all realized capital losses on a cumulative basis and unrealized capital depreciation.

The Company will defer payment of any incentive fee otherwise earned by the Investment Adviser if, during the most recent four full calendar quarter periods (or, if less, the number of full calendar quarters completed since the initial drawdown of capital from the stockholders, "Initial Drawdown") ending on or prior to the date such payment is to be made, the sum of (a) the aggregate distributions to stockholders and (b) the change in net assets (defined as gross assets less indebtedness and before taking into account any incentive fees payable during the period) is less than 6.0% of net assets (defined as gross assets less indebtedness) at the beginning of such period, provided, that such percentage will be appropriately prorated during the four full calendar quarters immediately following the Initial Drawdown. These calculations are adjusted for any share issuances or repurchases. Any deferred incentive fees are carried over for payment in subsequent calculation periods. The Investment Adviser may earn an incentive fee under the Investment Advisory Agreement on the Company's repurchase of debt issued by the Company at a gain.

Prior to a Qualified IPO and subject to the receipt of any necessary regulatory approvals, the Company's Investment Adviser intends to make (or require individual employees or entities in which employees own an

interest to make) capital commitments to purchase shares of the Company's common stock in an amount equal to approximately 25% of each installment of the net after tax incentive fee that the Investment Adviser receives from the Company. For the three month and six month periods ended June 30, 2015, incentive fee paid on pre-incentive fee net investment income resulted in new commitments of $274 by the Investment Adviser related to the after tax incentive. For the three month and six month periods ended June 30, 2014, there was no incentive fee paid on pre-incentive fee net investment income or realized capital gains, therefore, no commitments were made and no shares were issued to the Investment Adviser related to the after tax incentive.

For the three month and six month periods ended June 30, 2015, base management fees were $2,054 and $3,869, respectively (net of waiver of $1,026 and $1,934, respectively), incentive fees related to pre-incentive fee net investment income were $1,986 and $3,606, respectively, and there were no incentive fees related to realized capital gains. For the three month and six month periods ended June 30, 2014, base management fees were $970 and $1,631, respectively (net of waiver of $485 and $815, respectively), incentive fees related to pre-incentive fee net investment income were $1,137 and $1,933, respectively, and there were no incentive fees related to realized capital gains. For the three month and six month periods ended June 30, 2015, the Company recorded an accrued capital gains incentive fee of $0 and $0, respectively, based upon the cumulative net realized and unrealized appreciation/ (depreciation) as of June 30, 2015. For the three month and six month periods ended June 30, 2014, the Company recorded an accrued capital gains incentive fee of $12 and $156, respectively, based upon the cumulative net realized and unrealized appreciation/ (depreciation) as of June 30, 2014.The accrual for any capital gains incentive fee under US GAAP in a given period may result in an additional expense if such cumulative amount is greater than in the prior period or a reduction of previously recorded expense if such cumulative amount is less than in the prior period. If such cumulative amount is negative, then there is no accrual.

As of June 30, 2015 and December 31, 2014, $5,916 and $6,319, respectively, was included in base management and incentive fees payable in the accompanying Consolidated Statements of Assets and Liabilities.

On April 3, 2013, the Investment Adviser entered into a personnel agreement with The Carlyle Group Employee Co., L.L.C. ("Carlyle Employee Co."), an affiliate of the Investment Adviser, pursuant to which Carlyle Employee Co. provides the Investment Adviser with access to investment professionals.

Administration Agreement

On April 3, 2013, the Company's Board of Directors approved an administration agreement (the "Administration Agreement") between the Company and the Administrator. Pursuant to the Administration Agreement, the Administrator provides services and receives reimbursements equal to an amount that reimburses the Administrator for its costs and expenses and the Company's allocable portion of overhead incurred by the Administrator in performing its obligations under the Administration Agreement, including the Company's allocable portion of the compensation paid to or compensatory distributions received by the Company's officers (including the Chief Compliance Officer and Chief Financial Officer) and respective staff who provide services to the Company, operations staff who provide services to the Company, and any internal audit staff, to the extent internal audit performs a role in the Company's Sarbanes-Oxley Act internal control assessment. Reimbursement under the Administration Agreement occurs quarterly in arrears.

The initial term of the Administration Agreement is two years from April 3, 2013 and, unless terminated earlier, the Administration Agreement will renew automatically for successive annual periods, provided that such continuance is specifically approved at least annually by (i) the vote of the Board of Directors or by a majority vote of the outstanding voting securities of the Company and (ii) the vote of a majority of the Company's Independent Directors. On March 11, 2015, the Company's Board of Directors, including a majority of the Independent Directors, approved the continuance of the Administration Agreement for a one year period. The Administration Agreement may not be assigned by a party without the consent of the other party and may be terminated by either party without penalty upon at least 60 days' written notice to the other party.

For the three month and six month periods ended June 30, 2015, GMS Finance incurred $188 and $300, respectively, and for the three month and six month periods ended June 30, 2014, GMS Finance incurred $218 and $475, respectively in fees under the Administrative Agreement, which were included in administrative service fees in the accompanying Consolidated Statements of Operations. As of June 30, 2015 and December 31, 2014, $120 and $91, respectively, was unpaid and included in administrative service fees payable in the accompanying Consolidated Statements of Assets and Liabilities.

Sub-Administration Agreements

On April 3, 2013, the Administrator entered into sub-administration agreements with Carlyle Employee Co. and CELF Advisors LLP. Pursuant to the agreements, Carlyle Employee Co. and CELF Advisors LLP provide the Administrator with access to personnel.

On April 3, 2013, the Administrator entered into a sub-administration agreement with State Street Bank and Trust Company (as amended, the "Sub-Administration Agreement"). On March 11, 2015, the Company's Board of Directors, including a majority of the Independent Directors, approved an amendment to the Sub-Administration Agreement. As amended, effective as of April 1, 2015, the initial term of the Sub-Administration Agreement ends on April 1, 2017 and, unless terminated earlier, the Sub-Administration Agreement will renew automatically for successive annual periods, provided that such continuance is specifically approved at least annually by (i) the vote of the Board of Directors or by the vote of a majority of the outstanding voting securities of the Company and (ii) the vote of a majority of the Company's Independent Directors. The Sub-Administration Agreement may be terminated upon at least 60 days' written notice and without penalty by the vote of a majority of the outstanding securities of the Company, or by the vote of the Board of Directors or by either party to the Sub-Administration Agreement.

For the three month and six month periods ended June 30, 2015, fees incurred in connection with the Sub-Administration Agreement, which amounted to $128 and $219, respectively, were included in other general and administrative in the accompanying Consolidated Statements of Operations. For the three month and six month periods ended June 30, 2014, fees incurred in connection with the Sub-Administration Agreement, which amounted to $50 and $80, respectively, were included in other general and administrative in the accompanying Consolidated Statements of Operations. As of June 30, 2015 and December 31, 2014, $127 and $80, respectively, was unpaid and included in other accrued expenses and liabilities in the accompanying Consolidated Statements of Assets and Liabilities.

Placement Fees

On April 3, 2013, the Company entered into a placement fee arrangement with TCG Securities, L.L.C. ("TCG"), a licensed broker-dealer and an affiliate of the Investment Adviser, which may require stockholders to pay a placement fee to TCG for TCG's services.

For the three month and six month periods ended June 30, 2015, TCG earned placement fees of $1 and $2, respectively, from GMS Finance stockholders in connection with the issuance or sale of the Company's common stock. For the three month and six month periods ended June 30, 2014, TCG did not earn or receive any placement fees from GMS Finance stockholders in connection with the issuance or sale of the Company's common stock.

Board of Directors

GMS Finance's Board of Directors currently consists of seven members, four of whom are Independent Directors. On April 3, 2013, the Board of Directors also established an Audit Committee consisting of its Independent Directors, and may establish additional committees in the future. For the three month and six month periods ended June 30, 2015, GMS Finance incurred $106 and $207, respectively, and for the three month and six month periods ended June 30, 2014, GMS Finance incurred $103 and $185, respectively, in fees and expenses associated with its Independent Directors and Audit Committee. As of June 30, 2015 and December 31, 2014, $2

and $5, respectively, was unpaid and included in other accrued expenses and liabilities in the accompanying Consolidated Statements of Assets and Liabilities. As of June 30, 2015 and December 31, 2014, certain current directors had committed $1,541 and $1,500, respectively, in capital commitments to the Company.

5. BORROWINGS

In accordance with the Investment Company Act, the Company is only allowed to borrow amounts such that its asset coverage, as defined in the Investment Company Act, is at least 200% after such borrowing. As of June 30, 2015 and December 31, 2014, asset coverage was 225.17%, including the 2015-1 Notes, and 209.67%, respectively. During the six month period ended June 30, 2015, there were net secured borrowings of $223,700 under the Revolving Credit Facility and Facility and net repayments of $397,183 under the Revolving Credit Facility and Facility. During the six month period ended June 30, 2014, there were net repayments of $7,082 under the Revolving Credit Facility and secured borrowings of $94,000 under the Facility. As of June 30, 2015 and December 31, 2014, there was $134,958 and $308,441, respectively, in secured borrowings outstanding.

Revolving Credit Facility

The Borrower Sub closed on May 24, 2013 on the Revolving Credit Facility, which was subsequently amended on June 30, 2014 ("First Amendment") and further amended on June 19, 2015 ("Second Amendment"). The Second Amendment, among other things (a) provided for the distribution of loan assets to the Company in connection with the 2015-1 Debt Securitization, (b) extended the scheduled commitment termination date from May 24, 2017 to May 24, 2018, (c) extended the scheduled final maturity date from May 22, 2020 to May 22, 2021, (d) increased the per annum drawn margin from 1.85% to 1.90%, (e) changed the unused margin schedule and (f) modified certain other tests, restrictions and requirements set forth in the Revolving Credit Facility. The size and other material terms of the Revolving Credit Facility were unchanged.

Advances under the Revolving Credit Facility first became available once the Borrower Sub held at least $30,000 of minimum equity in its assets. The Revolving Credit Facility provides for secured borrowings during the applicable revolving period up to an amount equal to the lesser of $400,000, the borrowing base as calculated pursuant to the terms of the Revolving Credit Facility, and the amount of net cash proceeds and unpledged capital commitments the Company has received with an accordion feature that can, subject to certain conditions, increase the aggregate maximum credit commitment up to an amount not to exceed $750,000, subject to restrictions imposed on borrowings under the Investment Company Act and certain restrictions and conditions set forth in the Revolving Credit Facility, including adequate collateral to support such borrowings. The Revolving Credit Facility has a revolving period through May 24, 2018 and a maturity date of May 22, 2021. Borrowings under the Revolving Credit Facility bear interest initially at the applicable commercial paper rate (if the lender is a conduit lender) or LIBOR (or, if applicable, a rate based on the prime rate or federal funds rate) plus 1.90% per year during the revolving period, with pre-determined future interest rate increases of 1.00%-1.85% over the three years following the end of the revolving period. The Borrower Sub is also required to pay an undrawn commitment fee of between 0.25% and 0.75% per year depending on the usage of the Revolving Credit Facility. Payments under the Revolving Credit Facility are made quarterly. The lenders have a first lien security interest on substantially all of the assets of the Borrower Sub.

As part of the Revolving Credit Facility, the Borrower Sub is subject to limitations as to how borrowed funds may be used and the types of loans that are eligible to be acquired by the Borrower Sub including, but not limited to, restrictions on sector and geographic concentrations, loan size, payment frequency, tenor and minimum investment ratings (or estimated ratings). In addition, borrowed funds are intended to be used primarily to purchase first lien loan assets, and the Borrower Sub is limited in its ability to purchase certain other assets (including, but not limited to, second lien loans, covenant-lite loans, revolving and delayed draw loans and discount loans) and other assets are not permitted to be purchased (including, but not limited to paid-in-kind loans and structured finance obligations). The Revolving Credit Facility has certain requirements relating to interest coverage, collateral quality and portfolio performance, including limitations on delinquencies and charge

offs, certain violations of which could result in the acceleration of the amounts due under the Revolving Credit Facility. The Revolving Credit Facility is also subject to a borrowing base that applies different advance rates to assets held by the Borrower Sub based generally on the fair market value of such assets. Under certain circumstances as set forth in the Revolving Credit Facility, the Company could be obliged to repurchase loans from the Borrower Sub.

Related to the First Amendment, which reduced the maximum commitments under the Revolving Credit Facility, $827 of deferred financing costs (representing the prorated financing costs related to the reduction in commitments) were immediately expensed on June 30, 2014 in lieu of continuing to amortize over the term of the Revolving Credit Facility.

As of June 30, 2015 and December 31, 2014, the Borrower Sub was in compliance with all covenants and other requirements of the Revolving Credit Facility.

Facility

The Company closed on March 21, 2014 on the Facility, which was subsequently amended on January 8, 2015 (the "First Facility Amendment Effective Date"). The amendment modified the release of the $100,000 pledge of unfunded investor equity capital commitments to occur once $100,000 of incremental capital has been called and received by the Company subsequent to the First Facility Amendment Effective Date (as opposed to subsequent to the original March 21, 2014 closing date of the Facility). The maximum principal amount of the Facility is $150,000, subject to availability under the Facility, which is based on certain advance rates multiplied by the value of the Company's portfolio investments (subject to certain concentration limitations) net of certain other indebtedness that the Company may incur in accordance with the terms of the Facility. Proceeds of the Facility may be used for general corporate purposes, including the funding of portfolio investments. Maximum capacity under the Facility may be increased to $225,000 through the exercise by the Company of an uncommitted accordion feature through which existing and new lenders may, at their option, agree to provide additional financing. The Facility includes a $20,000 limit for swingline loans and a $5,000 limit for letters of credit. The Company may borrow amounts in U.S. dollars or certain other permitted currencies. Amounts drawn under the Facility, including amounts drawn in respect of letters of credit, will bear interest at either LIBOR plus an applicable spread of 2.25%, or an "alternative base rate" (which is the highest of a prime rate, the federal funds effective rate plus 0.50%, or one month LIBOR plus 1.00%) plus an applicable spread of 1.25%. The Company may elect either the LIBOR or the "alternative base rate" at the time of drawdown, and loans may be converted from one rate to another at any time, subject to certain conditions. The Company also pays a fee of 0.375% on undrawn amounts under the Facility and, in respect of each undrawn letter of credit, a fee and interest rate equal to the then-applicable margin under the Facility while the letter of credit is outstanding. The availability period under the Facility will terminate on March 21, 2018 (the "Commitment Termination Date") and the Facility will mature on March 21, 2019 (the "Maturity Date"). During the period from the Commitment Termination Date to the Maturity Date, the Company will be obligated to make mandatory prepayments under the Facility out of the proceeds of certain asset sales, other recovery events and equity and debt issuances.

Subject to certain exceptions, the Facility is secured by a perfected first-priority security interest in substantially all of the portfolio investments held by the Company and the Company's unfunded investor equity capital commitments (provided that the amount of unfunded capital commitments ultimately available to the lenders is limited to $100,000). The pledge of unfunded investor equity capital commitments was subject to release once $100,000 of incremental capital had been called and received by the Company subsequent to the First Facility Amendment Effective Date. Such capital call commitment had not been satisfied as of December 31, 2014. The pledge of unfunded investor equity capital commitments had been released as of June 30, 2015. The Facility includes customary covenants, including certain financial covenants related to asset coverage, shareholders' equity and liquidity, certain limitations on the incurrence of additional indebtedness and liens, and other maintenance covenants, as well as usual and customary events of default for senior secured revolving credit facilities of this nature.

As of June 31, 2015 and December 31, 2014, the Company was in compliance with all covenants and other requirements of the Facility.

Summary of Facilities

The facilities of the Company and the Borrower Sub consisted of the following as of June 30, 2015 and December 31, 2014:

	June 30, 2015			
	Total Facility	Borrowings Outstanding	Unused Portion (1)	Amount Available (2)
Revolving Credit Facility	$ 400,000	$ 103,958	$ 296,042	$ 21,591
Facility	150,000	31,000	119,000	119,000
Total	$ 550,000	$ 134,958	$ 415,042	$ 140,591

	December 31, 2014			
	Total Facility	Borrowings Outstanding	Unused Portion (1)	Amount Available (2)
Revolving Credit Facility	$ 400,000	$ 246,441	$ 153,559	$ 10,557
Facility	150,000	62,000	88,000	58,623
Total	$ 550,000	$ 308,441	$ 241,559	$ 69,180

(1) The unused portion is the amount upon which commitment fees are based.
(2) Available for borrowing based on the computation of collateral to support the borrowings.

As of June 30, 2015 and December 31, 2014, $1,282 and $1,025, respectively, of interest expense, $80 and $139, respectively, of unused commitment fees, and $26 and $28, respectively, of other fees were included in interest and credit facility fees payable related to the facilities. For the three month and six month periods ended June 30, 2015, the weighted average interest rate was 2.22% and 2.20%, respectively, and average principal debt outstanding was $363,649 and $345,319, respectively. For the three month and six month periods ended June 30, 2014, the weighted average interest rate was 2.13% and 2.12%, respectively, and average principal debt outstanding was $117,699 and $92,401, respectively. As of June 30, 2015 and December 31, 2014, the interest rate was 2.20% and 2.17%, respectively, based on floating LIBOR rates.

For the three month and six month periods ended June 30, 2015 and 2014, the components of interest expense and credit facility fees related to the facilities were as follows:

	For the three month periods ended		For the six month periods ended	
	June 30, 2015	June 30, 2014	June 30, 2015	June 30, 2014
Interest expense	$ 2,041	$ 634	$ 3,821	$ 983
Facility unused commitment fee	132	372	302	658
Amortization of deferred financing costs	281	1,128	513	1,347
Other fees	30	26	56	51
Total interest expense and credit facility fees	$ 2,484	$ 2,160	$ 4,692	$ 3,039
Cash paid for interest expense	$ 2,112	$ 510	$ 3,562	$ 795

6. 2015-1 Notes

On June 26, 2015, the Company completed the 2015-1 Debt Securitization. The 2015-1 Notes were issued by the 2015-1 Issuer, a wholly-owned and consolidated subsidiary of the Company, and are secured by a

diversified portfolio consisting primarily of first and second lien senior secured loans. The 2015-1 Debt Securitization was executed through a private placement of the 2015-1 Notes, consisting of $160 million of Aaa/AAA Class A-1A Notes which bear interest at the three-month London Interbank Offered Rate ("LIBOR"), plus 1.85%; $40 million of Aaa/AAA Class A-1B Notes which bear interest at the three-month LIBOR plus 1.75% for first 24 months and the three-month LIBOR plus 2.05% thereafter; $27 million of Aaa/AAA Class A-1C Notes which bear interest at 3.75% and $46 million of Aa2 Class A-2 Notes which bear interest at the three-month LIBOR plus 2.70%. The 2015-1 Notes were issued at par and are scheduled to mature on July 15, 2027. The Company received 100% of the preferred interests (the "Preferred Interests") issued by the 2015-1 Issuer on the closing date of the 2015-1 Debt Securitization in exchange for the Company's contribution to the Issuer of the initial closing date loan portfolio. The Preferred Interests do not bear interest and had a nominal value of $125.9 million at closing. In connection with the contribution, the Company has made customary representations, warranties and covenants to the 2015-1 Issuer in the purchase agreement. The Class A-1A, Class A-1B and Class A-1C and Class A-2 Notes are included in the June 30, 2015 consolidated financial statements. The Preferred Interests were eliminated in consolidation.

On the closing date of the 2015-1 Debt Securitization, the 2015-1 Issuer effected a one-time distribution to the Company of a substantial portion of the proceeds of the private placement of the 2015-1 Notes, net of expenses, which distribution was used to repay a portion of the certain amounts outstanding under the Revolving Credit Facility and the Facility. As part of the 2015-1 Debt Securitization, certain first and second lien senior secured loans were distributed by the Borrower Sub to the Company pursuant to a distribution and contribution agreement. The Company contributed the loans that comprised the initial closing date loan portfolio (including the loans distributed to the Company from the Borrower Sub) to the 2015-1 Issuer pursuant to a contribution agreement. Future loans transfers from the Company to the 2015-1 Issuer will be made pursuant to a sale agreement and are subject to the approval of the Company's Board of Directors. Assets of the 2015-1 Issuer are not available to the creditors of the Borrower Sub or the Company. In connection with the issuance and sale of the 2015-1 Notes, the Company has made customary representations, warranties and covenants in the purchase agreement.

During the reinvestment period, pursuant to the indenture governing the 2015-1 Notes, all principal collections received on the underlying collateral may be used by the 2015-1 Issuer to purchase new collateral under the direction of Investment Adviser in its capacity as collateral manager of the 2015-1 Issuer and in accordance with the Company's investment strategy.

The Investment Adviser serves as collateral manager to the 2015-1 Issuer under a collateral management agreement (the "Collateral Management Agreement"). Pursuant to the Collateral Management Agreement, the 2015-1 Issuer will pay management fees (comprised of base management fees, subordinated management fees and incentive management fees) ("Management Fees") to the Investment Adviser for rendering collateral management services. As per the Collateral Management Agreement, for the period the Company retains all of the Preferred Interests, the Investment Adviser will not earn Management Fees for providing such collateral management services. The Company currently retains all of the Preferred Interests, thus there were no management fees for the three and six month periods ended June 30, 2015.

Pursuant to an undertaking by the Company in connection with the 2015-1 Debt Securitization, the Company has agreed to hold on an ongoing basis Preferred Interests with an aggregate dollar purchase price at least equal to 5% of the aggregate outstanding amount of all collateral obligations by the 2015-1 Issuer for so long as any securities of the 2015-1 Issuer remain outstanding. As of June 30, 2015, the Company was in compliance with its undertaking.

The 2015-1 Issuer pays ongoing administrative expenses to the trustee, independent accountants, legal counsel, rating agencies and independent managers in connection with developing and maintaining reports, and providing required services in connection with the administration of the 2015-1 Issuer.

As of June 30, 2015, there were 55 first lien and second lien senior secured loans with a total fair value of approximately $391,436 securing the 2015-1 Notes. The pool of loans in the securitization must meet certain requirements, including asset mix and concentration, term, agency rating, collateral coverage, minimum coupon, minimum spread and sector diversity requirements.

For the six months ended June 30, 2015, the effective annualized weighted average interest rate, which includes amortization of debt issuance costs on the 2015-1 Notes, was 2.39%, based on floating LIBOR rates. For the six months ended June 30, 2015, interest expense, including the amortization of deferred debt issuance costs, was $91. There was no cash paid for interest during the six months ended June 30, 2015.

For the three month and six month periods ended June 30, 2015 and 2014, the components of interest expense on the 2015-1 Notes were as follows:

	For the three month periods ended		For the six month periods ended	
	June 30, 2015	June 30, 2014	June 30, 2015	June 30, 2014
Interest expense	$ 88	$ —	$ 88	$ —
Amortization of deferred financing costs	3	—	3	—
Total interest expense and credit facility fees	$ 91	$ —	$ 91	$ —
Cash paid for interest expense	$ —	$ —	$ —	$ —

The following were the carrying values and fair values of the Company's 2015-1 Notes as of June 30, 2015 and December 31, 2014:

	June 30, 2015		December 31, 2014	
	Carrying Value	Fair Value	Carrying Value	Fair Value
Aaa/AAA Class A-1A Notes	$ 160,000	$160,000	$ —	$ —
Aaa/AAA Class A-1B Notes	40,000	40,000	—	—
Aaa/AAA Class A-1C Notes	27,000	27,000	—	—
Aa2 Class A-2 Notes	46,000	46,000	—	—
Total	$ 273,000	$273,000	$ —	$ —

7. COMMITMENTS AND CONTINGENCIES

A summary of significant contractual payment obligations was as follows as of June 30, 2015 and December 31, 2014:

	Revolving Credit Facility and Facility		2015-1 Notes	
Payment Due by Period	June 30, 2015	December 31, 2014	June 30, 2015	December 31, 2014
Less than 1 Year	$ —	$ —	$ —	$ —
1-3 Years	—	—	—	—
3-5 Years	31,000	62,000	—	—
More than 5 Years	103,958	246,441	273,000	—
Total	$ 134,958	$ 308,441	$ 273,000	$ —

In the ordinary course of its business, the Company enters into contracts or agreements that contain indemnification or warranties. Future events could occur that lead to the execution of these provisions against the Company. The Company believes that the likelihood of such an event is remote; however, the maximum potential exposure is unknown. No accrual has been made in the consolidated financial statements as of June 30, 2015 and December 31, 2014 for any such exposure.

As of June 30, 2015 and December 31, 2014, the Company had $1,151,104 and $1,129,522, respectively, in total capital commitments from stockholders, of which $627,250 and $776,750, respectively, was unfunded. As of June 30, 2015 and December 31, 2014, certain current directors had committed $1,541 and $1,500, respectively, in capital commitments to the Company.

As of December 31, 2014, there was a $100,000 pledge of unfunded investor equity capital commitments to the lenders of the Facility, which was subject to release once $100,000 of incremental capital had been called and received by the Company subsequent to the effective date of the First Facility Amendment Effective Date. Such capital call commitment had not been satisfied as of December 31, 2014. The pledge of unfunded investor equity capital commitments had been released as of June 30, 2015.

The Company had the following unfunded commitments to fund delayed draw senior secured loans as of the indicated dates:

	Par Value as of	
	June 30, 2015	December 31, 2014
Unfunded delayed draw commitments	$ 32,986	$ 9,500
Unfunded revolving term loan commitments	3,906	—
Total unfunded commitments	$ 36,892	$ 9,500

8. NET ASSETS

The Company has the authority to issue 200,000,000 shares of common stock, $0.01 per share par value.

During the six month period ended June 30, 2015, the Company issued 8,823,238 shares for $171,127. The following table summarizes capital activity during the six month period ended June 30, 2015:

	Common Stock		Capital in Excess of Par Value	Offering Costs	Accumulated Net Investment Income (Loss)	Accumulated Net Realized Gain (Loss) on Investments	Accumulated Net Unrealized Appreciation (Depreciation) on Investments	Total Net Assets
	Shares	Amount						
Balance, beginning of period	17,932,697	$ 179	$351,636	$ (74)	$ (4,388)	$ (57)	$ (9,039)	$338,257
Common stock issued	8,820,836	89	170,993	—	—	—	—	171,082
Reinvestment of dividends	2,402	—	45	—	—	—	—	45
Net investment income (loss)	—	—	—	—	14,425	—	—	14,425
Net realized gain (loss) on investments—non-controlled/ non-affiliated	—	—	—	—	—	329	—	329
Net change in unrealized appreciation (depreciation) on investments—non-controlled/ non-affiliated	—	—	—	—	—	—	4,249	4,249
Dividends declared	—	—	—	—	(17,735)	—	—	(17,735)
Balance, end of period	26,755,935	$ 268	$522,674	$ (74)	$ (7,698)	$ 272	$ (4,790)	$510,652

During the six month period ended June 30, 2014, the Company issued 3,315,579 shares for $65,475. The following table summarizes capital activity during the six month period ended June 30, 2014:

	Common Stock		Capital In Excess Of Par Value	Offering Costs	Accumulated Net Investment Income (Loss)	Accumulated Net Realized Gain (Loss) on Investments	Accumulated Net Change in Unrealized Appreciation (Depreciation) on Investments	Total Net Assets
	Shares	Amount						
Balance, beginning of period	9,575,990	$ 96	$186,965	$ (74)	$ (664)	$ —	$ (321)	$186,002
Common stock issued	3,315,431	33	65,439	—	—	—	—	65,472
Reinvestment of dividends	148	—	3	—	—	—	—	3
Net investment income (loss)	—	—	—	—	7,575	—	—	7,575
Net realized gain (loss) on investments-non-controlled/non-affiliated	—	—	—	—	—	191	—	191
Net change in unrealized appreciation (depreciation) on investments—non-controlled/non-affiliated	—	—	—	—	—	—	842	842
Dividends declared	—	—	—	—	(5,930)	—	—	(5,930)
Balance, end of period	12,891,569	$ 129	$252,407	$ (74)	$ 981	$ 191	$ 521	$254,155

The following table summarizes total shares issued and proceeds received related to capital drawdowns delivered pursuant to subscriptions for the Company's common stock and reinvestment of dividends during the six month period ended June 30, 2015:

	Shares Issued	Proceeds Received
January 16, 2015	924,977	$ 18,000
January 26, 2015**	1,051	20
February 26, 2015	2,312,659	45,005
April 21, 2015**	1,351	25
May 1, 2015	1,462,746	28,085
May 22, 2015	1,708,068	33,000
June 25, 2015	2,412,386	46,992
Total	8,823,238	$ 171,127

** Represents shares issued upon the reinvestment of dividends

The following table summarizes total shares issued and proceeds received related to capital drawdowns delivered pursuant to subscriptions for the Company's common stock during the six month period ended June 30, 2014:

	Shares Issued	Proceeds Received
January 27, 2014	1,020,810	19,998
February 21, 2014	491,849	9,689
March 21, 2014	1,802,772	35,785
April 14, 2014**	148	3
Total	3,315,579	$ 65,475

** Represents shares issued upon the reinvestment of dividends

Subscribed but unissued shares are presented in equity with a deduction of subscriptions receivable until cash is received for a subscription. There were no subscribed but unissued shares as of June 30, 2015 and December 31, 2014.

Subscription transactions during the six month periods ended June 30, 2015 and 2014 were executed at an offering price at a premium to net asset value due to the requirement to use prior quarter net asset value as the offering price unless it would result in the Company selling shares of its common stock at a price below the current net asset value and also in order to effect a reallocation of organizational costs to subsequent investors. Such subscription transactions increased net asset value by $0.10 per share and $0.04 per share, respectively, for the six month periods ended June 30, 2015 and 2014.

The Company computes earnings per common share in accordance with ASC 260, Earnings Per Share. Basic earnings per common share were calculated by dividing net increase (decrease) in net assets resulting from operations attributable to the Company by the weighted-average number of common shares outstanding for the period.

Basic and diluted earnings per common share were as follows:

	For the three month periods ended		For the six month periods ended	
	June 30, 2015	June 30, 2014	June 30, 2015	June 30, 2014
Net increase (decrease) in net assets resulting from operations	$ 9,215	$ 4,592	$ 19,003	$ 8,608
Weighted-average common shares outstanding	23,062,818	12,891,548	21,330,007	11,819,417
Basic and diluted earnings per common share	$ 0.40	$ 0.36	$ 0.89	$ 0.73

The following table summarizes the Company's dividends declared and payable since inception through the quarter ended June 30, 2015:

Date Declared	Record Date	Payment Date	Per Share Amount	Total Amount
March 13, 2014	March 31, 2014	April 14, 2014	$ 0.19	$ 2,449
June 26, 2014	June 30, 2014	July 14, 2014	$ 0.27	$ 3,481
September 12, 2014	September 18, 2014	October 9, 2014	$ 0.44	$ 5,956
December 19, 2014	December 29, 2014	January 26, 2015	$ 0.35	$ 6,276
March 11, 2015	March 13, 2015	April 17, 2015	$ 0.37	$ 7,833
June 24, 2015	June 30, 2015	July 22, 2015	$ 0.37	$ 9,902

9. CONSOLIDATED FINANCIAL HIGHLIGHTS

The following is a schedule of consolidated financial highlights for the six month periods ended June 30, 2015 and 2014:

	For the six month periods ended	
	June 30, 2015	June 30, 2014
Per Share Data:		
Net asset value per share, beginning of period	$ 18.86	$ 19.42
Net investment income (loss) (1)	0.68	0.64
Net realized gain (loss) and net change in unrealized appreciation (depreciation) on investments	0.19	0.07
Net increase (decrease) in net assets resulting from operations	0.87	0.71
Dividends declared (2)	(0.74)	(0.46)
Effect of subscription offering price (3)	0.10	0.04
Net asset value per share, end of period	$ 19.09	$ 19.71
Number of shares outstanding, end of period	26,755,935	12,891,569
Total return (4)	5.14%	3.86%
Net assets, end of period	$ 510,652	$ 254,155
Ratio to average net assets:		
Expenses net of waiver, before incentive fees	2.55%	2.88%
Expenses net of waiver, after incentive fees	3.40%	3.75%
Expenses gross of waiver, after incentive fees	3.86%	4.09%
Net investment income (loss) (5)	3.39%	3.16%
Interest expense and credit facility fees	1.12%	1.27%
Ratios/Supplemental Data:		
Asset coverage	225.17%	265.31%
Portfolio turnover	16.21%	16.98%
Total committed capital, end of period	$ 1,151,104	$ 1,109,162
Ratio of total contributed capital to total committed capital, end of period	45.51%	22.85%
Weighted-average shares outstanding	21,330,007	11,819,417

(1) Net investment income (loss) per share was calculated as net investment income (loss) for the period divided by the weighted average number of shares outstanding for the period.

(2) Dividends declared per share was calculated as the sum of dividends declared during the period divided by the number of shares outstanding at each respective quarter-end date (refer to Note 8).

(3) Increase is due to offering price of subscriptions during the period (refer to Note 8).

(4) Total return (not annualized) is based on the change in net asset value per share during the period plus the declared dividends, assuming reinvestment of dividends in accordance with the dividend reinvestment plan, divided by the beginning net asset value for the period. Total return for the six month periods ended June 30, 2015 and 2014 is inclusive of $0.10 and $0.04, respectively, per share increase in net asset value for the periods related to the offering price of subscriptions. Excluding the effects of the higher offering price of subscriptions, total return (not annualized) would have been 4.61% and 3.66%, respectively (refer to Note 8).

(5) The net investment income ratio is net of the waiver of base management fees.

10. LITIGATION

The Company may become party to certain lawsuits in the ordinary course of business. The Company does not believe that the outcome of current matters, if any, will materially impact the Company or its consolidated financial statements. As of June 30, 2015 and December 31, 2014, the Company was not subject to any material legal proceedings, nor, to the Company's knowledge, is any material legal proceeding threatened against the Company.

In addition, portfolio investments of the Company could be the subject of litigation or regulatory investigations in the ordinary course of business. The Company does not believe that the outcome of any current contingent liabilities of its portfolio investments, if any, will materially affect the Company or these consolidated financial statements.

11. TAX

The Company has not recorded a liability for any uncertain tax positions pursuant to the provisions of ASC 740, *Income Taxes,* as of June 30, 2015 and December 31, 2014.

In the normal course of business, the Company is subject to examination by federal and certain state, local and foreign tax regulators for the 2013 and 2014 tax years. As of June 30, 2015 and December 31, 2014, the Company had filed tax returns and therefore is subject to examination.

The Company's taxable income for each period is an estimate and will not be finally determined until the Company files its tax return for each year. Therefore, the final taxable income, and the taxable income earned in each period and carried forward for distribution in the following period, may be different than this estimate. The estimated tax character of dividends declared for the six month periods ended June 30, 2015 and 2014 was as follows:

	For the six month periods ended	
	June 30, 2015	June 30, 2014
Ordinary income	$ 17,735	$ 5,930
Tax return of capital	$ —	$ —

12. SUBSEQUENT EVENTS

Subsequent events have been evaluated through the date the consolidated financial statements were issued. There have been no subsequent events that require recognition or disclosure through the date the consolidated financial statements were issued, except as disclosed below.

Subsequent to June 30, 2015, the Company borrowed $38,000 under the Revolving Credit Facility and $14,000 under the Facility to fund investment acquisitions. The Company also voluntarily repaid $5,000 under the Facility.

On August 7, 2015, the Company issued a capital call and delivered capital drawdown notices totaling $20,000. Proceeds from the capital call and the related issuance of 1,032,504 shares is expected on or about August 21, 2015.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations.
(dollar amounts in thousands, except per share data, unless otherwise indicated)

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS

We have included or incorporated by reference in this Form 10-Q, and from time to time our management may make, "forward-looking statements". These forward-looking statements are not historical facts, but instead relate to future events or the future performance or financial condition of Carlyle GMS Finance, Inc. ("we," "us," "our," "GMS Finance," or the "Company"). These statements are based on current expectations, estimates and projections about us, our current or prospective portfolio investments, our industry, our beliefs, and our assumptions. The forward-looking statements contained in this Form 10-Q and the documents incorporated by reference herein involve a number of risks and uncertainties, including statements concerning:

- our, or our portfolio companies', future business, operations, operating results or prospects;
- the return or impact of current and future investments;
- the impact of a protracted decline in the liquidity of credit markets on our business;
- the impact of fluctuations in interest rates on our business;
- the impact of changes in laws or regulations (including the interpretation thereof) governing our operations or the operations of our portfolio companies;
- the valuation of our investments in portfolio companies, particularly those having no liquid trading market;
- our ability to recover unrealized losses;
- market conditions and our ability to access alternative debt markets and additional debt and equity capital;
- our contractual arrangements and relationships with third parties;
- the general economy and its impact on the industries in which we invest;
- the financial condition of and ability of our current and prospective portfolio companies to achieve their objectives;
- our expected financings and investments;
- our ability to successfully integrate any acquisitions;
- the adequacy of our cash resources and working capital;
- the timing, form and amount of any dividend distributions;
- the timing of cash flows, if any, from the operations of our portfolio companies;
- the ability of our investment adviser to locate suitable investments for us and to monitor and administer our investments; and
- our intent to satisfy the requirements of a regulated investment company under Subchapter M of the Internal Revenue Code of 1986, as amended.

We use words such as "anticipates," "believes," "expects," "intends," "will," "should," "may" and similar expressions to identify forward-looking statements, although not all forward-looking statements include these words. Our actual results and condition could differ materially from those implied or expressed in the forward-looking statements for any reason, including the factors set forth in "*Risk Factors*" in Part I, Item 1A of our annual report on Form 10-K for the year ended December 31, 2014 and Part II, Item 1A of and elsewhere in this Form 10-Q.

We have based the forward-looking statements included in this Form 10-Q on information available to us on the date of this Form 10-Q, and we assume no obligation to update any such forward-looking statements. Although we undertake no obligation to revise or update any forward-looking statements, whether as a result of new information, future events or otherwise, you are advised to consult any additional disclosures that we may make directly to you or through reports that we have filed or in the future may file with the Securities and Exchange Commission (the "SEC"), including our annual reports on Form 10-K, quarterly reports on Form 10-Q and current reports on Form 8-K.

OVERVIEW

Management's Discussion and Analysis should be read in conjunction with Part I, Item 1 of this Form 10-Q "Financial Statements." This discussion contains forward-looking statements and involves numerous risks and uncertainties, including, but not limited to those described in Part I, Item 1A of our annual report on Form 10-K for the year ended December 31, 2014 and Part II, Item 1A of this Form 10-Q "Risk Factors." Actual results may differ materially from those contained in any forward-looking statements.

Carlyle GMS Finance, Inc. ("we," "us," "our," "GMS Finance," or the "Company") is a Maryland corporation formed on February 8, 2012, and structured as an externally managed, non-diversified closed-end investment company. On May 2, 2013, GMS Finance filed its election to be regulated as a business development company ("BDC") under the Investment Company Act of 1940, as amended (together with the rules and regulations promulgated thereunder, the "Investment Company Act"). GMS Finance has elected to be treated, and intends to continue to comply with the requirements to qualify annually, as a regulated investment company ("RIC") under Subchapter M of the Internal Revenue Code of 1986, as amended, (the "Code").

GMS Finance's investment objective is to generate current income and capital appreciation primarily through debt investments in U.S. middle market companies, which we define as companies with approximately $10 million to $100 million of earnings before interest, taxes, depreciation and amortization ("EBITDA"). GMS Finance seeks to achieve its investment objective by investing primarily in first lien senior secured loans (which may include stand-alone first lien loans; "last out" first lien loans, which are loans that have a secondary priority behind "first out" first lien loans; "unitranche" loans, which are loans that combine features of first lien, second lien or subordinated loans, generally in a first lien position; and secured corporate bonds with similar features to these categories of first lien loans) and second lien senior secured loans (which may include senior secured loans, and, to a lesser extent, secured corporate bonds, with a secondary priority behind first lien loans) (collectively, "Middle Market Senior Loans"). The Middle Market Senior Loans are generally made to private U.S. middle market companies that are, in many cases, controlled by private equity firms. Depending on market conditions, GMS Finance expects that between 70% and 80% of the value of its assets will be invested in Middle Market Senior Loans, with the balance invested in higher-yielding investments, which may include middle market junior loans such as corporate mezzanine loans, equity co-investments, broadly syndicated first lien and second lien senior secured loans, high-yield bonds, structured finance obligations and/or other opportunistic investments. We expect that the composition of our portfolio will change over time given our Investment Adviser's view on, among other things, the economic and credit environment (including with respect to interest rates) in which we are operating.

GMS Finance is externally managed by the Investment Adviser, an investment adviser registered under the Investment Advisers Act of 1940, as amended. Carlyle GMS Finance Administration L.L.C. (the "Administrator") provides the administrative services necessary for GMS Finance to operate. Both the Investment Adviser and the Administrator are wholly-owned subsidiaries of Carlyle Investment Management L.L.C., a subsidiary of The Carlyle Group L.P. "Carlyle" refers to The Carlyle Group L.P., its affiliates and its consolidated subsidiaries, a global alternative asset manager publicly traded on NASDAQ Global Select Market under the symbol "CG". Refer to the sec.gov website for further information on Carlyle.

Investments

Our level of investment activity can and does vary substantially from period to period depending on many factors, including the amount of debt available to middle market companies, the general economic environment and the competitive environment for the type of investments we make.

Revenue

We generate revenue primarily in the form of interest and fee income on debt investments we hold and capital gains, if any, on investments. Our debt investments generally have a stated term of five to eight years and generally bear interest at a floating rate usually determined on the basis of a benchmark such as LIBOR. Interest on these debt securities is generally paid quarterly. In some instances, we receive payments on our debt investments based on scheduled amortization of the outstanding balances. In addition, we receive repayments of some of our debt investments prior to their scheduled maturity date. The frequency or volume of these repayments fluctuates significantly from period to period. Our portfolio activity also reflects the proceeds of sales of securities. We may also generate revenue in the form of commitment, origination, amendment, structuring or due diligence fees, fees for providing managerial assistance and consulting fees.

Expenses

Our primary operating expenses include the payment of: (i) investment advisory fees, including base management fees and incentive fees, to our Investment Adviser pursuant to an investment advisory and management agreement (the "Investment Advisory Agreement") between us and our Investment Adviser; (ii) costs and other expenses and our allocable portion of overhead incurred by Administrator in performing its administrative obligations under an administration agreement (the "Administration Agreement") between us and our Administrator; and (iii) other operating expenses as detailed below:

- our initial organization costs and offering costs incurred prior to the filing of our election to be regulated as a BDC (the amount in excess of $1,500 to be paid by our Investment Adviser);
- the costs associated with the Private Offering;
- the costs of any other offerings of our common stock and other securities, if any;
- calculating individual asset values and our net asset value (including the cost and expenses of any independent valuation firms);
- expenses, including travel expenses, incurred by the Investment Adviser, or members of the Investment Adviser team managing our investments, or payable to third parties, performing due diligence on prospective portfolio companies and, if necessary, expenses of enforcing our rights;
- the base management fee and any incentive fee payable under our Investment Advisory Agreement;
- certain costs and expenses relating to distributions paid on our shares;
- administration fees payable under our Administration Agreement and sub-administration agreements, including related expenses;
- debt service and other costs of borrowings or other financing arrangements;
- the allocated costs incurred by the Investment Adviser in providing managerial assistance to those portfolio companies that request it;
- amounts payable to third parties relating to, or associated with, making or holding investments;
- the costs associated with subscriptions to data service, research-related subscriptions and expenses and quotation equipment and services used in making or holding investments;
- transfer agent and custodial fees;

- costs of hedging;
- commissions and other compensation payable to brokers or dealers**;**
- federal and state registration fees;
- any U.S. federal, state and local taxes, including any excise taxes;
- independent director fees and expenses;
- costs of preparing financial statements and maintaining books and records, costs of preparing tax returns, costs of Sarbanes-Oxley Act compliance and attestation and costs of filing reports or other documents with the SEC (or other regulatory bodies), and other reporting and compliance costs, including registration and listing fees, and the compensation of professionals responsible for the preparation or review of the foregoing;
- the costs of any reports, proxy statements or other notices to our stockholders (including printing and mailing costs), the costs of any stockholders' meetings and the compensation of investor relations personnel responsible for the preparation of the foregoing and related matters;
- the costs of specialty and custom software for monitoring risk, compliance and overall portfolio, including any development costs incurred prior to the filing of our election to be regulated as a BDC;
- our fidelity bond;
- directors and officers/errors and omissions liability insurance, and any other insurance premiums;
- indemnification payments;
- direct fees and expenses associated with independent audits, agency, consulting and legal costs; and
- all other expenses incurred by us or the Administrator in connection with administering our business, including our allocable share of certain officers and their staff compensation.

We expect our general and administrative expenses to be relatively stable or to decline as a percentage of total assets during periods of asset growth and to increase during periods of asset declines.

PORTFOLIO AND INVESTMENT ACTIVITY

As of June 30, 2015 and December 31, 2014, average loan size in the portfolio was approximately $11,344 and $10,141, respectively, at amortized cost, with no single industry representing more than 11% and 11%, respectively, of total fair value.

The fair value of our investments was approximately $912,502 comprised of 83 portfolio companies/structured finance obligations as of June 30, 2015. The fair value of our investments was approximately $698,662 comprised of 72 portfolio companies/structured finance obligations as of December 31, 2014.

The Company's investment activity for the three month periods ended June 30, 2015 and 2014 is presented below (information presented herein is at amortized cost unless otherwise indicated).

	For the three month periods ended	
	June 30, 2015	June 30, 2014
Investments—non-controlled/non-affiliated:		
Total Investments—non-controlled/non-affiliated, beginning of period	$ 794,139	$ 317,735
New investments	230,553	141,344
Net accretion of discount on securities	894	384
Net realized gain (loss) on investments	593	145
Investments sold or repaid	(108,887)	(41,518)
Total Investments—non-controlled/non-affiliated, end of period	$ 917,292	$ 418,090
Principal amount of investments funded:		
First Lien Debt	$ 170,147	$ 81,675
Second Lien Debt	59,250	31,000
Structured Finance Obligations	4,000	42,100
Equity investments	1,507	—
Total	$ 234,904	$ 154,775
Principal amount of investments sold or repaid:		
First Lien Debt	$ (100,388)	$ (32,234)
Second Lien Debt	—	(7,500)
Structured Finance Obligations	(11,700)	—
Total	$ (112,088)	$ (39,734)
Number of new funded investments	19	20
Average new funded investment amount	$ 12,134	$ 7,067
Percentage of new funded debt investments at floating rates	96%	100%
Percentage of new funded debt investments at fixed rates	4%	0%

As of June 30, 2015 and December 31, 2014, investments—non-controlled/non-affiliated consisted of the following:

	June 30, 2015		December 31, 2014	
	Amortized Cost	Fair Value	Amortized Cost	Fair Value
First Lien Debt	$659,852	$661,306	$517,450	$514,787
Second Lien Debt	179,594	177,811	111,261	107,874
Structured Finance Obligations	75,631	71,170	78,990	76,001
Equity Investments	2,215	2,215	—	—
Total	$917,292	$912,502	$707,701	$698,662

The weighted average yields [(1)] for our first and second lien debt, based on the amortized cost and fair value as of June 30, 2015 and December 31, 2014, were as follows:

	June 30, 2015		December 31, 2014	
	Amortized Cost	Fair Value	Amortized Cost	Fair Value
First Lien Debt	6.49%	6.47%	6.01%	6.04%
Second Lien Debt	9.18%	9.27%	8.86%	9.14%

(1) Yields do not include the effect of accretion of discounts and amortization of premiums and are based on interest rates as of June 30, 2015 and December 31, 2014. Actual yields earned over the life of each investment could differ materially from the yields presented above.

Weighted average yields on first lien and second lien debt have increased as of June 30, 2015 compared to December 31, 2014 primarily due to a shift in mix to higher yielding assets, including unitranche loans.

See the Consolidated Schedules of Investments as of June 30, 2015 and December 31, 2014 in our consolidated financial statements in Part I, Item 1 of this Form 10-Q for more information on these investments, including a list of companies and type and amount of investments.

As part of the monitoring process, our Investment Adviser has developed risk policies pursuant to which it regularly assesses the risk profile of each of our debt investments and rates each of them based on the following categories, which we refer to as "Internal Risk Ratings":

Internal Risk Ratings Definitions

Rating	Definition
1	**Performing—Low Risk:** Borrower is operating more than 10% ahead of the Base Case.
2	**Performing—Stable Risk:** Borrower is operating within 10% of the Base Case (above or below). This is the initial rating assigned to all new borrowers.
3	**Performing—Management Notice:** Borrower is operating more than 10% below the Base Case. A financial covenant default may have occurred, but there is a low risk of payment default.
4	**Watch List:** Borrower is operating more than 20% below the Base Case and there is a high risk of covenant default, or it may have already occurred. Payments are current although subject to greater uncertainty, and there is moderate to high risk of payment default.
5	**Watch List—Possible Loss:** Borrower is operating more than 30% below the Base Case. At the current level of operations and financial condition, the borrower does not have the ability to service and ultimately repay or refinance all outstanding debt on current terms. Payment default is very likely or may have occurred. Loss of principal is possible.
6	**Watch List—Probable Loss:** Borrower is operating more than 40% below the Base Case, and at the current level of operations and financial condition, the borrower does not have the ability to service and ultimately repay or refinance all outstanding debt on current terms. Payment default is very likely or may have already occurred. Additionally, the prospects for improvement in the borrower's situation are sufficiently negative that impairment of some or all principal is probable.

Our Investment Adviser's risk rating model is based on evaluating portfolio company performance in comparison to the Base Case when considering certain credit metrics including, but not limited to, adjusted EBITDA and net senior leverage as well as specific events including, but not limited to, default and impairment.

Our Investment Adviser monitors and, when appropriate, changes the investment ratings assigned to each debt investment in our portfolio. In connection with our quarterly valuation process, our Investment Adviser reviews our investment ratings on a regular basis. The following table summarizes the Internal Risk Ratings as of June 30, 2015 and December 31, 2014:

	June 30, 2015		December 31, 2014	
(dollar amounts in millions)	Fair Value	% of Fair Value	Fair Value	% of Fair Value
Internal Risk Rating 1	$ 48.3	5.76%	$ 55.6	8.93%
Internal Risk Rating 2	721.3	85.96	517.1	83.04
Internal Risk Rating 3	48.1	5.73	41.0	6.58
Internal Risk Rating 4	21.4	2.55	9.0	1.45
Internal Risk Rating 5	—	—	—	—
Internal Risk Rating 6	—	—	—	—
Total	$ 839.1	100.00%	$ 622.7	100.00%

As part of our monitoring process, our Investment Adviser has developed risk policies pursuant to which it regularly assesses the risk profile of each of the structured finance obligation investments.

CONSOLIDATED RESULTS OF OPERATIONS

For the three month and six month periods ended June 30, 2015 and 2014

The net increase or decrease in net assets from operations may vary substantially from period to period as a result of various factors, including the recognition of realized gains and losses and net change in unrealized appreciation and depreciation. As a result, quarterly comparison may not be meaningful.

Investment Income

Interest income for the three month and six month periods ended June 30, 2015 and 2014 were as follows:

	For the three month periods ended		For the six month periods ended	
	June 30, 2015	June 30, 2014	June 30, 2015	June 30, 2014
Interest income from non-controlled/non-affiliated investments	$ 15,925	$ 9,944	$ 28,904	$ 16,577
Total investment income	$ 15,925	$ 9,944	$ 28,904	$ 16,577

The increase in interest income and net investment income for the three month and six month periods ended June 30, 2015 and 2014 was driven by our deployment of capital and increasing invested balance. As of June 30, 2015 and 2014, the size of our portfolio was $917,292 and $418,090, respectively, at amortized cost, with total principal amount of investments outstanding of $978,808 and $468,209, respectively. As of June 30, 2015 and 2014, the weighted average yield of our first and second lien debt was 7.06% and 6.46%, respectively, on amortized cost.

Interest income on our first and second lien debt investments is dependent on the composition and credit quality of the portfolio. Generally, we expect the portfolio to generate predictable quarterly interest income based on the terms stated in each loan's credit agreement. As of June 30, 2015 and 2014, all of our first and second lien debt investments were performing and current on their interest payments. Interest income from structured finance obligations is recorded based upon an estimation of an effective yield to expected maturity utilizing assumed cash flows. The effective yield is updated at least quarterly based on payments received and expected future payments. In estimating these cash flows, there are a number of assumptions that are subject to uncertainties, including the amount and timing of principal payments which are impacted by prepayments, repurchases, defaults, delinquencies and liquidations of or within the CLO funds. These uncertainties are difficult to predict and are subject to future events that could have impacted the Company's estimates if the information was known at the time. As a result, actual results may differ significantly from these estimates.

Net investment income (loss) for the three month and six month periods ended June 30, 2015 and 2014 was as follows:

	For the three month periods ended		For the six month periods ended	
	June 30, 2015	June 30, 2014	June 30, 2015	June 30, 2014
Total investment income from non-controlled/non-affiliated investments	$ 15,925	$ 9,944	$ 28,904	$ 16,577
Net expenses	(7,980)	(5,408)	(14,479)	(9,002)
Net investment income (loss)	$ 7,945	$ 4,536	$ 14,425	$ 7,575

Expenses

	For the three month periods ended		For the six month periods ended	
	June 30, 2015	June 30, 2014	June 30, 2015	June 30, 2014
Base management fees	$ 3,080	$ 1,455	$ 5,803	$ 2,446
Incentive fees	1,986	1,149	3,606	2,089
Professional fees	465	596	849	1,193
Administrative service fees	188	218	300	475
Interest expense	2,129	634	3,909	983
Credit facility fees	446	1,526	874	2,056
Directors' fees and expenses	106	103	207	185
Transfer agency fees	44	34	93	60
Other general and administrative	562	178	772	330
Total expenses	9,006	5,893	16,413	9,817
Waiver of base management fees	(1,026)	(485)	(1,934)	(815)
Net expenses	$ 7,980	$ 5,408	$ 14,479	$ 9,002

Interest expense and credit facility fees for the three month and six month periods ended June 30, 2015 and 2014 were comprised of the following:

	For the three month periods ended		For the six month periods ended	
	June 30, 2015	June 30, 2014	June 30, 2015	June 30, 2014
Interest expense	$ 2,129	$ 634	$ 3,909	$ 983
Unused commitment fee	135	372	305	658
Amortization of deferred financing costs	281	1,128	513	1,347
Other fees	30	26	56	51
Total interest expense and credit facility fees	$ 2,575	$ 2,160	$ 4,783	$ 3,039
Cash paid for interest expense	$ 2,112	$ 510	$ 3,562	$ 795

The increase in interest expense for the three month and six month periods ended June 30, 2015 was driven by increased usage of the facilities, additional debt issued through the securitization in the form of the 2015-1 Notes (as defined below), and increased deployment of capital to investments. See Note 6 to the consolidated financial states included in Part I, Item 1 of this Form 10-Q for more information. For the three month and six month periods ended June 30, 2015, the weighted average interest rate under the facilities was 2.22% and 2.20%, respectively, and average principal debt outstanding was $363,649 and $345,319, respectively. For the three month and six month periods ended June 30, 2014, the weighted average interest rate under the facilities was 2.13% and 2.12%, respectively, and average principal debt outstanding was $117,699 and $92,401, respectively.

For the six months ended June 30, 2015, the effective annualized weighted average interest rate, which includes amortization of debt issuance costs on the 2015-1 Notes, was 2.39%, based on floating LIBOR rates. For the six months ended June 30, 2015, interest expense, including the amortization of deferred debt issuance costs, was $91.

Increased base management fees (and related waiver of base management fees) and incentive fees related to pre-incentive fee net investment income for the three month and six month periods ended June 30, 2015 and 2014 were driven by our deployment of capital and increasing invested balance. For the three month and six month periods ended June 30, 2015, base management fees were $2,054 and $3,869, respectively (net of waiver of $1,026 and $1,934, respectively), incentive fees related to pre-incentive fee net investment income were $1,986

and $3,606, respectively, and there were no incentive fees related to realized capital gains. For the three month and six month periods ended June 30, 2014, base management fees were $970 and $1,631, respectively (net of waiver of $485 and $815, respectively), incentive fees related to pre-incentive fee net investment income were $1,137 and $1,933, respectively, and there were no incentive fees related to realized capital gains. The accrual for any capital gains incentive fee under accounting principles generally accepted in the United States ("US GAAP") in a given period may result in an additional expense if such cumulative amount is greater than in the prior period or a reduction of previously recorded expense if such cumulative amount is less than in the prior period. If such cumulative amount is negative, then there is no accrual. See Note 4 to the consolidated financial statements included in Part I, Item 1 of this Form 10-Q for more information on the incentive and base management fees. For the three month and six month periods ended June 30, 2015, we recorded no accrued capital gains incentive fees based upon our cumulative net realized and unrealized appreciation/ (depreciation) as of June 30, 2015. For the three month and six month periods ended June 30, 2014, we recorded an accrued capital gains incentive fee of $12 and $156, respectively, based upon our cumulative net realized and unrealized appreciation/ (depreciation) as of June 30, 2014.

Professional fees include legal, rating agencies, audit, tax, valuation, technology and other professional fees incurred related to the management of the Company. Administrative service fees represent fees paid to the Administrator for our allocable portion of overhead and other expenses incurred by the Administrator in performing its obligations under the administration agreement, including our allocable portion of the cost of certain of our executive officers and their respective staff. Other general and administrative expenses include insurance, filing, research, subscriptions and other costs.

Net Realized Gain (Loss) and Net Change in Unrealized Appreciation/(Depreciation) on Investments

During the three month and six month periods ended June 30, 2015, the Company had a change in unrealized appreciation on 52 and 68 investments, respectively, totaling approximately $5,595 and $11,731, respectively, which was offset by a change in unrealized depreciation on 48 and 36 investments, respectively, totaling approximately $4,918 and $7,482, respectively. During the three month and six month periods ended June 30, 2014, the Company had a change in unrealized appreciation on 30 and 40 investments, respectively, totaling approximately $3,371 and $4,126, respectively, which was offset by a change in unrealized depreciation on 32 and 24 investments, respectively, totaling approximately $3,460 and $3,284, respectively.

	For the three month periods ended		For the six month periods ended	
	June 30, 2015	June 30, 2014	June 30, 2015	June 30, 2014
Net realized gain (loss) on investments—non-controlled/non-affiliated	$ 593	$ 145	$ 329	$ 191
Net change in unrealized appreciation (depreciation) on investments—non-controlled/non-affiliated	677	(89)	4,249	842
Net realized gain (loss) and net change in unrealized appreciation (depreciation) on investments	$ 1,270	$ 56	$ 4,578	$ 1,033

Net realized gain (loss) and net change in unrealized appreciation (depreciation) for the three month and six month periods ended June 30, 2015 and 2014 was as follows:

	For the three month periods ended			
	June 30, 2015		June 30, 2014	
Type	Net realized gain (loss)	Net change in unrealized appreciation (depreciation)	Net realized gain (loss)	Net change in unrealized appreciation (depreciation)
First Lien Debt	$ 205	$ 811	$ —	$ 898
Second Lien Debt	—	1,158	120	1,048
Structured Finance Obligations	388	(1,292)	25	(2,035)
Total	$ 593	$ 677	$ 145	$ (89)

	For the six month periods ended			
	June 30, 2015		June 30, 2014	
Type	Net realized gain (loss)	Net change in unrealized appreciation (depreciation)	Net realized gain (loss)	Net change in unrealized appreciation (depreciation)
First Lien Debt	$ 207	$ 4,117	$ —	$ 1,317
Second Lien Debt	—	1,604	120	1,432
Structured Finance Obligations	122	(1,472)	71	(1,907)
Total	$ 329	$ 4,249	$ 191	$ 842

For the six month period ended June 30, 2015, we had a net realized gain of $329 primarily due to the sale of two structured finance obligations and the prepayment of one loan investment with a call premium. Net change in unrealized appreciation in our investments for the three month and six month periods ended June 30, 2015 was primarily due to a tightening spread environment during the period.

FINANCIAL CONDITION, LIQUIDITY AND CAPITAL RESOURCES

The Company generates cash from the net proceeds of offerings of our common stock and through cash flows from operations, including investment sales and repayments as well as income earned on investments and cash equivalents. We may also fund a portion of our investments through borrowings under the Borrower Sub's Revolving Credit Facility (as defined below) and/or the Company's Facility (as defined below), as well as through securitization of a portion of our existing investments. The Borrower Sub closed on May 24, 2013 on a senior secured revolving credit facility (as amended, the "Revolving Credit Facility"), which was subsequently amended on June 30, 2014 (the "First Amendment") and further amended on June 19, 2015 ("Second Amendment"). The Revolving Credit Facility provides for secured borrowings during the applicable revolving period up to an amount equal to the lesser of $400,000, the borrowing base as calculated pursuant to the terms of the Revolving Credit Facility, and the amount of net cash proceeds and unpledged capital commitments the Company has received with an accordion feature that can, subject to certain conditions, increase the aggregate maximum credit commitment up to an amount not to exceed $750,000, subject to restrictions imposed on borrowings under the Investment Company Act and certain restrictions and conditions set forth in the Revolving Credit Facility, including adequate collateral to support such borrowings. The Revolving Credit Facility imposes financial and operating covenants on us and Borrower Sub that restrict our and its business activities. Continued compliance with these covenants will depend on many factors, some of which are beyond our control. The Company closed on March 21, 2014 on a senior secured revolving credit facility (as amended, the "Facility"), which was subsequently amended on January 8, 2015 (the "First Facility Amendment Effective Date"). The maximum principal amount of the Facility is $150,000, subject to availability under the Facility, which is based on certain advance rates multiplied by the value of the Company's portfolio investments (subject to certain
concentration limitations) net of certain other indebtedness that the Company may incur in accordance with the

terms of the Facility. Proceeds of the Facility may be used for general corporate purposes, including the funding of portfolio investments. Maximum capacity under the Facility may be increased to $225,000 through the exercise by the Company of an uncommitted accordion feature through which existing and new lenders may, at their option, agree to provide additional financing. The Facility includes a $20,000 limit for swingline loans and a $5,000 limit for letters of credit. Subject to certain exceptions, the Facility is secured by a perfected first-priority security interest in substantially all of the portfolio investments held by the Company.

The Facility includes customary covenants, including certain financial covenants related to asset coverage, shareholders' equity and liquidity, certain limitations on the incurrence of additional indebtedness and liens, and other maintenance covenants, as well as usual and customary events of default for senior secured revolving credit facilities of this nature.

Although we believe that we and the Borrower Sub will remain in compliance, there are no assurances that we or the Borrower Sub will continue to comply with the covenants in the Facility and Revolving Credit Facility, as applicable. Failure to comply with these covenants could result in a default under the Facility and/or Revolving Credit Facility that, if we or the Borrower Sub were unable to obtain a waiver from the applicable lenders, could result in the immediate acceleration of the amounts due under the Facility and/or Revolving Credit Facility, and thereby have a material adverse impact on our business, financial condition and results of operations.

For more information on the Revolving Credit Facility and Facility, see Note 5 to the consolidated financial statements in Part I, Item 1 of this Form 10-Q.

The primary use of existing funds and any funds raised in the future is expected to be for investments in portfolio companies, repayment of indebtedness, cash distributions to our stockholders and for other general corporate purposes.

On June 26, 2015, the Company completed a $400 million term debt securitization (the "2015-1 Debt Securitization"). The notes offered in the Debt Securitization (the "2015-1 Notes") were issued by Carlyle GMS Finance MM CLO 2015-1 LLC (the "2015-1 Issuer"), a wholly-owned and consolidated subsidiary of the Company, and are secured by a diversified portfolio consisting primarily of first and second lien senior secured loans. The 2015-1 Debt Securitization was executed through a private placement of the 2015-1 Notes, consisting of $160 million of Aaa/AAA Class A-1A Notes which bear interest at the three-month London Interbank Offered Rate ("LIBOR"), plus 1.85%; $40 million of Aaa/AAA Class A-1B Notes which bear interest at the three-month LIBOR plus 1.75% for first 24 months and the three-month LIBOR plus 2.05% thereafter; $27 million of Aaa/AAA Class A-1C Notes which bear interest at 3.75% and $46 million of Aa2 Class A-2 Notes which bear interest at the three-month LIBOR plus 2.70%. The 2015-1 Notes were issued at par and are scheduled to mature on July 15, 2027. The Company received 100% of the preferred interests (the "Preferred Interests") issued by the 2015-1 Issuer on the closing date of the 2015-1 Debt Securitization in exchange for the Company's contribution to the Issuer of the initial closing date loan portfolio. The Preferred Interests do not bear interest and had a nominal value of $125.9 million at closing. In connection with the contribution, the Company has made customary representations, warranties and covenants to the 2015-1 Issuer. The Class A-1A, Class A-1B and Class A-1C and Class A-2 Notes are included in the June 30, 2015 consolidated financial statements. The Preferred Interests were eliminated in consolidation. For more information on the 2015-1 Notes, see Note 6 to the consolidated financial statements in Part I, Item 1 of this Form 10-Q.

As of June 30, 2015 and December 31, 2014, the Company had $46,477 and $8,754, respectively, in cash. The facilities of the Company and the Borrower Sub consisted of the following as of June 30, 2015 and December 31, 2014:

	June 30, 2015			
	Total Facility	Borrowings Outstanding	Unused Portion (1)	Amount Available (2)
Revolving Credit Facility	$400,000	$ 103,958	$296,042	$ 21,591
Facility	150,000	31,000	119,000	119,000
Total	$550,000	$ 134,958	$415,042	$ 140,591

	December 31, 2014			
	Total Facility	Borrowings Outstanding	Unused Portion (1)	Amount Available (2)
Revolving Credit Facility	$400,000	$ 246,441	$153,559	$ 10,557
Facility	150,000	62,000	88,000	58,623
Total	$550,000	$ 308,441	$241,559	$ 69,180

(1) The unused portion is the amount upon which commitment fees are based.
(2) Available for borrowing based on the computation of collateral to support the borrowings.

The following were the carrying values and fair values of the Company's 2015-1 Notes as of June 30, 2015 and December 31, 2014:

	June 30, 2015		December 31, 2014	
	Carrying Value	Fair Value	Carrying Value	Fair Value
Aaa/AAA Class A-1A Notes	$ 160,000	$160,000	$ —	$ —
Aaa/AAA Class A-1B Notes	40,000	40,000	—	—
Aaa/AAA Class A-1C Notes	27,000	27,000	—	—
Aa2 Class A-2 Notes	46,000	46,000	—	—
Total	$ 273,000	$273,000	$ —	$ —

Equity Activity

There were $10,473 and $21,582 of investor equity capital commitments made to the Company during the three month and six month periods ended June 30, 2015, respectively. There were $40,125 and $231,754 of investor equity capital commitments made to the Company during the three month and six month periods ended June 30, 2014, respectively. As of June 30, 2015 and December 31, 2014, the Company had $1,151,104 and $1,129,522, respectively, in total capital commitments from stockholders, of which $627,250 and $776,750, respectively, was unfunded. As of June 30, 2015 and December 31, 2014, certain current directors had committed $1,541 and $1,500, respectively, in capital commitments to the Company.

Shares issued as of June 30, 2015 and December 31, 2014 were 26,755,935 and 17,932,697, respectively.

The following table summarizes activity in the number of shares of our common stock outstanding during the six month periods ended June 30, 2015 and 2014:

	For the six month periods ended	
	June 30, 2015	June 30, 2014
Shares in issue, beginning of period	17,932,697	9,575,990
Common stock issued	8,820,836	3,315,431
Reinvestment of dividends	2,402	148
Shares in issue, end of period	26,755,935	12,891,569

Contractual Obligations

A summary of our significant contractual payment obligations was as follows as of June 30, 2015 and December 31, 2014:

	Revolving Credit Facility and Facility		2015-1 Notes	
Payment Due by Period	**June 30, 2015**	**December 31, 2014**	**June 30, 2015**	**December 31, 2014**
Less than 1 Year	$ —	$ —	$ —	$ —
1-3 Years	—	—	—	—
3-5 Years	31,000	62,000	—	—
More than 5 Years	103,958	246,441	273,000	—
Total	$ 134,958	$ 308,441	$ 273,000	$ —

For more information on the Revolving Credit Facility and Facility and 2015-1 Notes, see Note 5 and Note 6, respectively, to the consolidated financial statements in Part I, Item 1 of this Form 10-Q.

As of June 30, 2015 and December 31, 2014, $103,958 and $246,441, respectively, of secured borrowings were outstanding under the Revolving Credit Facility, $31,000 and $62,000, respectively, of secured borrowings were outstanding under the Facility and $273,000 and $0, respectively, of 2015-1 Notes were outstanding. For the three month and six month periods ended June 30, 2015, we incurred $2,129 and $3,909, respectively, of interest expense and $135 and $305, respectively, of unused commitment fees. For the three month and six month periods ended June 30, 2014, we incurred $634 and $983, respectively, of interest expense and $372 and $658 of unused commitment fees.

OFF BALANCE SHEET ARRANGEMENTS

In the ordinary course of its business, the Company enters into contracts or agreements that contain indemnification or warranties. Future events could occur that lead to the execution of these provisions against the Company. The Company believes that the likelihood of such an event is remote; however, the maximum potential exposure is unknown. No accrual has been made in these consolidated financial statements as of June 30, 2015 and December 31, 2014 included in Part I, Item 1 of this Form 10-Q for any such exposure.

We may also enter into future funding commitments such as revolving credit facilities, bridge financing commitments, or delayed draw commitments.

The Company had the following unfunded commitments to fund delayed draw senior secured loans as of the indicated dates:

	Par Value as of	
	June 30, 2015	**December 31, 2014**
Unfunded delayed draw commitments	$ 32,986	$ 9,500
Unfunded revolving term loan commitments	3,906	—
Total unfunded commitments	$ 36,892	$ 9,500

Pursuant to an undertaking by the Company in connection with the 2015-1 Debt Securitization, the Company has agreed to hold on an ongoing basis Preferred Interests with an aggregate dollar purchase price at least equal to 5% of the aggregate outstanding amount of all collateral obligations by the 2015-1 Issuer for so long as any securities of the 2015-1 Issuer remains outstanding. As of June 30, 2015, the Company was in compliance with its undertaking.

DIVIDENDS AND DISTRIBUTIONS TO COMMON STOCKHOLDERS

The Company has adopted a dividend reinvestment plan that provides for reinvestment of any distributions on behalf of its stockholders, for those who have elected to participate in the plan. As a result of adopting such a plan, if the Board of Directors authorizes, and GMS Finance declares, a cash dividend or distribution, the stockholders who have elected to participate in the dividend reinvestment plan would have their cash dividends or distributions automatically reinvested in additional shares of the Company's common stock, rather than receiving cash. Prior to a Qualified IPO, the Company intends to use primarily newly issued shares of its common stock to implement the plan issued at the net asset value per share most recently determined by the Board of Directors. After a Qualified IPO, the Company intends to use primarily newly issued shares to implement the plan so long as the market value per share is equal to or greater than the net asset value per share as of the close of business on the relevant payment date for such dividend or distribution. If the market value per share is less than the net asset value per share as of the close of business on the relevant payment date, the plan administrator would purchase the common stock on behalf of participants in the open market, unless the Company instructs the plan administrator otherwise.

The following table summarizes the Company's dividends declared and payable since inception through the quarter ended June 30, 2015:

Date Declared	Record Date	Payment Date	Per Share Amount	Total Amount	Annualized Dividend Yield (1)
March 13, 2014	March 31, 2014	April 14, 2014	$ 0.19	$2,449	4.76%
June 26, 2014	June 30, 2014	July 14, 2014	$ 0.27	$3,481	5.52%
September 12, 2014	September 18, 2014	October 9, 2014	$ 0.44	$5,956	9.23%
December 19, 2014	December 29, 2014	January 26, 2015	$ 0.35	$6,276	8.17%
March 11, 2015	March 13, 2015	April 17, 2015	$ 0.37	$7,833	8.58%
June 24, 2015	June 30, 2015	July 22, 2015	$ 0.37	$9,902	9.03%

(1) Annualized dividend yield is calculated by dividing the declared dividend by the weighted average of the net asset value at the beginning of the quarter and the capital called during the quarter and annualizing over 4 quarterly periods.

CRITICAL ACCOUNTING POLICIES

The preparation of our consolidated financial statements requires us to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues, and expenses. Changes in the economic environment, financial markets, and any other parameters used in determining such estimates could cause actual results to differ. Our critical accounting policies, including those relating to the valuation of our investment portfolio, are described below. The critical accounting policies should be read in connection with our consolidated financial statements in Part I, Item 1 of this Form 10-Q and in Part II, Item 8 of the Company's annual report on Form 10-K for the year ended December 31, 2014.

Fair Value Measurements

The Company applies fair value accounting in accordance with the terms of Financial Accounting Standards Board ASC Topic 820, *Fair Value Measurement* ("ASC 820"). ASC 820 defines fair value as the amount that would be exchanged to sell an asset or transfer a liability in an orderly transfer between market participants at the measurement date. The Company values securities/instruments traded in active markets on the measurement date by multiplying the closing price of such traded securities/instruments by the quantity of shares or amount of the instrument held. The Company may also obtain quotes with respect to certain of its investments, such as its securities/instruments traded in active markets and its liquid securities/instruments that are not traded in active markets, from pricing services, brokers, or counterparties (i.e. "consensus pricing"). When doing so, the

Company determines whether the quote obtained is sufficient according to US GAAP to determine the fair value of the security. The Company may use the quote obtained or alternative pricing sources may be utilized including valuation techniques typically utilized for illiquid securities/instruments.

Securities/instruments that are illiquid or for which the pricing source does not provide a valuation or methodology or provides a valuation or methodology that, in the judgment of the Investment Adviser or the Board of Directors, does not represent fair value shall each be valued as of the measurement date using all techniques appropriate under the circumstances and for which sufficient data is available. These valuation techniques may vary by investment and include comparable public market valuations, comparable precedent transaction valuations and/or discounted cash flow analyses. The process generally used to determine the applicable value is as follows: (i) the value of each portfolio company or investment is initially reviewed by the investment professionals responsible for such portfolio company or investment and, for non-traded investments, a standardized template designed to approximate fair market value based on observable market inputs, updated credit statistics and unobservable inputs is used to determine a preliminary value, which is also reviewed alongside consensus pricing, where available; (ii) preliminary valuation conclusions are documented and reviewed by a valuation committee comprised of members of senior management; (iii) the Board of Directors engages a third-party valuation firm to provide positive assurance on portions of the Middle Market Senior Loans and equity investments portfolio each quarter (such that each non-traded investment is reviewed by a third-party valuation firm at least once on a rolling twelve month basis) including a review of management's preliminary valuation and conclusion on fair value; (iv) the Audit Committee of the Board of Directors (the "Audit Committee") reviews the assessments of the Investment Adviser and the third-party valuation firm and provides the Board of Directors with any recommendations with respect to changes to the fair value of each investment in the portfolio; and (v) the Board of Directors discusses the valuation recommendations of the Audit Committee and determines the fair value of each investment in the portfolio in good faith based on the input of the Investment Adviser and, where applicable, the third-party valuation firm.

All factors that might materially impact the value of an investment are considered, including, but not limited to the assessment of the following factors, as relevant:

- the nature and realizable value of any collateral;
- call features, put features and other relevant terms of debt;
- the portfolio company's leverage and ability to make payments;
- the portfolio company's public or private credit rating;
- the portfolio company's actual and expected earnings and discounted cash flow;
- prevailing interest rates and spreads for similar securities and expected volatility in future interest rates;
- the markets in which the portfolio company does business and recent economic and/or market events; and
- comparisons to comparable transactions and publicly traded securities.

Investment performance data utilized are the most recently available financial statements and compliance certificates received from the portfolio companies as of the measurement date which in many cases may reflect a lag in information.

Due to the inherent uncertainty of determining the fair value of investments that do not have a readily available market value, the fair value of the Company's investments may fluctuate from period to period. Because of the inherent uncertainty of valuation, these estimated values may differ significantly from the values that would have been reported had a ready market for the investments existed, and it is reasonably possible that the difference could be material.

In addition, changes in the market environment and other events that may occur over the life of the investments may cause the realized gains or losses on investments to be different from the net change in unrealized appreciation or depreciation currently reflected in the consolidated financial statements as of June 30, 2015 and December 31, 2014.

US GAAP establishes a hierarchical disclosure framework which ranks the level of observability of market price inputs used in measuring investments at fair value. The observability of inputs is impacted by a number of factors, including the type of investment and the characteristics specific to the investment and state of the marketplace, including the existence and transparency of transactions between market participants. Investments with readily available quoted prices or for which fair value can be measured from quoted prices in active markets generally have a higher degree of market price observability and a lesser degree of judgment applied in determining fair value.

Investments measured and reported at fair value are classified and disclosed based on the observability of inputs used in determination of fair values, as follows:

- Level I—inputs to the valuation methodology are quoted prices available in active markets for identical investments as of the reporting date. The types of financial instruments in Level I generally include unrestricted securities, including equities and derivatives, listed in active markets. The Company does not adjust the quoted price for these investments, even in situations where the Company holds a large position and a sale could reasonably impact the quoted price.
- Level II—inputs to the valuation methodology are either directly or indirectly observable as of the reporting date and are those other than quoted prices in active markets. The type of financial instruments in this category generally includes less liquid and restricted securities listed in active markets, securities traded in other than active markets, government and agency securities, and certain over-the-counter derivatives where the fair value is based on observable inputs.
- Level III—inputs to the valuation methodology are unobservable and significant to overall fair value measurement. The inputs into the determination of fair value require significant management judgment or estimation. Financial instruments that are in this category generally include investments in privately-held entities, collateralized loan obligations, and certain over-the-counter derivatives where the fair value is based on unobservable inputs.

In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, an investment's level within the fair value hierarchy is based on the lowest level of input that is significant to the overall fair value measurement. The Investment Adviser's assessment of the significance of a particular input to the fair value measurement in its entirety requires judgment, and considers factors specific to the investment.

Transfer between levels, if any, are recognized at the beginning of the quarter in which the transfers occur.

The Company generally uses the following framework when determining the fair value of investments that are categorized as Level III:

Investments in debt securities are initially evaluated to determine whether the enterprise value of the portfolio company is greater than the applicable debt. The enterprise value of the portfolio company is estimated using a market approach and an income approach. The market approach utilizes market value (EBITDA) multiples of publicly traded comparable companies and available precedent sales transactions of comparable companies. The Company carefully considers numerous factors when selecting the appropriate companies whose multiples are used to value its portfolio companies. These factors include, but are not limited to, the type of organization, similarity to the business being valued, relevant risk factors, as well as size, profitability and growth expectations. The income approach typically uses a discounted cash flow analysis of the portfolio company.

Investments in debt securities that do not have sufficient coverage through the enterprise value analysis are valued based on an expected probability of default and discount recovery analysis.

Investments in debt securities with sufficient coverage through the enterprise value analysis are generally valued using a discounted cash flow analysis of the underlying security. Projected cash flows in the discounted cash flow typically represent the relevant security's contractual interest, fees and principal payments plus the assumption of full principal recovery at the security's expected maturity date. The discount rate to be used is determined using an average of two market-based methodologies.

Investments in structured finance obligations are generally valued using a discounted cash flow and/or consensus pricing.

Investments in equities are generally valued using a market approach and/or an income approach. The market approach utilizes EBITDA multiples of publicly traded comparable companies and available precedent sales transactions of comparable companies. The income approach typically uses a discounted cash flow analysis of the portfolio company.

The significant unobservable inputs used in the fair value measurement of the Company's investments in first and second lien debt securities are discount rates and indicative quotes. Significant increases in discount rates would result in a significantly lower fair value measurement. Significant decreases in indicative quotes in isolation may result in a significantly lower fair value measurement.

The significant unobservable inputs used in the fair value measurement of the Company's investments in structured finance obligations are discount rates, default rates, prepayment rates, recovery rates and indicative quotes. Significant increases in discount rates, default rates or prepayment rates in isolation would result in a significantly lower fair value measurement, while a significant increase in recovery rates in isolation would result in a significantly higher fair value. Significant decreases in indicative quotes in isolation may result in a significantly lower fair value measurement.

The significant unobservable inputs used in the fair value measurement of the Company's investments in equities are discount rates and comparable EBITDA multiples. Significant increases in discount rates would result in a significantly lower fair value measurement. Significant decreases in comparable EBITDA multiples would result in a significantly lower fair value measurement.

The carrying values of the secured borrowings and 2015-1 Notes approximate their respective fair values and are categorized as Level III within the hierarchy. Secured borrowings and 2015-1 Notes are valued generally using discounted cash flow analysis. The significant unobservable inputs used in the fair value measurement of the Company's secured borrowings are discount rates. Significant increases in discount rates would result in a significantly lower fair value measurement. The significant unobservable inputs used in the fair value measurement of the Company's 2015-1 Notes are discount rates, default rates, prepayment rates and recovery rates. Significant increases in discount rates, default rates or prepayment rates in isolation would result in a significantly lower fair value measurement, while a significant increase in recovery rates in isolation would result in a significantly higher fair value.

The carrying value of other financial assets and liabilities approximates their fair value based on the short term nature of these items.

See Note 3 to the consolidated financial statements in Part I, Item 1 of this Form 10-Q for further information on fair value measurements.

Use of Estimates

The preparation of consolidated financial statements included in Part I, Item 1 of this Form 10-Q, in conformity with US GAAP requires management to make assumptions and estimates that affect the reported

amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Management's estimates are based on historical experiences and other factors, including expectations of future events that management believes to be reasonable under the circumstances. It also requires management to exercise judgment in the process of applying the Company's accounting policies. Assumptions and estimates regarding the valuation of investments and their resulting impact on base management and incentive fees involve a higher degree of judgment and complexity and these assumptions and estimates may be significant to the consolidated financial statements included in Part I, Item 1 of this Form 10-Q. Actual results could differ from these estimates and such differences could be material.

Investments

Investment transactions are recorded on the trade date. Realized gains or losses are measured by the difference between the net proceeds from the repayment or sale and the amortized cost basis of the investment using the specific identification method without regard to unrealized appreciation or depreciation previously recognized, and includes investments charged off during the period, net of recoveries. Net change in unrealized appreciation or depreciation on investments as presented in the Consolidated Statements of Operations included in Part I, Item 1 of this Form 10-Q reflects the net change in the fair value of investments, including the reversal of previously recorded unrealized appreciation or depreciation when gains or losses are realized.

Revenue Recognition

Interest from Investments and Realized Gain/Loss on Investments

Interest income is recorded on an accrual basis and includes the accretion of discounts and amortization of premiums. Discounts from and premiums to par value on debt securities purchased are accreted/amortized into interest income over the life of the respective security using the effective interest method. The amortized cost of debt investments represents the original cost, including origination fees, adjusted for the accretion of discounts and amortization of premiums, if any. At time of exit, the realized gain or loss on an investment is the difference between the amortized cost at time of exit and the cash received at exit using the specific identification method.

The Company may have loans in its portfolio that contain payment-in-kind ("PIK") provisions. PIK represents interest that is accrued and recorded as interest income at the contractual rates, increases the loan principal on the respective capitalization dates, and is generally due at maturity.

Interest income from investments in the "equity" class of collateralized loan obligation ("CLO") funds, which are included in "structured finance obligations", is recorded based upon an estimation of an effective yield to expected maturity utilizing assumed cash flows in accordance with ASC 325-40, *Beneficial Interests in Securitized Financials Assets*. We monitor the expected cash inflows from our CLO equity investments, including the expected residual payments and the effective yield is determined and updated at least quarterly. In estimating these cash flows, there are a number of assumptions that are subject to uncertainties, including the amount and timing of principal payments which are impacted by prepayments, repurchases, defaults, delinquencies and liquidations of or within the CLO funds. These uncertainties are difficult to predict and are subject to future events that could have impacted the Company's estimates if the information was known at the time. As a result, actual results may differ significantly from these estimates. Interest income from investments in the notes of CLO funds, which are also included in "structured finance obligations", is recorded on an accrual basis.

Other Income

Other income may include income such as consent, waiver and amendment fees associated with the Company's investment activities as well as any fees for managerial assistance services rendered by the Company to portfolio companies. Such fees are recognized as income when earned or the services are rendered. The Company may receive fees for guaranteeing the outstanding debt of a portfolio company. Such fees will be

amortized into other income over the life of the guarantee. The unamortized amount, if any, is included in other assets in the Consolidated Statements of Assets and Liabilities included in Part I, Item 1 of this Form 10-Q.

Non-Accrual Income

Loans are generally placed on non-accrual status when principal or interest payments are past due 30 days or more or when there is reasonable doubt that principal or interest will be collected in full. Accrued and unpaid interest is generally reversed when a loan is placed on non-accrual status. Interest payments received on non-accrual loans may be recognized as income or applied to principal depending upon management's judgment regarding collectability. Non-accrual loans are restored to accrual status when past due principal and interest are paid current and, in management's judgment, are likely to remain current. Management may not place a loan on non-accrual status if the loan has sufficient collateral value and is in the process of collection.

Income Taxes

For federal income tax purposes, GMS Finance has elected to be treated as a RIC under the Code, and intends to make the required distributions to its stockholders as specified therein. In order to qualify as a RIC, GMS Finance must meet certain minimum distribution, source-of-income and asset diversification requirements. If such requirements are met, then GMS Finance is generally required to pay income taxes only on the portion of its taxable income and gains it does not distribute.

The minimum distribution requirements applicable to RICs require GMS Finance to distribute to its stockholders at least 90% of its investment company taxable income ("ICTI"), as defined by the Code, each year. Depending on the level of ICTI earned in a tax year, GMS Finance may choose to carry forward ICTI in excess of current year distributions into the next tax year. Any such carryover ICTI must be distributed before the end of that next tax year through a dividend declared prior to filing the final tax return related to the year which generated such ICTI.

In addition, based on the excise distribution requirements, GMS Finance is subject to a 4% nondeductible federal excise tax on undistributed income unless GMS Finance distributes in a timely manner an amount at least equal to the sum of (1) 98% of its ordinary income for each calendar year, (2) 98.2% of capital gain net income (both long-term and short-term) for the one-year period ending October 31 in that calendar year and (3) any income realized, but not distributed, in the preceding year. For this purpose, however, any ordinary income or capital gain net income retained by GMS Finance that is subject to corporate income tax is considered to have been distributed. GMS Finance intends to make sufficient distributions each taxable year to satisfy the excise distribution requirements.

The Company evaluates tax positions taken or expected to be taken in the course of preparing its consolidated financial statements to determine whether the tax positions are "more-likely than not" to be sustained by the applicable tax authority. All penalties and interest associated with income taxes, if any, are included in income tax expense.

The Borrower Sub is a disregarded entity for tax purposes and is consolidated with the tax return of GMS Finance.

Capital Calls and Dividends and Distributions to Common Stockholders

The Company records the shares issued in connection with capital calls as of the effective date, or due date, of the capital call, which is the date shares are issued. To the extent that the Company has taxable income available, the Company intends to make quarterly distributions to its common stockholders. Dividends and distributions to common stockholders are recorded on the record date. The amount to be distributed is determined

by the Board of Directors each quarter and is generally based upon the taxable earnings estimated by management and available cash. Net realized capital gains, if any, are generally distributed at least annually, although the Company may decide to retain such capital gains for investment.

The Company has adopted a dividend reinvestment plan that provides for reinvestment of any distributions on behalf of its stockholders, for those who have elected to participate in the plan. As a result of adopting such a plan, if the Board of Directors authorizes, and GMS Finance declares, a cash dividend or distribution, the stockholders who have elected to participate in the dividend reinvestment plan would have their cash dividends or distributions automatically reinvested in additional shares of the Company's common stock, rather than receiving cash. Prior to a Qualified IPO, the Company intends to use primarily newly issued shares of its common stock to implement the plan issued at the net asset value per share most recently determined by the Board of Directors. After a Qualified IPO, the Company intends to use primarily newly issued shares to implement the plan so long as the market value per share is equal to or greater than the net asset value per share as of the close of business on the relevant payment date for such dividend or distribution. If the market value per share is less than the net asset value per share as of the close of business on the relevant payment date, the plan administrator would purchase the common stock on behalf of participants in the open market, unless the Company instructs the plan administrator otherwise.

Item 3. Quantitative and Qualitative Disclosures About Market Risk.

We are subject to financial market risks, including changes in the valuations of our investment portfolio and interest rates.

Valuation Risk

Our investments may not have a readily available market price, and we value these investments at fair value as determined in good faith by our Board of Directors in accordance with our valuation policy. There is no single standard for determining fair value in good faith. As a result, determining fair value requires that judgment be applied to the specific facts and circumstances of each portfolio investment while employing a consistently applied valuation process for the types of investments we make. Due to the inherent uncertainty of determining the fair value of investments that do not have a readily available market value, the fair value of the Company's investments may fluctuate from period to period. Because of the inherent uncertainty of valuation, these estimated values may differ significantly from the values that would have been used had a ready market for the investments existed, and it is possible that the difference could be material.

Interest Rate Risk

During the three month and six month periods ended June 30, 2015, a majority of the debt investments held in the Company's portfolio had floating interest rates. Interest rates on the investments held within the Company's portfolio of investments are typically based on floating LIBOR, with many of these investments also having a LIBOR floor. Additionally, the Company's credit facilities are also subject to floating interest rates and are currently paid based on floating LIBOR rates.

Interest rate sensitivity refers to the change in earnings that may result from changes in the level of interest rates. There can be no assurance that a significant change in market interest rates will not have a material adverse effect on our income in the future.

The following table estimates the potential changes in net cash flow generated from interest income, should interest rates increase or decrease by 100, 200 or 300 basis points. Interest income is calculated as revenue from interest generated from the Company's settled portfolio of investments held as of June 30, 2015 and December 31, 2014, excluding structured finance obligations. These hypothetical calculations are based on a model of the settled investments in our portfolio, excluding structured finance obligations, held as of June 30, 2015 and December 31, 2014, and are only adjusted for assumed changes in the underlying base interest rates

and the impact of that change on interest income. Interest expense is calculated based on outstanding secured borrowings as of June 30, 2015 and December 31, 2014 and based on the terms of the Company's credit facilities. Interest expense on the Company's credit facilities is calculated using the interest rate as of June 30, 2015 and December 31, 2014, adjusted for the hypothetical changes in rates, as shown below. We intend to continue to finance a portion of our investments with borrowings and the interest rates paid on our borrowings may impact significantly our net interest income.

The Company regularly measures exposure to interest rate risk. The Company assesses interest rate risk and manages interest rate exposure on an ongoing basis by comparing our interest rate sensitive assets to our interest rate sensitive liabilities. Based on that review, we determine whether or not any hedging transactions are necessary to mitigate exposure to changes in interest rates.

Based on our Consolidated Statements of Assets and Liabilities as of June 30, 2015 and December 31, 2014, the following table shows the annual impact on net investment income of base rate changes in interest rates for our settled investments (considering interest rate floors for variable rate instruments), excluding structured finance obligations, and outstanding secured borrowings assuming no changes in our investment and borrowing structure:

	As of June 30, 2015			As of December 31, 2014		
Basis Point Change	Interest Income	Interest Expense	Net Investment Income	Interest Income	Interest Expense	Net Investment Income
Up 300 basis points	$18,107	$(11,429)	$ 6,678	$12,899	$(9,253)	$ 3,646
Up 200 basis points	$10,180	$ (7,619)	$ 2,561	$ 7,212	$(6,169)	$ 1,043
Up 100 basis points	$ 2,253	$ (3,810)	$ (1,557)	$ 1,525	$(3,084)	$ (1,559)
Down 100 basis points	$ —	$ 1,049	$ 1,049	$ (210)	$ 736	$ 526
Down 200 basis points	$ —	$ 1,049	$ 1,049	$ (420)	$ 736	$ 316
Down 300 basis points	$ —	$ 1,049	$ 1,049	$ (630)	$ 736	$ 106

Item 4. Controls and Procedures.

As of the end of the period covered by this report, we carried out an evaluation, under the supervision and with the participation of our management, including our President (Principal Executive Officer) and our Chief Financial Officer and Treasurer (Principal Financial Officer), of the effectiveness of the design and operation of our disclosure controls and procedures (as defined in Rule 13a-15 of the Securities Exchange Act of 1934, as amended (the "Exchange Act")). Based on that evaluation, our President and our Chief Financial Officer and Treasurer have concluded that our current disclosure controls and procedures are effective in timely alerting them of material information relating to the Company that is required to be disclosed by us in the reports we file or submit under the Exchange Act.

There have been no changes in our internal control over financial reporting periods during the three month period ended June 30, 2015 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II—OTHER INFORMATION

Item 1. Legal Proceedings.

The Company may become party to certain lawsuits in the ordinary course of business. The Company is not currently subject to any material legal proceedings, nor, to our knowledge, is any material legal proceeding threatened against the Company. See also Note 10 to the consolidated financial statements in Part I, Item 1 of this Form 10-Q.

Item 1A. Risk Factors.

Except as set forth below, there have been no material changes to the risk factors previously disclosed in our annual report on Form 10-K for the year ended December 31, 2014. For a discussion of our potential risks and uncertainties, see the information under the heading "Risk Factors" in Part I, Item 1A of our annual report on Form 10-K for the year ended December 31, 2014 filed with the SEC on March 27, 2015, which is accessible on the SEC's website at sec.gov.

Risks Related to debt securitization financing transactions.

We are subject to certain risks as a result of our direct interest in the Preferred Interests of the 2015-1 Issuer.

As part of the 2015-1 Debt Securitization, certain first and second lien senior secured loans were distributed by the Borrower Sub to the Company pursuant to a distribution and contribution agreement. The Company contributed the loans that comprised the initial closing date loan portfolio (including the loans distributed to the Company from the Borrower Sub) to the 2015-1 Issuer pursuant to a contribution agreement. Following this transfer, the 2015-1 Issuer held all of the equity ownership interest in such loans portfolio. As a result, the Company received 100% of the Preferred Interests issued by the 2015-1 Issuer in exchange for the Company's contribution to the 2015-1 Issuer of the initial closing date loan portfolio. The 2015-1 Notes are included in the consolidated financial statements and the Preferred Interests are eliminated in consolidation.

Because each of the Borrower Sub and the 2015-1 Issuer is disregarded as an entity separate from its owner for U.S. federal income tax purposes, the sale or contribution by Borrower Sub to us and the sale or contribution by us to the 2015-1 Issuer did not constitute a taxable event for U.S. federal income tax purposes. If the U.S. Internal Revenue Service were to take a contrary position, there could be a material adverse effect on our business, financial condition, results of operations or cash flows.

The Preferred Interests in the 2015-1 Issuer are subordinated obligations of the 2015-1 Issuer.

The 2015-1 Issuer is the residual claimant on funds, if any, remaining after holders of all classes of 2015-1 Notes have been paid in full on each payment date or upon maturity of the 2015-1 Notes under the 2015-1 Debt Securitization documents. The Preferred Interests in the 2015-1 Issuer represent all of the equity interest in the 2015-1 Issuer and, as the holder of the Preferred Interests, we may receive distributions, if any, only to the extent that the 2015-1 Issuer makes distributions out of funds remaining after holders of all classes of 2015-1 Notes have been paid in full on each payment date any amounts due and owing on such payment date or upon maturity of the 2015-1 Notes.

The 2015-1 Issuer may fail to meet certain asset coverage tests.

Under the documents governing the 2015-1 Debt Securitization, there are two coverage tests applicable to the 2015-1 Notes.

The first such test compares the amount of interest received on the portfolio loans held by the 2015-1 Issuer to the amount of interest payable in respect of the 2015-1 Notes. To meet this first test, interest received on the portfolio loans must equal at least 120% of the interest payable in respect of the 2015-1 Notes issued by the 2015-1 Issuer.

The second such test compares the adjusted collateral principal amount of the portfolio loans of the 2015-1 Debt Securitization to the aggregate outstanding principal amount of the 2015-1 Notes. To meet this second test at any time, the adjusted collateral principal amount of the portfolio loans must equal at least 140% of the outstanding principal amount of the 2015-1 Notes. If any coverage test with respect to the 2015-1 Notes is not met, proceeds from the portfolio of loans that otherwise would have been distributed to the holders of the Preferred Interests of 2015-1 Issuer will instead be used to redeem first the 2015-1 Notes, to the extent necessary to satisfy the applicable asset coverage tests on a pro forma basis after giving effect to all payments made in respect of the 2015-1 Notes, which we refer to as a mandatory redemption, or to obtain the necessary ratings confirmation.

We may not receive cash from the 2015-1 Issuer.

We receive cash from the 2015-1 Issuer only to the extent of payments on the distributions, if any, with respect to the Preferred Interests of the 2015-1 Issuer as permitted under the 2015-1 Debt Securitization. The 2015-1 Issuer may only make payments on Preferred Interests to the extent permitted by the payment priority provisions of the indenture governing the 2015-1 Notes (the "2015-1 Indenture"), as applicable, which generally provide, distribution to Preferred Interests holder may not be made on any payment date unless all amounts owing under the 2015-1 Notes are paid in full.

In addition, if the 2015-1 Issuer does not meet the asset coverage tests or the interest coverage test set forth in the documents governing the 2015-1 Debt Securitization, cash would be diverted to first pay the 2015-1 Notes in amounts sufficient to cause such tests to be satisfied. In the event that we fail to receive cash directly from the 2015-1 Issuer, we could be unable to make such distributions in amounts sufficient to maintain our status as a RIC for U.S. federal income tax purposes, or at all.

We may be required to assume liabilities of the 2015-1 Issuer and are indirectly liable for certain representations and warranties in connection with the 2015-1 Debt Securitization.

As part of the 2015-1 Debt Securitization, we entered into a contribution agreement under which we would be required to repurchase any loan (or participation interest therein) which was sold to the 2015-1 Issuer, in breach of any representation or warranty made by us with respect to such loan on the date such loan was sold. To the extent we fail to satisfy any such repurchase obligation, the trustee of the 2015-1Debt Securitization may, on behalf of the 2015-1 Issuer, bring an action against us to enforce these repurchase obligations.

The structure of the 2015-1 Debt Securitization is intended to prevent, in the event of our bankruptcy, the consolidation of the 2015-1 Issuer with our operations. If the true sale of the assets in the 2015-1 Debt Securitization were not respected in the event of our insolvency, a trustee or debtor-in-possession might reclaim the assets of the 2015-1 Issuer for our estate. However, in doing so, we would become directly liable for all of the indebtedness then outstanding under the 2015-1 Debt Securitization, which would equal the full amount of debt of the 2015-1 Issuer reflected on our consolidated balance sheet.

In addition, in connection with 2015-1 Debt Securitization, the Company has made customary representations, warranties and covenants to the 2015-1 Issuer. We remain liable for any breach of such representations for the life of the 2015-1 Debt Securitization.

The interests of holders of the 2015-1 Notes issued by the 2015-1 Issuer may not be aligned with our interests.

The 2015-1 Notes are the debt obligations ranking senior in right of payment to the Preferred Interests holders. As such, there are circumstances in which the interests of holders of the 2015-1Notes may not be aligned with the interests of the Preferred Interests of the 2015-1 Issuer. For example, under the terms of the 2015-1 Issuer, holders of the 2015-1 Notes have the right to receive payments of principal and interest prior to distribution to the holders of the Preferred Interests of the 2015-1 Issuer.

For as long as the 2015-1 Notes remain outstanding, holders of the 2015-1 Notes have the right to act, in certain circumstances, with respect to the portfolio loans in ways that may benefit their interests but not the interests of holders of the Preferred Interests of the 2015-1 Issuer, including by exercising remedies under the 2015-1 Indenture.

If an event of default has occurred and acceleration occurs in accordance with the terms of the 2015-1 Indenture, the 2015-1 Notes then outstanding will be paid in full before any further payment or distribution to the Preferred Interests. In addition, if an event of default occurs, holders of a majority of the 2015-1 Notes then outstanding will be entitled to determine the remedies to be exercised under the 2015-1 Indenture, subject to the terms of the 2015-1 Indenture. For example, upon the occurrence of an event of default with respect to the notes issued by the 2015-1 Issuer, the trustee or holders of a majority of the 2015-1 Notes then outstanding may declare the principal, together with any accrued interest, of all the 2015-1 Notes to be immediately due and payable. This would have the effect of accelerating the principal on such notes, triggering a repayment obligation on the part of the 2015-1 Issuer. If at such time the portfolio loans of the 2015-1 Issuer were not performing well, the 2015-1 Issuer may not have sufficient proceeds available to enable the trustee under the 2015-1 Indenture to pay a distribution to holders of the Preferred Interests of the 2015-1 Issuer.

Remedies pursued by the holders of the 2015-1 Notes could be adverse to the interests of the holders of the Preferred Interests, and the holders of the 2015-1 Notes will have no obligation to consider any possible adverse effect on such other interests. Thus, any remedies pursued by the holders of the 2015-1 Notes may not be in our best interests and we may not receive payments or distributions upon an acceleration of the 2015-1 Notes. Any failure of the 2015-1 Issuer to make distributions on Preferred Interests we hold, directly or indirectly, whether as a result of an event of default or otherwise, could have a material adverse effect on our business, financial condition, results of operations and cash flows and may result in an inability of us to make distributions sufficient to allow for us to qualify as a RIC for U.S. federal income tax purposes.

If we have not consummated a Qualified IPO by May 2, 2018, it could result in an early optional redemption of the 2015-1 Notes

As previously disclosed, if we have not consummated an initial public offering of our common stock that results in an unaffiliated public float of at least 15% of the aggregate capital commitments received prior to the date of such initial public offering (a "Qualified IPO") by May 2, 2018, then our Board of Directors (subject to any necessary stockholder approvals and applicable requirements of the Investment Company Act) will use its best efforts to wind-down and/or liquidate and dissolve us. If this were to occur, it would likely result in us using our rights, as a holder of the Preferred Interests to effect an optional redemption of the 2015-1 Notes. If at such time the portfolio loans of the 2015-1 Issuer were not performing well, the 2015-1 Issuer may not have sufficient proceeds available to enable the trustee under the 2015-1 Indenture to pay a distribution to holders of the Preferred Interests of the 2015-1 Issuer.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds.

Except as previously reported by the Company on Form 8-K, we did not sell any equity securities during the period covered in this report that were not registered under the Securities Act of 1933, as amended.

Item 3. Defaults Upon Senior Securities.

Not applicable.

Item 4. Mine Safety Disclosures.

Not applicable.

Item 5. Other Information.

On August 7, 2015, the Company delivered a capital drawdown notice to investors relating to the issuance of 1,032,504 shares of the Company's common stock, par value $0.01 per share (the "Common Stock"), for an aggregate offering price of approximately $20 million. The shares are expected to be issued on or around August 21, 2015.

The issuance of Common Stock is being made pursuant to subscription agreements ("Subscription Agreement") entered into by the Company and its investors. Under the terms of the Subscription Agreement, investors are required to fund drawdowns to purchase shares of Common Stock up to the amount of their respective capital commitments on an as-needed basis with a minimum of 10 business days' prior notice to investors.

The issuance and sale of the Common Stock is exempt from the registration requirements of the Securities Act of 1933, as amended, pursuant to Section 4(2) thereof and Regulation D and Regulation S thereunder.

Item 6. Exhibits.

10.1	Second Amendment, dated as of June 19, 2015, to the Loan and Servicing Agreement, dated as of May 24, 2013.*
10.2	Indenture, dated as of June 26, 2015, between Carlyle GMS Finance MM CLO 2015-1 LLC, as issuer, and State Street Bank and Trust Company, as trustee.*
10.3	Collateral Management Agreement, dated as of June 26, 2015, by and between Carlyle GMS Finance MM CLO 2015-1 LLC, as issuer, and Carlyle GMS Investment Management L.L.C., as collateral manager.*
10.4	Contribution Agreement, dated as of June 26, 2015, by and between Carlyle GMS Finance, Inc., as the contributor, and Carlyle GMS Finance MM CLO 2015-1 LLC, as the contributee.*
31.1	Certification of President (Principal Executive Officer) Pursuant to Rule 13a-14(a) of the Securities Exchange Act of 1934, as amended.*
31.2	Certification of Chief Financial Officer (Principal Financial Officer) Pursuant to Rule 13a-14 of the Securities Exchange Act of 1934, as amended.*
32.1	Certification of President (Principal Executive Officer) Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.*
32.2	Certification of Chief Financial Officer (Principal Financial Officer) Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.*

* Filed herewith

SIGNATURES

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

CARLYLE GMS FINANCE, INC.

Dated: August 12, 2015

By /s/ Venugopal Rathi
Venugopal Rathi
Chief Financial Officer

Exhibit 10.1

EXECUTION COPY

SECOND AMENDMENT, dated as of June 19, 2015 (the "Second Amendment"), to the LOAN AND SERVICING AGREEMENT, dated as of May 24, 2013, as amended by the First Amendment, dated as of June 30, 2014 (as so amended, prior to the effectiveness of this Second Amendment, the "Existing Agreement," and, following the effectiveness of this Second Amendment, the "Agreement"), among CARLYLE GMS FINANCE SPV LLC, a Delaware limited liability company (the "Borrower"), CARLYLE GMS FINANCE, INC., a Maryland corporation ("Carlyle"), as the Transferor and the Servicer, each of the Conduit Lenders, Liquidity Banks, Lender Agents and Institutional Lenders party to the Existing Agreement, CITIBANK, N.A., as the Collateral Agent, WELLS FARGO BANK, NATIONAL ASSOCIATION, as the Account Bank, the Backup Servicer, the Collateral Custodian and the Collateral Administrator, CITIBANK, N.A. ("Citi") and SUNTRUST ROBINSON HUMPHREY, INC. ("SunTrust"), as the joint lead arrangers (the "Joint Lead Arrangers"), and CITIBANK, N.A., as the administrative agent (together with its successors and assigns, in such capacity, the "Administrative Agent"). Capitalized terms used herein and not otherwise defined herein shall have the meanings ascribed thereto in the Existing Agreement.

The parties to the Existing Agreement desire to extend and amend the Existing Agreement in the manner set forth herein.

Accordingly, in consideration of the agreements hereinafter set forth, and for other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the parties hereto agree as follows:

1. Termination of Joint Lead Arranger. (a) The resignation and termination of SunTrust as a Joint Lead Arranger pursuant to the Assignment and Assumption, dated June 19, 2015, is hereby approved, ratified, confirmed and agreed, (b) SunTrust is hereby terminated from its role as Joint Lead Arranger under the Existing Agreement, (c) at all times thereafter and hereafter, (i) Citi shall constitute the sole "Lead Arranger," with all of the rights and powers thitherto and hitherto vested in the Joint Lead Arrangers under the Existing Agreement and the other Transaction Documents, (ii) SunTrust shall have no further rights or obligations in the capacity of Joint Lead Arranger under the Existing Agreement or any other Transaction Document, and (iii) the Existing Agreement and the other Transaction Documents shall be deemed to have been amended in accordance with the foregoing provisions of this Section 1.

2. Amendments to the Existing Agreement. In each case as of the Effective Date (as defined in Section 4 below):

(a) The Existing Agreement is hereby amended to incorporate the changes shown on the marked pages attached hereto as Annex A.

(b) (i) Exhibit A to the Existing Agreement is hereby deleted in its entirety and (ii) the *Form of Notice of Permitted Securitization* attached as Annex B to this Second Amendment is hereby substituted therefor and attached as a new Exhibit A to the Existing Agreement.

3. Waiver and Agreement. Solely in connection with the closing of the issuance and sale by Carlyle GMS Finance MM CLO 2015-1 LLC of (i) not less than $150,000,000 in aggregate principal balance of Class A-1 Notes and Class A-2 Notes and (ii) preferred interests (or the

equivalent) (*provided*, that such closing occurs on or prior to June 30, 2015) (the "CLO"), the Administrative Agent hereby (a) agrees that a Permitted Offset may be made pursuant to Section 2.07(c) of the Agreement in connection with any Optional Sale occurring on the date of such closing (*provided*, that all of the conditions to such Optional Sale and Permitted Offset under such Section 2.07(c) shall have been satisfied) and (b) waives the notice required to be delivered pursuant to Section 2.07(c)(i) with respect to any Optional Sale to be made in connection with the CLO.

4. Effective Date. This Second Amendment shall become effective on the "Effective Date," which shall occur on the later to occur of (a) the date of this Second Amendment and (b) the date on which the Administrative Agent shall have received copies of:

(i) this Second Amendment, duly executed by each of the Borrower, Carlyle, the Lender Agents, the Conduit Lenders, the Liquidity Banks, the Institutional Lenders, the Collateral Agent, the Lead Arranger, the Administrative Agent and the Account Bank, Backup Servicer and Collateral Custodian;

(ii) the Third Amendment to Transaction Fee Letter, dated as of June 19, 2015 (the "Fee Letter Amendment"), duly executed by the parties to the Transaction Fee Letter currently in effect; and

(iii) a letter of Latham & Watkins LLP, as special counsel to the Borrower and CGMS, dated June 19, 2015 and in form and substance satisfactory to the Administrative Agent, confirming (after giving effect to the amendments to the Transaction Documents heretofore and contemporaneously herewith) the conclusions set forth in the opinion letter, dated May 24, 2013, of Latham & Watkins LLP relating to the issues of substantive consolidation and "true contribution" of the Loan Assets under the Transaction Documents.

5. Miscellaneous.

(a) Amended Terms. On and after the date hereof, all references to the Agreement in each of the Transaction Documents shall hereafter mean the Agreement as amended by this Second Amendment. Except as specifically amended hereby or otherwise agreed, the Agreement is hereby ratified and confirmed and shall remain in full force and effect according to its terms.

(b) Representations and Warranties of the Borrower and Servicer. Each of the Borrower and the Servicer, severally, for itself only, represents and warrants as of the date of this Second Amendment as follows:

(i) It has taken all necessary action to authorize the execution, delivery and performance of this Second Amendment.

(ii) This Second Amendment has been duly executed and delivered by such Person and each of this Second Amendment and the Agreement, as amended by this Second Amendment constitutes such Person's legal, valid and binding obligation, enforceable in accordance with its

terms, except as such enforceability may be subject to (A) bankruptcy, insolvency, reorganization, fraudulent conveyance or transfer, moratorium or similar laws affecting creditors' rights generally and (B) general principles of equity (regardless of whether such enforceability is considered in a proceeding at law or in equity).

(iii) No consent, approval, authorization or order of, or filing, registration or qualification with, any court or governmental authority or first party is required in connection with the execution, delivery or performance by such Person of this Second Amendment other than such as has been met or obtained and are in full force and effect.

(iv) The representations and warranties set forth in Sections 4.01, 4.02 and 4.03 of the Agreement are true and correct in all material respects as of the date hereof (except for those which expressly relate to an earlier date).

(v) No event has occurred and is continuing which constitutes an Event of Default or an Unmatured Event of Default.

(c) Transaction Document. This Second Amendment shall constitute a Transaction Document under the terms of the Agreement.

(d) Counterparts; Electronic Signatures; Severability; Integration. This Second Amendment may be executed in any number of counterparts and by different parties hereto in separate counterparts, each of which when so executed shall be deemed to be an original and all of which when taken together shall constitute one and the same agreement. Delivery of an executed counterpart of a signature page to this Second Amendment by e-mail in portable document format (.pdf) or facsimile shall be effective as delivery of a manually executed counterpart of this Second Amendment.

(e) GOVERNING LAW. THIS SECOND AMENDMENT 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 SECOND AMENDMENT OR ANY OF THE TRANSACTIONS CONTEMPLATED HEREUNDER.

(f) Successors and Assigns. This Second Amendment shall be binding upon and inure to the benefit of the Borrower, the Servicer, the Administrative Agent, each Lender, the Lender Agents, the Collateral Agent, the Account Bank, the Collateral Custodian and their respective successors and permitted assigns.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the parties hereto have caused this Second Amendment to be duly executed as of the date first above written.

THE BORROWER:

CARLYLE GMS FINANCE SPV LLC

By: /s/ Orit Mizrachi
Name: Orit Mizrachi
Title: Chief Operating Officer

THE SERVICER:

CARLYLE GMS FINANCE, INC.

By: /s/ Orit Mizrachi
Name: Orit Mizrachi
Title: Chief Operating Officer

THE TRANSFEROR:

CARLYLE GMS FINANCE, INC.

By: /s/ Orit Mizrachi
Name: Orit Mizrachi
Title: Chief Operating Officer

[SIGNATURES CONTINUE ON THE FOLLOWING PAGE]

THE ADMINISTRATIVE AGENT:

CITIBANK, N.A.

By: /s/ Todd D. Fritchman
Name: Todd D. Fritchman
Title: Vice President

THE COLLATERAL AGENT:

CITIBANK, N.A.

By: /s/ Todd D. Fritchman
Name: Todd D. Fritchman
Title: Vice President

[SIGNATURES CONTINUE ON THE FOLLOWING PAGE]

THE ACCOUNT BANK, COLLATERAL CUSTODIAN AND COLLATERAL ADMINISTRATOR:

WELLS FARGO BANK, NATIONAL ASSOCIATION

By: /s/ Philip Dean
Name: Philip Dean
Title: Vice President

[SIGNATURES CONTINUE ON THE FOLLOWING PAGE]

THE BACKUP SERVICER:

WELLS FARGO BANK, NATIONAL ASSOCIATION

By: /s/ Joneen Noyle
Name: Joneen Noyle
Title: Assistant Vice President

[SIGNATURES CONTINUE ON THE FOLLOWING PAGE]

CONDUIT LENDER:

CRC FUNDING, LLC

By: Citibank, N.A., as Attorney-in-Fact

By: /s/ Linda Moses
Name: Linda Moses
Title: Vice President

CRC Funding, LLC
c/o Citibank, N.A.
750 Washington Boulevard
Stamford, CT 06901
Attention: Global Securitization
Tel No.: (203) 975-6417
Fax No.: (914) 274-9027

[SIGNATURES CONTINUE ON THE FOLLOWING PAGE]

LIQUIDITY BANK AND CONDUIT LENDER:

CIESCO, LLC

By: Citibank, N.A., as Attorney-in-Fact

By: /s/ Linda Moses
Name: Linda Moses
Title: Vice President

CIESCO, LLC
c/o Citibank, N.A.
750 Washington Boulevard
Stamford, CT 06901
Attention: Global Securitization
Tel No.: (203) 975-6417
Fax No.: (914) 274-9027

[SIGNATURES CONTINUE ON THE FOLLOWING PAGE]

CONDUIT LENDER:

CHARTA, LLC

By: Citibank, N.A., as Attorney-in-Fact

By: /s/ Linda Moses
Name: Linda Moses
Title: Vice President

CHARTA, LLC
c/o Citibank, N.A.
750 Washington Boulevard
Stamford, CT 06901
Attention: Global Securitization
Tel No.: (203) 975-6417
Fax No.: (914) 274-9027

[SIGNATURES CONTINUE ON THE FOLLOWING PAGE]

CONDUIT LENDER:

CAFCO, LLC

By: Citibank, N.A., as Attorney-in-Fact

By: /s/ Linda Moses
Name: Linda Moses
Title: Vice President

CAFCO, LLC
c/o Citibank, N.A.
750 Washington Boulevard
Stamford, CT 06901
Attention: Global Securitization
Tel No.: (203) 975-6417
Fax No.: (914) 274-9027

[SIGNATURES CONTINUE ON THE FOLLOWING PAGE]

LENDER AGENT:

CITIBANK, N.A.

By: /s/ Todd D. Fritchman
Name: Todd D. Fritchman
Title: Vice President

[SIGNATURES CONTINUE ON THE FOLLOWING PAGE]

INSTITUTIONAL LENDER:

PNC BANK, NATIONAL ASSOCIATION

By: /s/ Lawrence Beller
Name: Lawrence Beller
Title: Senior Vice President

[SIGNATURES CONTINUE ON THE FOLLOWING PAGE]

LENDER AGENT:

PNC BANK, NATIONAL ASSOCIATION

By: /s/ Lawrence Beller
Name: Lawrence Beller
Title: Senior Vice President

[SIGNATURES CONTINUE ON THE FOLLOWING PAGE]

INSTITUTIONAL LENDER:

KEY EQUIPMENT FINANCE, a division of Keybank National Association

By: /s/ Richard Andersen
Name: Richard Andersen
Title: Designated Signer

[SIGNATURES CONTINUE ON THE FOLLOWING PAGE]

LENDER AGENT:

KEY EQUIPMENT FINANCE, a division of Keybank National Association

By: /s/ Richard Andersen
Name: Richard Andersen
Title: Designated Signer

[SIGNATURES CONTINUE ON THE FOLLOWING PAGE]

INSTITUTIONAL LENDER:

STATE STREET BANK AND TRUST COMPANY

By: /s/ C. A. Garrity
Name: C. A. Garrity
Title: SVP

[SIGNATURES CONTINUE ON THE FOLLOWING PAGE]

LENDER AGENT:

STATE STREET BANK AND TRUST COMPANY

By: /s/ C. A. Garrity
Name: C. A. Garrity
Title: SVP

ANNEX A

Amendments to Existing Agreement

(Please see attached)

Annex A to Second Amendment to Loan and Servicing Agreement

LOAN AND SERVICING AGREEMENT

among

CARLYLE GMS FINANCE SPV LLC,
as the Borrower,

CARLYLE GMS FINANCE, INC.
as the Transferor,

CARLYLE GMS FINANCE, INC.
as the Servicer,

Each of the Conduit Lenders, Liquidity Banks, Lender Agents and
Institutional Lenders from time to time party hereto,

CITIBANK, N.A.,
as the Collateral Agent,

WELLS FARGO BANK, NATIONAL ASSOCIATION
as the Account Bank, the Backup Servicer, the Collateral Custodian
and the Collateral Administrator,

CITIBANK, N.A.
as the Lead Arranger

and

CITIBANK, N.A.,
as the Administrative Agent

Dated as of May 24, 2013

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LOAN AND SERVICING AGREEMENT, dated as of May 24, 2013, by and among:

(1) **CARLYLE GMS FINANCE SPV LLC**, a Delaware limited liability company (together with its successors and assigns in such capacity, the "Borrower");

(2) **CARLYLE GMS FINANCE, INC.**, a Maryland corporation, as the Transferor (as defined herein);

(3) **CARLYLE GMS FINANCE, INC.**, a Maryland corporation, as the Servicer (as defined herein);

(4) EACH OF THE **CONDUIT LENDERS** FROM TIME TO TIME PARTY HERETO, as a Conduit Lender (as defined herein);

(5) EACH OF THE **LIQUIDITY BANKS** FROM TIME TO TIME PARTY HERETO, as a Liquidity Bank (as defined herein);

(6) EACH OF THE **LENDER AGENTS** FROM TIME TO TIME PARTY HERETO, as a Lender Agent (as defined herein);

(7) EACH OF THE **INSTITUTIONAL LENDERS** FROM TIME TO TIME PARTY HERETO, as an Institutional Lender (as defined herein);

(8) **CITIBANK, N.A.**, as the Collateral Agent (as defined herein);

(9) **WELLS FARGO BANK, NATIONAL ASSOCIATION**, as the Account Bank (as defined herein), the Backup Servicer (as defined herein), the Collateral Custodian (as defined herein) and the Collateral Administrator (as defined herein);

(10) **CITIBANK, N.A.**, as the Lead Arranger (as defined herein); and

(11) **CITIBANK, N.A.**, as Administrative Agent (as defined herein).

The Lenders have agreed, on the terms and conditions set forth herein, to provide a secured revolving credit facility which shall provide for Advances from time to time in the amounts and in accordance with the terms set forth herein.

Accordingly, the parties agree as follows:

ARTICLE I.
DEFINITIONS

SECTION 1.01 Certain Defined Terms.

(a) Certain capitalized terms used throughout this Agreement are defined above or in this Section 1.01.

(b) As used in this Agreement and the exhibits and schedules thereto (each of which is hereby incorporated herein and made a part hereof), the following terms shall have the following meanings (such meanings to be equally applicable to both the singular and plural forms of the terms defined):

"1940 Act" means the Investment Company Act of 1940, as amended, and the rules and regulations promulgated thereunder.

"Account Bank" means Wells Fargo Bank, National Association, in its capacity as the "Account Bank" pursuant to this Agreement and the Collection Account Agreement.

"Account Bank Fees" means the fees set forth in the Backup Servicer, Account Bank, Collateral Custodian and Collateral Administrator Fee Letter that are payable to the Account Bank, as such fee letter may be amended, restated, supplemented or otherwise modified from time to time.

"Account Bank Termination Notice" has the meaning assigned to that term in Section 14.05.

"Action" has the meaning assigned to that term in Section 9.03.

"Additional Amount" has the meaning assigned to that term in Section 2.11(a).

"Adjusted Pro Rata Share" means, (i) with respect to each Liquidity Bank and each Institutional Lender that is a Non-Defaulting Lender, (x) with respect to the determination of Advances, the Pro Rata Share with respect to each Liquidity Bank and each Institutional Lender determined when assessing a value of zero to the "Undrawn Amount" of all Defaulting Lenders in the calculation thereunder, and (y) with respect to the allocation of Collections on any Payment Date or otherwise in connection with any distribution hereunder, the Pro Rata Share with respect to each Liquidity Bank and each Institutional Lender determined when assessing a value of zero to the "Advances Outstanding" of all Defaulting Lenders in the calculation thereunder, and (ii) with respect to each Defaulting Lender, 0%.

"Administrative Agent" means Citibank, N.A., in its capacity as administrative agent for the Lenders, together with its successors and assigns, including any successor appointed pursuant to Article X.

"Advance" means each loan advanced by the Lenders to the Borrower on an Advance Date pursuant to Article II.

"Advance Date" means, with respect to any Advance, the Business Day during the Revolving Period on which such Advance is made.

"Advance Date Assigned Value" means, with respect to any Loan Asset included in the calculation of the Borrowing Base, the value (expressed as a percentage of the Outstanding Principal Balance of such Loan Asset) equal to the value initially set forth on Schedule V hereto as of the Closing Date or, with respect to Loan Assets included after the Closing Date, the value determined by the Servicer and reflected on the books and records of the Transferor as of the Cut-Off Date; *provided,* in no event shall the Advance Date Assigned Value exceed 100%, and *provided, further*, any Loan Asset that is determined to have an Advance Date Assigned Value equal to or greater than 97% shall be deemed to have an Assigned Value equal to 100%.

"Advances Outstanding" means, at any time, the sum of the outstanding principal amounts of Advances loaned to the Borrower for the initial and any subsequent borrowings pursuant to Sections 2.01 and 2.02 as of such time.

"Affected Party" has the meaning assigned to that term in Section 2.10(a).

"Affiliate" means either:

(i) when used with respect to the Borrower, CGMS or Carlyle Management, another Person that directly, or indirectly through one or more intermediaries, Controls or is Controlled by or is under common Control with the Borrower, CGMS or Carlyle Management, as applicable. Anything herein to the contrary notwithstanding, the term "Affiliate" shall not include any Person that constitutes an Investment held by the Borrower in the ordinary course of business; or

(ii) when used with respect to any Person other than the Borrower, CGMS or Carlyle Management, any other Person controlling, controlled by or under common control with such Person (where, for the purposes of this clause (ii) of this definition, "control," when used with respect to any specified Person, means the power to vote 10% or more of the voting securities of such Person or to direct the management and policies of such Person, directly or indirectly, whether through the ownership of voting securities, by contract or otherwise, and the terms "controlling" and "controlled" have meanings correlative to the foregoing);

provided that for purposes of (A) determining whether any Loan Asset is an Eligible Loan Asset, (B) the definition of "Minimum Credit Enhancement", (C) the determination of the Diversity Score and compliance with the Diversity Score Test, and (D) Section 5.01(b)(xix), in each case, the term "Affiliate" shall not include any Affiliate relationship which may exist solely as a result of direct or indirect ownership of, or control by, a common Financial Sponsor.

"Agented Note" means any Loan Asset (i) originated as a part of a syndicated loan transaction that has been closed (without regard to any contemporaneous or subsequent syndication of such Loan Asset) prior to such Loan Asset becoming part of the Collateral Portfolio and (ii) with respect to which, upon an assignment of the note under the Contribution Agreement to the Borrower, the Borrower, as assignee of the note, will have all of the rights but none of the obligations of the Transferor with respect to such note and the Underlying Collateral.

"Aggregate Outstanding Loan Balance" or "AOLB" means the aggregate Outstanding Loan Balances of all Eligible Loan Assets.

"Aggregate Outstanding Principal Balance" means the aggregate Outstanding Principal Balances of all Eligible Loan Assets.

"Aggregate Commitments" for all Liquidity Banks and Institutional Lenders as of any date of determination, means the aggregate of the Commitments of all Liquidity Banks and Institutional Lenders as of such date, which amount is set forth in Annex A, as such amount may be decreased pursuant to Section 2.18(c) or increased (with the consent of the Administrative Agent) by the addition of Commitments to Annex A by a Lender executing and delivering a Joinder Supplement to the Administrative Agent and the Borrower as contemplated by Section 12.04(a), up to an aggregate amount not to exceed $750,000,000, .

"Agreement" means this Loan and Servicing Agreement, as the same may be amended, restated, supplemented or otherwise modified from time to time hereafter.

"Amortization Advances Outstanding" means the Advances Outstanding as of the Scheduled Commitment Termination Date.

"Amortization Period" means the date commencing on the Scheduled Commitment Termination Date and ending on the Final Maturity Date.

"Amortization Principal Reduction Amount" means, with respect to:

(i) the 4th Payment Date after the Scheduled Commitment Termination Date, the positive difference, if any, equal to (x) 15.00% of the Amortization Advances Outstanding;

(ii) the 8th Payment Date after the Scheduled Commitment Termination Date, the positive difference, if any, equal to (x) 40.00% of the Amortization Advances Outstanding;

(iii) the 9th Payment Date after the Scheduled Commitment Termination Date, the positive difference, if any, equal to (x) 45.00% of the Amortization Advances Outstanding;

(iv) the 10th Payment Date after the Scheduled Commitment Termination Date, the positive difference, if any, equal to (x) 50.00% of the Amortization Advances Outstanding;

(v) the 11th Payment Date after the Scheduled Commitment Termination Date, the positive difference, if any, equal to (x) 55.00% of the Amortization Advances Outstanding; and

(vi) the Scheduled Maturity Date, the positive difference, if any, equal to (x) 60.00% of the Amortization Advances Outstanding;

in each case (with respect to clauses (i), (ii), (iii), (iv), (v) and (vi) above), *minus* the sum of (x) the aggregate amount of prepayments of principal of the Advances Outstanding made pursuant to Section 2.18(b) or 2.06(a) during the Amortization Period, *plus* (and without duplication) (y) any previous payments of Advances Outstanding pursuant to clause *fifth* of Section 2.04(c) made on any prior Payment Date during the Amortization Period.

"Anti-Corruption Laws" means all laws, rules, and regulations of any jurisdiction in which the Borrower, the Servicer or their respective Affiliates conduct business and applicable to the Borrower, the Servicer or their respective Affiliates from time to time concerning or relating to bribery or corruption.

"Applicable Index" means, (i) with respect to Broadly Syndicated Loan Assets, the S&P/LSTA U.S. Leveraged Loan 100 Index, and (ii) with respect to Middle Market Loan Assets, the S&P/LSTA Middle Market Leveraged Loan Index; *or*, if either such index is unavailable, such other recognized metric or determination method proposed by the Administrative Agent and consented to by the Servicer (such consent not to be unreasonably withheld).

"Applicable Law" means for any Person all existing and future laws, rules, regulations (including temporary and final income tax regulations), statutes, treaties, codes, ordinances, permits, certificates, orders, licenses of and interpretations by any Governmental Authority applicable to such Person

(including, without limitation, predatory lending laws, usury laws, the Federal Truth-in-Lending Act, the Equal Credit Opportunity Act, the Fair Credit Billing Act, the Fair Credit Reporting Act, the Fair Debt Collection Practices Act, the Federal Trade Commission Act, the Magnuson-Moss Warranty Act, the Federal Reserve Board's Regulations "B" and "Z", the Servicemembers Civil Relief Act of 2003 and state adaptations of the National Consumer Act and of the Uniform Consumer Credit Code and all other consumer credit laws and equal credit opportunity and disclosure laws) and applicable judgments, decrees, injunctions, writs, awards or orders of any court, arbitrator or other administrative, judicial, or quasi-judicial tribunal or agency of competent jurisdiction.

"Applicable Spread" means the applicable percentage set forth in the Transaction Fee Letter.

"Assigned Documents" has the meaning assigned to that term in Section 2.12.

"Assigned Value" means, with respect to any Loan Asset, as of any date of determination and expressed as a percentage of the Outstanding Principal Balance of such Loan Asset, (A) prior to the occurrence of an Assigned Value Adjustment Event (and the determination of a Value Adjusted Assigned Value), either: (i) prior to the determination of any Updated Assigned Value, the Advance Date Assigned Value, or (ii) the most recently determined Updated Assigned Value, and (B) following the occurrence of an Assigned Value Adjustment Event (and the determination of a Value Adjusted Assigned Value), the most recently determined Value Adjusted Assigned Value, of such Loan Asset; *provided,* in no event shall any Assigned Value exceed 100%, and *provided, further*, any Assigned Value determined to be equal to or greater than 97% shall be deemed to have an Assigned Value equal to 100%.

"Assigned Value Adjustment Event" means, with respect to any Loan Asset, any occurrence of one or more of the following events (any of which, for the avoidance of doubt, may occur more than once):

(i) an Obligor payment default under any Loan Asset (without consideration of waivers but after giving effect to any grace or cure period set forth in the Loan Agreement);

(ii) any other Obligor default under any Loan Asset for which the Borrower (or agent or required lenders pursuant to the Loan Agreement, as applicable) has elected to exercise any of its rights and remedies under or with respect to such Obligor default under the Loan Asset (including the acceleration of the loan relating thereto);

(iii) a Bankruptcy Event with respect to the related Obligor;

(iv) the occurrence of a Material Modification with respect to such Loan Asset; or

(v) the Administrative Agent has failed to receive ongoing loan level information as required hereunder (subject to grace periods set forth herein and in underlying Loan Agreements).

"Available Collections" means all cash Collections and other cash proceeds with respect to any Loan Asset deposited in the Collection Account, including, without limitation, all Principal Collections, all Interest Collections, all proceeds of any sale or disposition with respect to such Loan Asset, cash proceeds or other funds received by the Borrower or the Servicer with respect to any Underlying Collateral (including from any guarantors), all other amounts on deposit in the Collection Account from time to time, and all proceeds of Permitted Investments with respect to the Collection Account.

"Availability" as of any date of determination, means the positive difference, if any, of (i) Maximum Availability *minus* (ii) Advances Outstanding.

"Average Life" means, for any Loan Asset, as of any date of determination, the quotient of (i) the amount of each Scheduled Payment of principal to be paid after such date of determination multiplied by the number of years (rounded to the nearest hundredth) from such date of determination until such Scheduled Payment of principal is due, divided by (ii) the Outstanding Principal Balance of such Loan Asset.

"Backup Servicer" means Wells Fargo Bank, National Association, not in its individual capacity, but solely as Backup Servicer, its successor in interest pursuant to Section 7.03 or such Person as shall have been appointed as Backup Servicer pursuant to Section 7.05.

"Backup Servicer, Account Bank, Collateral Custodian and Collateral Administrator Fee Letter" means the Backup Servicer, Account Bank, Collateral Custodian and Collateral Administrator Fee Letter, dated as of March 22, 2013, by and among the Servicer, the Administrative Agent, the Backup Servicer, the Account Bank, the Collateral Custodian and the Collateral Administrator, as such letter may be amended, modified, supplemented, restated or replaced from time to time.

"Backup Servicer Succession Expenses" means the reasonable fees, costs and expenses (including reasonable attorneys' fees, costs and expenses) incurred by the Backup Servicer in connection with the succession of the Backup Servicer to the obligations of the Servicer hereunder.

"Backup Servicer Termination Notice" has the meaning assigned to that term in Section 7.05.

"Backup Servicing Fee" has the meaning set forth in the Backup Servicer, Account Bank, Collateral Custodian and Collateral Administrator Fee Letter.

"Bankruptcy Code" means Title 11, United States Code, 11 U.S.C. §§ 101 et seq., as amended from time to time.

"Bankruptcy Event" shall be deemed to have occurred with respect to a Person if either:

(i) a case or other proceeding shall be commenced, without the application or consent of such Person, in any court, seeking the liquidation, reorganization, debt arrangement, dissolution, winding up, or composition or readjustment of debts of such Person, the appointment of a trustee, receiver, custodian, liquidator, assignee, sequestrator or the like for such Person or all or substantially all of its assets, or any similar action with respect to such Person, in each case, under the Bankruptcy Laws, and such case or proceeding shall continue undismissed, or unstayed and in effect, for a period of 60 consecutive days (or 30 consecutive days with respect to the Borrower); or an order for relief in respect of such Person shall be entered in an involuntary case under the federal bankruptcy laws or other similar laws now or hereafter in effect;

(ii) such Person shall commence a voluntary case or other proceeding under any Bankruptcy Laws now or hereafter in effect, or shall consent to the appointment of or taking possession by a receiver, liquidator, assignee, trustee, custodian, sequestrator (or other similar official) for such Person or all or substantially all of its assets under the Bankruptcy Laws, or shall make any general assignment for the benefit of creditors, or shall fail to, or admit in writing its inability to, pay its debts generally as they become due, or, if a corporation or similar entity, its board of directors or members shall vote to implement any of the foregoing; or

(iii) with respect to an insured depository institution, including a national banking association, the appointment of the Federal Deposit Insurance Corporation as a conservator or receiver of such bank pursuant to Section 11(c) of the Federal Deposit Insurance Act.

"Bankruptcy Laws" means 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.

"Bankruptcy Proceeding" means any case, action or proceeding before any court or other Governmental Authority relating to any Bankruptcy Event.

"Base Rate" means, on any date, a fluctuating *per annum* interest rate equal to the higher of (a) the Prime Rate or (b) the Federal Funds Rate plus 0.5%; *provided* that in no event shall the Base Rate equal less than 0%.

"Basel II" means the second Basel Accord issued by the Basel Committee on Banking Supervision.

"Basel III" means the consultative papers of The Basel Committee on Banking Supervision of December 2009 entitled "Strengthening the resilience of the banking sector" and "International framework for liquidity risk measurement, standards and monitoring", in each case together with any amendments thereto.

"Bid Price" means a bid price on a Loan Asset obtained from a bank or a broker-dealer registered under the Securities Exchange Act of 1934 of nationally recognized standing or an Affiliate thereof.

"Bilateral Loan Asset" means any Loan Asset under which the Borrower serves as the sole lender thereunder.

"Borrower" has the meaning assigned to that term in the preamble hereto.

"Borrowing Base" means, as of any date of determination, an amount (calculated under the Borrowing Base Model set forth as Annex B) equal to the lesser of:

(i) the sum of (A) the Aggregate Outstanding Loan Balance as of such date, *minus* (B) the Minimum Credit Enhancement as of such date, *minus* (C) the Excess Concentration Amounts as of such date, *plus* (D) the amount on deposit in the Principal Collection Subaccount as of such date; and

(ii) the Maximum Facility Amount;

provided that, for the avoidance of doubt, any Loan Asset which at any time is no longer an Eligible Loan Asset shall not be included in the calculation of "Borrowing Base".

"Borrowing Base Certificate" means a certificate setting forth the calculation of the Borrowing Base as of the applicable date of determination substantially in the form of Exhibit C hereto, prepared by the Servicer.

"Borrowing Base Deficiency" means, as of any date of determination, the extent to which the aggregate Advances Outstanding on such date exceeds the Borrowing Base.

"Breakage Fee" means, for Advances which are repaid (in whole or in part) on any date other than a Payment Date, the breakage costs, if any, related to such repayment, based upon the assumption that the Lender funded its loan commitment in the London Interbank Eurodollar market and using any reasonable attribution or averaging methods which the Lender deems appropriate and practical, it hereby being understood that the amount of any loss, costs or expense payable by the Borrower to any Lender as Breakage Fee shall be determined in the respective Lender Agent's reasonable discretion and shall be conclusive absent manifest error.

"Broadly Syndicated Loan Asset" means a Loan Asset that (i) is a broadly syndicated commercial loan, (ii) has a Tranche Size of $200,000,000 or greater (without consideration of reductions thereon from scheduled amortization payments), and (iii) is either (x) an Initial Unrated Loan Asset, or (y) as of the Cut-Off Date related thereto, has a facility rating (or the Obligor with respect to such Loan Asset has a long-term senior unsecured debt rating) of not less than 'B-' (or the equivalent, 'B3', in the case of Moody's), from at least two of the Rating Agencies.

"Business Day" means a day of the year other than (i) Saturday or a Sunday or (ii) any other day on which commercial banks in New York, New York or Atlanta, Georgia or the city in which the offices of the Collateral Custodian and the Account Bank are authorized or required by applicable law, regulation or executive order to close; *provided* that, if any determination of a Business Day shall relate to an Advance bearing interest at LIBOR, the term "Business Day" shall also exclude any day on which banks are not open for dealings in dollar deposits in the London interbank market.

"Capital Lease Obligations" means, with respect to any entity, the obligations of such entity to pay rent or other amounts under any lease of (or other arrangement conveying the right to use) real or personal property, or a combination thereof, which obligations are required to be classified and accounted for as capital leases on a balance sheet of such entity under GAAP, and the amount of such obligations shall be the capitalized amount thereof determined in accordance with GAAP.

"Carlyle" means, collectively, (i) TC Group, L.L.C., (ii) TC Group Investment Holdings, L.P., (iii) TC Group Cayman, L.P. and (iv) TC Group Cayman Investment Holdings, L.P., in each case, including any successor entities thereto.

"Carlyle Management" means Carlyle GMS Investment Management, L.L.C., a Delaware limited liability company.

"CGMS" means Carlyle GMS Finance, Inc., a Maryland corporation.

"Change of Control" shall be deemed to have occurred if any of the following occur:

(a) any "Person" (as such term is used in Sections 13(d) and 14(d) of the Exchange Act) or two or more Persons acting in concert shall have acquired "beneficial ownership" (as such term is defined in Sections 13(d)-3 and 13(d)-6 of the Exchange Act), directly or indirectly, of, or shall have

acquired by contract or otherwise, or shall have entered into a contract or arrangement that, upon consummation, will result in its or their acquisition of, or Control over, Carlyle Management or membership interests representing 35% or more of the combined voting power of all membership interests in either entity in Carlyle Management;

(b) the adoption by the members of either entity in Carlyle Management of a plan or proposal for the liquidation or dissolution of either such entity or of CGMS; *provided* that it shall not be a Change of Control if (i) the board of directors of CGMS elects to liquidate or dissolve CGMS and place its assets into a liquidating trust and (ii) the Administrative Agent and the Lead Arranger provide their consent thereto (such consent to be provided or withheld in the Administrative Agent's or the Lead Arranger's sole discretion);

(c) the replacement of greater than 35% of the investment committee or management committee of CGMS with individuals who are not officers, directors or employees of Carlyle Management or its Affiliates,

(d) the failure by Carlyle Management to perform its material obligations under the Management Agreement, the Management Agreement shall fail to be in full force and effect or Carlyle Management ceases to serve as the exclusive investment advisor for CGMS (although Carlyle Management may utilize sub-advisors at its discretion so long as such engagement does not relieve Carlyle Management of its duties and responsibilities under the Management Agreement);

(e) the failure by CGMS to own 100% of the limited liability company membership interests in the Borrower, free and clear of any Lien other than tax-related Permitted Liens or to exercise all power to direct the management policies of the Borrower; or

(f) the dissolution, termination or liquidation in whole or in part, transfer or other disposition, in each case, of all or substantially all of the assets of, CGMS (except any merger or consolidation that does not violate Section 5.05(a)).

"Charged-Off Asset" means a Loan Asset with respect to which either of the following occurs: (i) the Servicer has classified such Loan Asset as "charged-off" pursuant to the criteria set forth in the Risk and Collection Policies, or (ii) all or any portion of one or more principal or interest payments (other than in respect of default rate interest thereon) under such Loan Asset remains unpaid for at least 120 days from the original due date for such payment (without giving effect to any Servicer Advances thereon).

"Charged-Off Ratio" means, as of any date of determination, the percentage equivalent of a fraction (i) the numerator of which is equal to (a) the sum of all Outstanding Principal Balance, each multiplied by a factor of 1 minus the applicable Moody's Recovery Rate, of all Loan Assets that become Charged-Off Assets during the immediately prior 3-Month period, (b) multiplied by 4, and (ii) the denominator of which is equal (a) the sum of the Aggregate Outstanding Principal Balance as of the first day of each Month of such 3-Month period being tested, (b) divided by 3.

"Citi Conduits" means any of (i) CRC Funding, LLC, (ii) CIESCO, LLC, (iii) CHARTA, LLC, and (iv) CAFCO, LLC, together with their respective successors and assigns.

"Citibank" means Citibank, N.A., a national banking association, together with its successors and assigns.

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

"Closing Date" means May 24, 2013.

"Code" means the Internal Revenue Code of 1986, as amended.

"Collateral Administrator" means Wells Fargo Bank, National Association, in its capacity as the Collateral Administrator pursuant to this Agreement.

"Collateral Administrator Fees" means the fees set forth in the Backup Servicer, Account Bank, Collateral Custodian and Collateral Administrator Fee Letter that are payable to the Collateral Administrator, as such fee letter may be amended, restated, supplemented or otherwise modified from time to time.

"Collateral Administrator Termination Notice" has the meaning assigned to that term in Section 15.05.

"Collateral Agent" means Citibank, not in its individual capacity, but solely as collateral agent pursuant to the terms of this Agreement.

"Collateral Agent Expenses" means the reasonable expenses (including reasonable attorneys' fees, costs and expenses) and indemnity amounts, in each case payable by the Borrower to the Collateral Agent under the Transaction Documents.

"Collateral Agent Fees" means the fees agreed from time to time between the Collateral Agent and the Borrower that are payable to the Collateral Agent.

"Collateral Agent Termination Notice" has the meaning assigned to that term in Section 11.05.

"Collateral Custodian" means Wells Fargo Bank, National Association, not in its individual capacity, but solely as collateral custodian pursuant to the terms of this Agreement.

"Collateral Custodian Fees" means the fees set forth in the Backup Servicer, Account Bank, Collateral Custodian and Collateral Administrator Fee Letter that are payable to the Collateral Custodian, as such fee letter may be amended, restated, supplemented or otherwise modified from time to time.

"Collateral Custodian Termination Notice" has the meaning assigned to that term in Section 13.05.

"Collateral Portfolio" means all right, title, and interest (whether now owned or hereafter acquired or arising, and wherever located) of the Borrower in all assets of the Borrower, including the property identified below in clauses (i) through (vi) and all accounts, cash and currency, chattel paper, tangible chattel paper, electronic chattel paper, copyrights, copyright licenses, equipment, fixtures, contract rights, general intangibles, instruments, certificates of deposit, certificated securities, uncertificated securities, financial assets, securities entitlements, commercial tort claims, deposit accounts, inventory, investment property, letter-of-credit rights, software, supporting obligations, accessions, or other property consisting of, arising out of, or related to any of the following, (but excluding in each case any Retained Interest and the Excluded Amounts):

(i) the Loan Assets, and all monies due or to become due in payment under such Loan Assets on and after the related Cut-Off Date, including, but not limited to, all Available Collections;

(ii) the Portfolio Assets with respect to the Loan Assets referred to in clause (i);

(iii) the Collection Account, the Interest Collection Subaccount, the Principal Collection Subaccount, and any other subaccount thereof, and all Permitted Investments purchased with funds on deposit in any such account; and

(iv) all income and Proceeds of the foregoing;

provided, that the Collateral Portfolio does not include (A) any Loan Assets that were sold, substituted or repurchased in accordance with the requirements of Section 2.07 hereof effective as of its applicable Release Date, and (B) any deposit account or securities account of the Borrower (other than, for the avoidance of doubt, the Collection Account, the Interest Collection Subaccount, the Principal Collection Subaccount, or any other subaccount thereof) into which amounts payable to the Borrower pursuant to Section 2.04(a)(xiii), Section 2.04(b)(vii) or Section 2.04(c)(ix) are deposited or held, and all amounts and investments on deposit in any such account.

"Collateral Quality Improvement" means, as of any date of determination, (x) in respect of any Collateral Quality Test that is not then satisfied, that the degree of non-compliance with such Collateral Quality Test is either not made worse or is improved after giving effect to such transaction proposed under Section 2.07 or such Advance proposed to be funded in connection with the addition of an Asset to the Collateral Portfolio, and (y) in respect of any Collateral Quality Test that is satisfied prior to such Substitution or Advance, that such test remains satisfied after giving effect to such Substitution or Advance.

"Collateral Quality Test" means the Weighted Average Life Test, the Weighted Average Spread Test, the Diversity Score Test, the WARF Test and the WARR Test.

"Collection Account" means a trust account (account number 46455700 at the Account Bank) in the name of the Borrower for the benefit of and under the "control" (within the meaning of Section 9-104 of the UCC or 9-106 / 8-106 of the UCC, as applicable) of the Collateral Agent for the benefit of the Secured Parties, and each subaccount that may be established from time to time, including the Interest Collection Subaccount and Principal Collection Subaccount; *provided* that, subject to the rights of the Collateral Agent hereunder with respect to such funds, the funds deposited therein (including any interest and earnings thereon) from time to time shall constitute the property and assets of the Borrower, and the Borrower shall be solely liable for any Taxes payable with respect to the Collection Account.

"Collection Account Agreement" means that certain Collection Account Agreement, dated the Closing Date, among the Borrower, the Servicer, the Account Bank, the Administrative Agent and the Collateral Agent, governing the Collection Account and which permits the Collateral Agent on behalf of the Secured Parties to direct disposition of the funds in the Collection Account, as such agreement may be amended, modified or supplemented from time to time in accordance with its terms.

"Collection Date" means the date on which the aggregate outstanding principal amount of the Advances have been indefeasibly repaid in full and all Yield and Fees and all other Obligations have been indefeasibly paid in full (other than contingent obligations that survive the termination of any Transaction Document), the commitments of the Lenders hereunder have been terminated and the Borrower shall have no further right to request any additional Advances.

"Collections" means all collections and other cash proceeds with respect to any Loan Asset (including, without limitation, payments on account of interest, principal, prepayments, fees, guaranty payments and all other amounts received in respect of such Loan Asset), all Recoveries, all Insurance Proceeds, and proceeds of any liquidations, sales or dispositions, in each case, attributable to such Loan Asset, and all other proceeds or other funds of any kind or nature received by the Borrower or the Servicer with respect to any Underlying Collateral.

"Commercial Paper Notes" means, any short-term promissory notes of any Conduit Lender or a participant thereof issued by such Conduit Lender or participant thereof in the commercial paper market.

"Commitment" means, with respect to each Liquidity Bank and Institutional Lender as of any date of determination, the Commitment of such Person listed on Annex A as in effect at such time.

"Commitment Termination Date" means the earliest to occur of (i) the Scheduled Commitment Termination Date, (ii) the date of the declaration, or automatic occurrence, of an Event of Default (unless waived or rescinded), or (iii) the occurrence of the termination of this Agreement pursuant to Section 2.18(d) hereof.

"Competitor" means the Persons listed in the Transaction Fee Letter as "Competitors" of Carlyle.

"Concentration Limits" means, as of any date of determination prior to (x) the Commitment Termination Date with respect to all items below and (y) the Final Maturity Date with respect to the concentration limit set forth in clause (d) below, for purposes of determining the Excess Concentration Amount and the Borrowing Base, the concentration limitations set forth below:

(a) the sum of Outstanding Loan Balances of all Eligible Loan Assets with Obligors:

(i) in the Industry with the highest aggregate Outstanding Loan Balances shall not exceed 20% of the Concentration Test Amount;

(ii) in the Industry with the second highest aggregate Outstanding Loan Balances shall not exceed 15% of the Concentration Test Amount;

(iii) in the Industry with the third highest aggregate Outstanding Loan Balances shall not exceed 12.5% of the Concentration Test Amount; and

(iv) in any Industry (other than the Industries considered under clauses (i), (ii) and (iii) above) shall not exceed 10% of the Concentration Test Amount;

(b) the sum of Outstanding Loan Balances of all Fixed Rate Loan Assets that are Eligible Loan Assets shall not exceed 10% of the Concentration Test Amount (or such greater percentage to accommodate the non-exclusion by this clause (b) of certain Fixed Rate Loan Assets subject to Hedging Agreements (which, for the avoidance of doubt and in accordance with the definition of "Hedging Agreement", the Administrative Agent shall have approved of in writing);

(c) following the end of the Ramp-Up Period, the sum of Outstanding Loan Balances of all First Lien Loan Assets that are Eligible Loan Assets shall not be less than 70% of the AOLB;

(d) the sum of Outstanding Loan Balances of Eligible Loan Assets that are:

(i) Second Lien Loan Assets (other than Last Out Senior Secured Loan Assets) shall not exceed 15% of the Concentration Test Amount; and

(ii) Last Out Senior Secured Loan Assets shall not exceed 10% of the Concentration Test Amount;

(e) the sum of Outstanding Loan Balances of all Discount Loan Assets that are Eligible Loan Assets shall not exceed 20% of the Concentration Test Amount;

(f) the sum of Outstanding Loan Balances of all Eligible Loan Assets that currently maintain a credit rating of (i) CCC+ or CCC from S&P or Fitch, or (ii) Caa1 or Caa2 from Moody's, shall not exceed 25% of the Concentration Test Amount;

(g) the sum of Outstanding Loan Balances of all Eligible Loan Assets as to which the highest rating assigned by any Rating Agency is 'CCC+' or 'CCC' (or the equivalent, 'Caa1' or 'Caa2,' in the case of Moody's) shall not exceed 15% of the Concentration Test Amount;

(h) the sum of Outstanding Loan Balances of all Eligible Loan Assets:

(i) for all Foreign Eligible Obligors shall not exceed 10% of the Concentration Test Amount;

(ii) for all Foreign Eligible Obligors formed and existing under the laws of any of Germany, Ireland, Sweden, Switzerland and France, shall not exceed 7.5% of the Concentration Test Amount; and

(iii) for all Foreign Eligible Obligors formed and existing under the laws of France shall not exceed 5% of the Concentration Test Amount.

(i) the sum of Outstanding Loan Balances of all Eligible Loan Assets that are:

(i) Unrated Loan Assets shall not exceed 5% of the Concentration Test Amount; and;

(ii) Initial Unrated Loan Assets shall not exceed 10% of the Concentration Test Amount";

(j) the sum of Outstanding Loan Balances of all Eligible Loan Assets that do not provide for scheduled payments of interest in cash on at least an every three month basis shall not exceed 10% of the Concentration Test Amount;

(k) the sum of Outstanding Loan Balances of all Eligible Loan Assets in which the Borrower holds a participation interest shall not exceed 5% of the Concentration Test Amount;

(l) the sum of Outstanding Loan Balances of the Eligible Loan Assets

(i) of each Obligor Group with the three highest Outstanding Loan Balances shall each not exceed (x) during the Ramp-Up Period, 5% of the Concentration Test Amount, and (y) at all times thereafter, 6.67% of the Concentration Test Amount; and

(ii) of each Obligor Group not included in clause (i) above shall each not exceed 5% of the Concentration Test Amount;

(m) the sum of Outstanding Loan Balances of all DIP Loan Assets that are Eligible Loan Assets shall not exceed 10% of the Concentration Test Amount;

(n) the sum of Outstanding Loan Balances of all Bilateral Loan Assets that are Eligible Loan Assets shall not exceed 10% of the Concentration Test Amount;

(o) the sum of Outstanding Loan Balances of all Revolving Loan Assets (which definition includes delayed draw term loans) that are Eligible Loan Assets shall not exceed 10% of the Concentration Test Amount;

(p) the sum of Outstanding Loan Balances of all Foreign Currency Loan Assets denominated in a currency other than Canadian Dollars that are Eligible Loan Assets shall not exceed 15% of the Concentration Test Amount;

(q) the sum of Outstanding Loan Balances of all Foreign Currency Loan Assets denominated in Canadian Dollars that are Eligible Loan Assets shall not exceed 10% of the Concentration Test Amount;

(r) the sum of Outstanding Loan Balances of all Eligible Loan Assets for which the Senior Debt/EBITDA Ratio (determined as of its related Cut-Off Date) of the related Obligor (i) with respect to all Large-Market Loan Assets, is greater than 4.50:1.00, *plus* (ii) with respect to all Mid-Market Loan Assets, is greater than 3.75:1.00, shall not exceed 15% of the Concentration Test Amount;

(s) the sum of Outstanding Loan Balances of all Unitranche Loan Assets that are Eligible Loan Assets:

(i) for which the Total Debt/EBITDA Ratio (determined as of its related Cut-Off Date) of the related Obligor (and for which the Obligor thereunder has no other senior Indebtedness outstanding) (A) with respect to Unitranche Loan Assets that are Large-Market Loan Assets, is greater than 5.25:1.00, plus (B) with respect to Unitranche Loan Assets that are Mid-Market Loan Assets, is greater than 4.50:1.00, shall not exceed 15% of the Concentration Test Amount; and

(ii) that are included in sub-clause (i)(B) of this clause (s) shall not exceed 10% of the Concentration Test Amount;

(t) the sum of Outstanding Loan Balances of all Eligible Loan Assets for which the Total Debt/EBITDA Ratio (determined as of its related Cut-Off Date) of the related Obligor (other than an Obligor subject to the test under clause (s) above) (i) with respect to all Loan Assets, is greater than 6.00:1.00 shall not exceed 10% of the Concentration Test Amount, *and* (ii) with respect to all Mid-Market Loan Assets, is greater than 5.00:1.00, shall not exceed 5% of the Concentration Test Amount;

(u) the sum of Outstanding Loan Balances of all Eligible Loan Assets for which the EBITDA of the related Obligor (determined as of its related Cut-Off Date) is less than $15,000,000 shall not exceed 10% of the Concentration Test Amount;

(v) the sum of Outstanding Loan Balances of all HLT Loan Assets Obligor (determined as of its related Cut-Off Date) that are Eligible Loan Assets shall not exceed 15% of the Concentration Test Amount;

(w) the sum of Outstanding Loan Balances of Senior B Loan Assets that are Eligible Loan Assets shall not exceed 15% of the Concentration Test Amount;

(x) the sum of Outstanding Loan Balances of all Cov-Lite Loan Assets that are Eligible Loan Assets (including all Special Cov-Lite Loan Assets) shall not exceed 30% of the Concentration Test Amount;

(y) the sum of Outstanding Loan Balances of all Special Cov-Lite Loan Assets that are Eligible Loan Assets shall not exceed 10% of the Concentration Test Amount;

(z) the sum of Outstanding Loan Balances of Second Lien Loan Assets that are Eligible Loan Assets and have an original term to maturity in excess of 7 years shall not exceed 7.5% of the Concentration Test Amount; and

(aa) the sum of Outstanding Loan Balances of PIK Loan Assets that are Eligible Loan Assets shall not exceed 5% of the Concentration Test Amount.

"Concentration Test Amount" has the meaning specified in the Transaction Fee Letter.

"Conduit Lender" means each of the Citi Conduits and each other commercial paper conduit that may from time to time become a Conduit Lender hereunder by executing and delivering a Joinder Supplement to the Administrative Agent and the Borrower as contemplated by Section 12.04(a).

"Conduit Trustee" means, with respect to any Conduit Lender, a trustee or collateral agent for the benefit of the holders of the Commercial Paper Notes or other senior indebtedness of such Conduit Lender appointed pursuant to such Conduit Lender's program documents.

"Control" means the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of a Person, whether through the ability to exercise voting power, by contract or otherwise. "Controlling" and "Controlled" have meanings correlative thereto.

"Contribution Agreement" means that certain Contribution Agreement, dated as of the Closing Date, among CGMS, as the contributor of Loan Assets, and the Borrower, as the contributee, as applicable, as such agreement may be amended, modified, waived, supplemented, restated or replaced from time to time.

"Controlling Sponsor Equity" means the combined equity investment (or combined implied equity investment, as applicable) in an Obligor held by not more than four Persons and their respective Affiliates representing (i) at least 40% of the capital structure of the Obligor, (ii) at least 50.1% of the combined voting power of all stock or membership interests in such Obligor, and (iii) at least $18,370,000 in value as reasonably determined by the Servicer as of the related Cut-Off Date.

"Cov-Lite Loan Asset" means a Loan Asset that does not (x) contain any financial covenants or (y) require the Obligor thereunder to comply with any Maintenance Covenant (regardless of whether compliance with one or more Incurrence Covenants is otherwise required by the Loan Documents for such Loan Asset). For the purposes of this definition, "Maintenance Covenant" means a covenant by the Obligor to comply with one or more financial covenants during each reporting period, whether or not such Obligor has taken any specified action, and "Incurrence Covenant" means a covenant by the Obligor to comply with one or more financial covenants only upon the occurrence of certain actions of the Obligor, including a debt issuance, dividend payment, share purchase, merger, acquisition or divestiture.

"CP Rate" means for any Remittance Period for any Advances made by a Conduit Lender, the per annum rate equivalent to the weighted average of the per annum rates paid or payable by such Conduit Lender from time to time as interest on or otherwise (by means of interest rate hedges or otherwise) in respect of the Commercial Paper Notes issued by such Conduit Lender during such period, as determined by such Conduit Lender that are allocated, in whole or in part, by such Conduit Lender (or such Conduit Lender's Lender Agent on behalf of such Conduit Lender) to fund the purchase or maintenance of Advances during such Remittance Period as determined by such Conduit Lender (or such Conduit Lender's Lender Agent on behalf of such Conduit Lender) and reported to the Borrower and the Servicer, which rates shall reflect and give effect to the commissions of placement agents and dealers in respect of such Commercial Paper Notes, to the extent such commissions are allocated, in whole or in part, to such Commercial Paper Notes by such Conduit Lender (or such Conduit Lender's Lender Agent on behalf of such Conduit Lender) plus without duplication of other interest and costs allocated by such Conduit Lender to fund or maintain the loans associated with the funding by such Conduit Lender of small or odd lot amounts that are not funded with Commercial Paper Notes, *provided, however*, that that (i) if any component of such rate is a discount rate, in calculating the "CP Rate" for such Remittance Period the Conduit Lender (or such Conduit Lender's Lender Agent on behalf of such Conduit Lender) shall for such component use the rate resulting from converting such discount rate to an interest bearing equivalent rate per annum; (ii) the CP Rate with respect to Advances funded by participants of such Conduit Lender shall be the same rate as in effect from time to time on Advances or portions thereof that are not funded by a participant; and (iii) if all of the Advances maintained by such Conduit Lender are funded by participants of such Conduit Lender, then the CP Rate shall be such Conduit Lender's pool funding rate in effect from time to time for its largest size pool of transactions which settles monthly.

"CQI Advance Determination Date" means, with respect to any Advance related to a Loan Asset, either (i) if the Borrower delivered its documented, enforceable and binding commitment to advance funds with respect to such Loan Asset less than fifteen Business Days prior to the Advance date related to such Loan Asset, the date that such commitment was provided, or (ii) in all other cases, the date of the Advance.

"CQT Matrix Trigger Date" means the first date after the Closing Date on which (i) the Diversity Score equals or is greater than 20, (ii) the Weighted Average Spread equals or exceeds 3.50%, and (iii) the Weighted Average Recovery Ratio equals or exceeds 48%.

"CQT Non-Qualification Period" means any period of time during which any Collateral Quality Test is not satisfied.

"Credit Revised Loan Asset" means any Loan Asset identified to the Administrative Agent by the Servicer in a Servicer Report or Borrowing Base Certificate that, in the reasonable judgment of the Servicer, has either (i) significantly improved in credit quality, or (ii) has a significant risk of declining in credit quality and, with the passage of time, suffering an Assigned Value Adjustment Event, in each case, since its related Cut-Off Date.

"Cure Date" has the meaning assigned to that term in Section 2.07(e).

"Cut-Off Date" means, with respect to each Loan Asset, either (i) the date (which may be the Closing Date) such Loan Asset is Pledged and an Advance based on a Borrowing Base including such Loan Asset is funded hereunder, or (ii) with respect to a Loan Asset that is part of the Collateral Portfolio and either (A) the term of this Agreement is extended, or (B) the term of the Loan Agreement thereunder has been extended during the Revolving Period, the effective date of the amendment extending this Agreement or the term of such Loan Agreement, as applicable (the evaluation as of such Cut-Off Date being in accordance with the Servicing Standard and the valuation practices of the Servicer and relying upon the most recent compliance certificates and financial information provided by each Obligor under Section 6.08(f) or otherwise).

"Daily LIBOR" means, for any day during the Remittance Period, with respect to any Advance (or portion thereof) other than a Fixed LIBOR Advance (a) the rate *per annum* appearing on Reuters Screen LIBOR01 Page (or any successor or substitute page) as the London interbank offered rate for deposits in dollars at approximately 11:00 a.m., London time, for such day, *provided*, if such day is not a Business Day, the immediately preceding Business Day, for a one-month maturity; and (b) if no rate specified in clause (a) of this definition so appears on Reuters Screen LIBOR01 Page (or any successor or substitute page), the interest rate *per annum* at which dollar deposits of $5,000,000 and for a one-month maturity are offered by the principal London office of Citibank in immediately available funds in the London interbank market at approximately 11:00 a.m., London time, for such day; *provided* that in no event shall Daily LIBOR equal less than 0%.

"Daily LIBOR Advance" means an Advance to which the Daily LIBOR is applicable.

"Delinquency Ratio" means, as of any Reporting Date, (x) the sum of the Monthly Delinquency Ratio on such Determination Date and for each of the two preceding Determination Dates (or such lesser number as shall have elapsed as of such Reporting Date), divided by (y) 3 (or 1 plus the corresponding lesser number of Reporting Dates included in the calculations described herein).

"Default Excess" means, with respect to any Defaulting Lender Group, an amount equal to (i) such Defaulting Lender Group's Pro Rata Share of Advances Outstanding (calculated as if all Defaulting Lenders (including the Defaulting Lenders of such Defaulting Lender Group) had funded all of their respective Advances, including Advances not funded by such Defaulting Lender which resulted in such Defaulted Lender being deemed a Defaulting Lender and part of a Defaulting Lender Group), *minus* (ii) the aggregate outstanding principal amount of Advances Outstanding of such Defaulting Lender Group.

"Default Period" means, with respect to any Defaulting Lender Group, the period commencing on the date of the applicable Funding Default and ending on the earliest of the following dates: (i) the date on which all Commitments are cancelled or terminated or the Obligations are declared or become immediately due and payable; (ii) with respect to any Funding Default (other than any such Funding Default arising pursuant to clause (iv) of the definition of Defaulting Lender), the date on which (A) the Default Excess with respect to such Defaulting Lender Group has been reduced to zero (whether by the funding by such Defaulting Lender Group of all payments resulting in such Funding Default of such Defaulting Lender, the non-pro rata application of any voluntary or mandatory prepayments of the Loans in accordance with the terms of this Agreement, or any combination thereof) and (B) such Defaulting Lender has delivered to the Administrative Agent a written reaffirmation of its intention to honor its obligations under this Agreement with respect to its Commitment; and (iii) the date on which the Borrower, the Administrative Agent, and the Majority Lenders waive all Funding Defaults of such Defaulting Lender in writing.

"Defaulting Lender" means any Liquidity Bank or Institutional Lender, as determined by the Administrative Agent, that (i) fails to make available its ratable share of any Advance as required to be funded under Section 2.02(b) or fails to make any other payment or provide funds to the Administrative Agent as required under this Agreement, and such failure is not cured within two Business Days; (ii) has notified the Administrative Agent, the Borrower or the Servicer in writing that it does not intend to comply with any of its funding obligations under this Agreement or has made a public statement to the effect that it does not intend to comply with its funding obligations under this Agreement or under other agreements in which it commits to extend credit; (iii) has failed, within one Business Day after request by the Administrative Agent, to confirm that it will comply with the terms of this Agreement relating to its obligations to fund Advances under this Agreement; or (iv) becomes, or has a parent company that becomes, the subject of any Bankruptcy Event.

"Defaulting Lender Group" means any Lender Group that includes a Defaulting Lender.

"Delinquent Asset" means a Loan Asset that is not a Charged-Off Asset and as to which either of the following has occurred: (i) the Servicer has classified such Loan Asset, as "delinquent" pursuant to the criteria set forth in the Risk and Collection Policies, or (ii) all or any portion of one or more principal or interest payments (other than in respect of default rate interest) under such Loan Asset remains unpaid for at least 60 days from the original due date for such payment (without giving effect to any Servicer Advances thereon).

"Demand" means a written demand on the Unpledged Capital Commitments pursuant to and in compliance with the requirements set forth in the subscription agreement of CGMS that has been received by the shareholders of CGMS.

"Determination Date" means the fifth Business Day after the end of each Month.

"DIP Loan Asset" means any Loan Asset to an Obligor that is a Chapter 11 debtor under the Bankruptcy Code which is permitted to be owned by the Borrower under the Risk and Collection Policies and also satisfies the following criteria: (a) the Loan Agreement is duly authorized by a final order of the applicable bankruptcy or federal district court under the provisions of subsection (b), (c) or (d) of 11 U.S.C. § 364, (b) the Obligor's bankruptcy case is still pending as a case under the provisions of Chapter 11 of Title 11 of the Bankruptcy Code and has not been dismissed or converted to a case under the provisions of Chapter 7 of Title 11 of the Bankruptcy Code, (c) the Obligor's obligations under such Loan Agreement have not been (i) disallowed, in whole or in part, or (ii) subordinated, in whole or in part, to the claims or interests of any other Person under the provisions of 11 U.S.C. § 510, (d) the Loan

Asset is secured and the liens and security interests granted by the applicable federal bankruptcy or district court in relation to the Loan have not been subordinated, in whole or in part, to the liens or interests of any other lender under the provisions of 11 U.S.C. § 364(d) or otherwise, (e) the Obligor is not in default on its payment obligations under the Loan Asset and (f) neither the Obligor nor any party in interest has filed a Chapter 11 plan with the applicable federal bankruptcy or district court that, upon confirmation, would (i) disallow or subordinate the Loan Asset and obligations under the Loan Agreement, in whole or in part, (ii) subordinate, in whole or in part, any lien or security interest granted in connection with such Loan Asset, (iii) fail to provide for the repayment, in full and in cash, of the Loan Asset upon the effective date of such plan or (iv) otherwise impair, in any manner, the claim evidenced by the Loan Asset and related Loan Agreement. For the purposes of this definition, an order is a "final order" if the applicable period for filing a motion to reconsider or notice of appeal in respect of a permanent order authorizing the obligor to obtain credit has lapsed and no such motion or notice has been filed with the applicable federal bankruptcy or district court or the clerk thereof.

"Disbursement Request" means a disbursement request from the Borrower to the Administrative Agent and the Collateral Agent in the form attached hereto as Exhibit D in connection with a disbursement request from the Principal Collection Subaccount in accordance with Section 2.20.

"Discount Loan Asset" means a Loan Asset that (i) qualifies under all criteria set forth on Schedule III except for clause I(c)(i) thereof, and (ii) has an Advance Date Assigned Value, and maintains an Assigned Value at all times thereafter, of not less than the greater of (x) 70% of the Outstanding Principal Balance thereof, and (y) 90% of the Applicable Index; *provided* that a Loan Asset initially designated as a Discount Loan Asset that subsequently obtains an Assigned Value of greater than or equal to 90% for more than 3 consecutive Business Days shall no longer be considered a Discount Loan Asset.

"Discretionary Sale" has the meaning assigned to that term in Section 2.07(b).

"Dispute" means any dispute, claim, offset or defense (other than the discharge in bankruptcy of an Obligor) to the payment of any Loan Asset included in the Collateral Portfolio (including, without limitation, a defense based on such Loan Asset (or the Loan Agreement evidencing such Loan Asset) not being a legal, valid and binding obligation of such Obligor enforceable against it in accordance with its terms); *provided,* that a Dispute shall not arise solely as a result of a Loan Asset being uncollectible due to the Obligor's insolvency or financial inability to pay.

"Diversity Score" means a single number that indicates Collateral Portfolio concentration in terms of both issuer and industry concentration. The Diversity Score for the Loan Assets is calculated as set forth in Annex C.

"Diversity Score Test" means, as of any date of determination with respect to Eligible Loan Assets in the Collateral Portfolio, a test that is satisfied if the Diversity Score is equal to or greater than (i) if such date of determination is prior to the CQT Matrix Trigger Date, 18, or (ii) if such date of determination is on or after the CQT Matrix Trigger Date, the "Minimum Diversity Score" selected by the Servicer by reference to the matrix set forth on Annex D.

"Dodd-Frank" means the Dodd-Frank Wall Street Reform and Consumer Protection Act, Pub. L. 111-203 (2010).

"EBITDA" means, with respect to any period and any Loan Asset, the meaning of "EBITDA", "Adjusted EBITDA" or any comparable definition as set forth in, or as calculated in connection with, the Underwriting Memoranda for such Loan Asset and, at any time after the Cut-Off Date and after receipt by the Servicer of such Obligor's most recent financial reporting under the applicable Loan Agreement, as set forth in the Loan Agreement for each such Loan Asset (together with all add-backs and exclusions as designated in such Loan Agreement), and in any case that "EBITDA", "Adjusted EBITDA" or such comparable definition is not defined in such Underwriting Memoranda or such Loan Agreement, as applicable, an amount, for the principal obligor on such Loan Asset and any of its parents or Subsidiaries that are obligated pursuant to the Loan Agreement for such Loan Asset (determined on a consolidated basis without duplication in accordance with GAAP) equal to earnings from continuing operations for such period plus interest expense, income taxes and unallocated depreciation and amortization for such period (to the extent deducted in determining earnings from continuing operations for such period), and any other item the Borrower and the Administrative Agent mutually deem to be appropriate.

"Eligible Assignee" means (i) a Liquidity Bank or any of its Affiliates, (ii) any Person managed by a Liquidity Bank or any of its Affiliates, or (iii) any financial or other institution acceptable to the Administrative Agent (other than the Borrower or an Affiliate thereof) and that, prior to the declaration, or automatic occurrence, of an Event of Default (unless waived or rescinded), is not a Competitor.

"Eligible Bid" means a bid made in good faith (and acceptable as a valid bid in the Administrative Agent's reasonable discretion) by a bidder for all or any portion of the Collateral Portfolio in connection with a sale of the Collateral Portfolio in whole or in part pursuant to Section 8.02(i).

"Eligible Loan Asset" means, at any time, a Loan Asset that (i) is a First Lien Broadly Syndicated Loan Asset, First Lien Middle Market Loan Asset, Unitranche Loan Asset, Second Lien Broadly Syndicated Loan Asset or Second Lien Middle Market Loan Asset, and (ii) each of the representations and warranties contained in Section 4.02 hereto is true and correct and the standards set forth Schedule III are satisfied in full.

"Environmental Laws" means any and all foreign, federal, State and local laws, statutes, ordinances, rules, regulations, permits, licenses, approvals, interpretations (with force of law) and orders of courts or Governmental Authorities, relating to the protection of human health or the environment, including, but not limited to, requirements pertaining to the manufacture, processing, distribution, use, treatment, storage, disposal, transportation, handling, reporting, licensing, permitting, investigation or remediation of Hazardous Materials. Environmental Laws include, without limitation, the Comprehensive Environmental Response, Compensation, and Liability Act (42 U.S.C. § 9601 et seq.), the Hazardous Material Transportation Act (49 U.S.C. § 331 et seq.), the Resource Conservation and Recovery Act (42 U.S.C. § 6901 et seq.), the Federal Water Pollution Control Act (33 U.S.C. § 1251 et seq.), the Clean Air Act (42 U.S.C. § 7401 et seq.), the Toxic Substances Control Act (15 U.S.C. § 2601 et seq.), the Safe Drinking Water Act (42 U.S.C. § 300, et seq.), the Environmental Protection Agency's regulations relating to underground storage tanks (40 C.F.R. Parts 280 and 281), and the Occupational Safety and Health Act (29 U.S.C. § 651 et seq.), and the rules and regulations thereunder, each as amended or supplemented from time to time.

"ERISA" means the United States Employee Retirement Income Security Act of 1974, as amended from time to time.

"ERISA Affiliate" means (a) any corporation that is a member of the same controlled group of corporations (within the meaning of Section 414(b) of the Code) as a specified Person, (b) a trade or business (whether or not incorporated) under common control (within the meaning of Section 414(c) of the Code) with such Person, or (c) a member of the same affiliated service group (within the meaning of Section 414(m) of the Code) as such Person, any corporation described in clause (a) above or any trade or business described in clause (b) above.

"Eurodollar Disruption Event" means the occurrence of any of the following: (a) any Lender Agent shall have notified the Administrative Agent of a determination by such Lender Agent or any of its assignees that it would be contrary to law or to the directive of any central bank or other Governmental Authority (whether or not having the force of law) to obtain United States dollars in the London interbank market to fund any Advance, (b) any Lender Agent shall have notified the Administrative Agent of the inability, for any reason, of such Lender Agent or any Lender in such Lender Agent's Lender Group or any of its respective assignees to determine LIBOR, (c) any Lender Agent shall have notified the Administrative Agent of a determination by such Lender Agent or any of its respective assignees that the rate at which deposits of United States dollars are being offered to any Lender in such Lender Agent's Lender Group or any of its respective assignees in the London interbank market does not accurately reflect the cost to such Lender or its assignee of making, funding or maintaining any Advance or (d) any Lender Agent shall have notified the Administrative Agent of the inability of a Lender in such Lender Agent's Lender Group or any of its respective assignees to obtain United States dollars in the London interbank market to make, fund or maintain any Advance.

"Event of Default" has the meaning assigned to that term in Section 8.01.

"Excepted Persons" has the meaning assigned to that term in Section 12.13(a).

"Excess Concentration Amount" means, as of any date of determination prior to the Commitment Termination Date, the sum of all amounts of Outstanding Loan Balance of all Eligible Loan Assets that exceed each of the Concentration Limits (or, in the case of clause (c) of the definition of "Concentration Limits", the amount of the deficiency), as applied sequentially and without duplication in accordance with the Borrowing Base Model set forth in Annex B.

"Exchange Act" means the United States Securities Exchange Act of 1934, as amended, and the rules and regulations promulgated thereunder.

"Excluded Amounts" means (a) any amount received in the Collection Account with respect to any Loan Asset included as part of the Collateral Portfolio, which amount is attributable to the payment of any Tax, fee or other charge imposed by any Governmental Authority on such Loan Asset or on any Underlying Collateral and (b) any amount received in the Collection Account representing (i) any amount representing a reimbursement of insurance premiums, (ii) any escrows relating to Taxes, insurance and other amounts in connection with Loan Assets which are held in an escrow account for the benefit of the Obligor and the secured party pursuant to escrow arrangements under a Loan Agreement, and (iii) any amount received in the Collection Account with respect to any Loan Asset retransferred or substituted for upon the occurrence of a Warranty Event or that is otherwise replaced by a Substitute Eligible Loan Asset, or that is otherwise sold or transferred by the Borrower pursuant to Section 2.07, to the extent such amount is attributable to a time after the effective date of such replacement, transfer or sale.

"Excluded Taxes" means, with respect to any payment made by or on account of any obligation of the Borrower or the Servicer under this Agreement, any of the following Taxes imposed on or with respect to a Lender (a) any income or franchise Taxes imposed on (or measured by) net income and any branch profits Taxes, in each case by (i) the United States of America, (ii) the jurisdiction under the laws of which such Lender is organized, in which its principal office is located, or in which its applicable lending office is located or (iii) a jurisdiction as the result of any other present or former connection between such Lender and the jurisdiction imposing such Tax (other than connections arising from such Lender having executed, delivered, become a party to, performed its obligations under, received payments under, received or perfected a security interest under, engaged in any other transaction pursuant to or enforced any loan document, or sold or assigned an interest in any loan or loan document), (b) in the case of a Lender, US. Federal withholding Taxes imposed on amounts payable to or for the account of such Lender with respect to an applicable interest in a Loan or Commitment pursuant to a law in effect on the date on which (i) such Lender acquires such interest in the Loan or Commitment, or (ii) such Lender changes its lending office, except in each case, to the extent that, pursuant to Section 2.11, amounts with respect to such Taxes were payable either to such Lender's assignor immediately before such Lender became a party hereto or to Lender immediately before it changed its lending office, (c) Taxes attributable to such Lender's failure to comply with Section 2.11, and (d) any Taxes imposed under FATCA.

"FATCA" means Sections 1471 through 1474 of the Internal Revenue Code as in effect on the date hereof (or any amended version that is substantively comparable) and any regulations promulgated thereunder or official interpretations thereof.

"FDIC" means the Federal Deposit Insurance Corporation, and any successor thereto.

"Federal Funds Rate" means, for any period, a fluctuating interest *per annum* rate equal, for each day during such period, to the weighted average of the overnight federal funds rates as in Federal Reserve Board Statistical Release H.15(519) or any successor or substitute publication selected by the Administrative Agent (or, if such day is not a Business Day, for the next preceding Business Day), or, if for any reason such rate is not available on any day, the rate determined, in the sole discretion of the Administrative Agent, to be the rate at which overnight federal funds are being offered in the national federal funds market at 9:00 a.m. on such day.

"Fee Letter" means the Transaction Fee Letter, the Backup Servicer, Account Bank, Collateral Custodian and Collateral Administrator Fee Letter, and each fee letter agreement that shall be entered into by and among the Borrower, the Servicer, the applicable Lender and its related Lender Agent in connection with the transactions contemplated by this Agreement, in each case, as amended, modified, waived, supplemented, restated or replaced from time to time.

"Fees" means (i) the Undrawn Fee and (ii) the fees payable to each Lender or Lender Agent pursuant to the terms of the Fee Letters.

"Final Maturity Date" means the earliest to occur of (i) the Scheduled Maturity Date, (ii) the date of the automatic occurrence of an Event of Default, or the date of the declaration of the Final Maturity Date upon the occurrence of an Event of Default, or (iii) the occurrence of the termination of this Agreement pursuant to Section 2.18(d) hereof.

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

"Financial Covenants" means the financial covenants (i) of the Borrower set forth in Section 5.03, and (ii) of CGMS set forth in clauses (i), (j) and (k) of the defined term "Servicer Termination Event".

"Financial Sponsor" means any Person, including any Subsidiary of such Person, whose principal business activity is acquiring, holding, and selling investments (including controlling interests) in otherwise unrelated companies that each are distinct legal entities with separate management, books and records and bank accounts, whose operations are not integrated with one another and whose financial condition and creditworthiness are independent of the other companies so owned by such Person.

"First Lien Broadly Syndicated Loan Asset" means a Broadly Syndicated Loan Asset that is a First Lien Loan Asset.

"First Lien Loan Asset" means any Loan Asset that (i) is secured by a valid and perfected first priority Lien on substantially all of the Obligor's assets constituting Underlying Collateral for the Loan Asset, subject to any expressly permitted liens under the applicable Loan Agreement for such Loan Asset, including those set forth in "permitted liens" as defined in such Loan Agreement, or such comparable definition if "permitted liens" is not defined therein, (ii) provides that the payment obligation of the Obligor on such Loan Asset is either senior to, or *pari passu* with, and is not (and cannot by its terms become) subordinate in right of payment to all other Indebtedness of such Obligor, (iii) for which Liens on the assets constituting Underlying Collateral securing any other outstanding Indebtedness of the Obligor (including Liens securing Second Lien Loan Assets, but otherwise excluding expressly permitted liens referred to above) is expressly subject to and contractually or structurally subordinate to the priority claim under the Loan Agreement governing such Loan Asset or the related documentation of the "first lien" lenders under such "First Lien Loan Asset", and (iv) is not a Last Out Senior Secured Loan Asset; *provided,* that a Senior B Loan Asset shall be considered a First Lien Loan Asset.

"Fitch" means Fitch Ratings, Inc. (or its successors in interest).

"First Lien Middle Market Loan Asset" means a Middle Market Loan Asset that is a First Lien Loan Asset.

"Fixed LIBOR" means, for any day during each Fixed Period, with respect to any Fixed LIBOR Advance (a) the rate *per annum* appearing on Reuters Screen LIBOR01 Page (or any successor or substitute page) as the London interbank offered rate for deposits in dollars for a period equal to such Fixed Period at approximately 11:00 a.m., London time, two Business Days prior to the beginning of such Fixed Period; and (b) if the rate specified in clause (a) of this definition does not so appear on Reuters Screen LIBOR01 Page (or any successor or substitute page), the interest rate *per annum* at which dollar deposits of $5,000,000 and for such Fixed Period are offered by the principal London office of Citibank in immediately available funds in the London interbank market at approximately 11:00 a.m., London time, for such day; *provided* that in no event shall Fixed LIBOR equal less than 0%.

"Fixed LIBOR Advance" means an Advance to which the Fixed LIBOR is applicable.

"Fixed Period" means, with respect to any Fixed LIBOR Advance, (a) if the CP Rate is not available from a Conduit Lender that is funding any Advance or portion thereof through the issuance of Commercial Paper Notes, (x) as to the initial Fixed Period for such Fixed LIBOR Advance, a period

commencing on, and including, the Advance Date or conversion date, as the case may be, with respect to such Advance and ending on, but excluding, the earlier of (1) the next Determination Date, and (2) the Scheduled Maturity Date, and (y) as to any other Fixed Period for such Fixed LIBOR Advance, a period commencing on, and including, a Determination Date with respect to such Advance and ending on, but excluding, the earlier of (1) the next Determination Date, and (2) the Scheduled Maturity Date, and (b) in all other cases, (x) as to the initial Fixed Period for such Fixed LIBOR Advance, a period commencing on, and including, the Advance Date or conversion date, as the case may be, with respect to such Advance and ending on, but excluding, the earlier of (1) the next Determination Date that occurs in January, April, July or October, and (2) the Scheduled Maturity Date, and (y) as to any other Fixed Period for such Fixed LIBOR Advance, a period commencing on, and including, a Determination Date with respect to such Advance and ending on, but excluding, the earlier of (1) the next Determination Date that occurs in January, April, July or October, and (2) the Scheduled Maturity Date; *provided* that, subject to Section 2.03, after the end of the Revolving Period and prior to the Final Maturity Date, the Borrower shall use commercially reasonable efforts to select Fixed Periods or to maintain a portion of the Advances as Daily LIBOR Advances so as not to require the payment of any Breakage Fees for such Advance.

"Fixed Rate Loan Asset" means a Loan Asset other than a Floating Rate Loan Asset.

"Floating Rate Loan Asset" means a Loan Asset (i) that provides for scheduled payments of floating-rate interest in cash on a semi-annual or more frequent basis, (ii) under which the interest rate payable by the Obligor thereof is based on a prime rate or the London Interbank Offered Rate, plus some specified interest percentage in addition thereto, and (iii) that provides that such interest rate will reset immediately (or at the end of designated interest period) upon any change in the related prime rate or the London Interbank Offered Rate.

"Foreign Currency Loan Asset" means a Loan Asset denominated in Canadian dollars, British pounds sterling, Euros, Australian dollars, New Zealand dollars, Swedish kronas or Swiss francs.

"Foreign Eligible Obligor" means an Obligor of a Loan Asset that (i) is not a legal entity, duly formed, existing and in good standing under the laws of a State, or (ii) whose principal Underlying Collateral is not located in the United States, and (iii) is duly formed, existing and in good standing under the laws of Canada, England, France, Germany, the Netherlands, Australia, New Zealand, Ireland, Sweden or Switzerland.

"Funding Default" means, with respect to any Defaulting Lender, the occurrence of any of the events set forth in the definition of Defaulting Lender.

"GAAP" means generally accepted accounting principles as in effect from time to time in the United States.

"Governmental Authority" means, with respect to any Person, any nation or government, any state or other political subdivision thereof, any central bank (or similar monetary or regulatory authority) thereof, any body or entity exercising executive, legislative, judicial, regulatory or administrative functions of or pertaining to government and any court or arbitrator having jurisdiction over such Person.

"Group Advance Limit" means for each Lender Group, as of any date of determination, the sum of the Commitments of the Liquidity Banks or the Institutional Lender, as applicable, for such Lender Group.

"Hazardous Materials" means all materials subject to any Environmental Law, including, without limitation, materials listed in 49 C.F.R. § 172.010, materials defined as hazardous pursuant to § 101(14) of the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended, flammable, explosive or radioactive materials, hazardous or toxic wastes or substances, lead-based materials, petroleum or petroleum distillates or asbestos or material containing asbestos, polychlorinated biphenyls, radon gas, urea formaldehyde and any substances classified as being "in inventory", "usable work in process" or similar classification that would, if classified as unusable, be included in the foregoing definition.

"Hedge Breakage Costs" means, for any Hedge Transaction, any amount payable by the Borrower for the early termination of that Hedge Transaction or any portion thereof.

"Hedge Counterparty" means (1) any Lender or Affiliate of a Lender, to the extent such Person satisfies the requirements of clause (a)(ii) below, and (2) any other entity, to the extent that such other entity (a) on the date of entering into a Hedging Agreement (i) is an interest rate swap dealer that has been approved in writing by the Administrative Agent in its sole discretion, and (ii) has a long-term unsecured debt rating of not less than "A" by S&P, not less than "A2" by Moody's and not less than "A" by Fitch (if such entity is rated by Fitch) (the "Long-term Rating Requirement") and a short-term unsecured debt rating of not less than "A-1" by S&P, not less than "P-1" by Moody's and not less than "F-1" by Fitch (if such entity is rated by Fitch) (the "Short-term Rating Requirement") (or whose obligations under a Hedging Agreement are unconditionally guaranteed by an Affiliate with such ratings), and (b) in a Hedging Agreement (i) consents to the assignment of the Borrower's rights under the Hedging Agreement to the Administrative Agent, and (ii) agrees that in the event that Moody's, S&P or Fitch reduces its long-term unsecured debt rating below the Long-term Rating Requirement, or reduces its short-term unsecured debt rating below the Short-term Rating Requirement, it shall either collateralize its obligations in a manner satisfactory to the Administrative Agent or transfer its rights and obligations under each Hedge Transaction to another entity that meets the requirements of clause (a) and (b) hereof which has entered into a Hedging Agreement with the Borrower on or prior to the date of such transfer.

"Hedge Transaction" means each interest rate swap transaction, interest rate cap transaction, interest rate floor transaction or other derivative transaction approved in writing by the Administrative Agent, between the Borrower and a Hedge Counterparty and is governed by a Hedging Agreement.

"Hedging Agreement" means each agreement between the Borrower and a Hedge Counterparty that governs one or more Hedge Transactions entered into by the Borrower and such Hedge Counterparty, which agreement shall consist of a "Master Agreement" in a form published by the International Swaps and Derivatives Association, Inc., together with a "Schedule" thereto in such form as the Administrative Agent shall approve in writing, and each "Confirmation" thereunder confirming the specific terms of each such Hedge Transaction; *provided* that, the "Schedule" to any Hedging Agreement with respect to any Hedge Counterparty other than Citibank N.A., New York shall be subject to the written approval of the Administrative Agent.

"Highest Required Investment Category" means (i) with respect to ratings assigned by Moody's, "Aa2" or "P-1" for one month instruments, "Aa2" and "P-1" for three month instruments, "Aa3" and "P-1" for six month instruments and "Aa2" and "P-1" for instruments with a term in excess of six months and (ii) with respect to ratings assigned by S&P, "A-1" for short-term instruments and "A" for long-term instruments.

"HLT Loan Asset" means a Loan Asset funded in connection with a leveraged acquisition under which the related Obligor's pro forma ratio of equity to total capital is less than 25%.

"Indebtedness" means:

(i) with respect to any Obligor under any Loan Asset, for the purposes of clause (s) of the definition of "Concentration Limits" and the definitions of "First Lien Loan Asset", "Second Lien Loan Asset", "Senior Debt/EBITDA Ratio", "Total Debt/EBITDA Ratio" and "Unitranche Loan Asset", the meaning of "Indebtedness" or any comparable definition as set forth in, or as calculated in connection with, the Underwriting Memoranda for such Loan Asset and, at any time after the Cut-Off Date and after receipt by the Servicer of such Obligor's most recent financial reporting under the applicable Loan Agreement, as set forth in the Loan Agreement for each such Loan Asset, and in any case that "Indebtedness" or such comparable definition is not defined in such Underwriting Memoranda or such Loan Agreement, as applicable, without duplication, (a) all obligations of such entity for borrowed money or with respect to deposits or advances of any kind, (b) all obligations of such entity evidenced by bonds, debentures, notes or similar instruments, (c) all obligations of such entity under conditional sale or other title retention agreements relating to property acquired by such entity, (d) all obligations of such entity in respect of the deferred purchase price of property or services (excluding current accounts payable incurred in the ordinary course of business), (e) all indebtedness of others secured by (or for which the holder of such indebtedness has an existing right, contingent or otherwise, to be secured by) any Lien on property owned or acquired by such entity, whether or not the indebtedness secured thereby has been assumed, (f) all guarantees by such entity of indebtedness of others, (g) all Capital Lease Obligations of such entity, (h) all obligations, contingent or otherwise, of such entity as an account party in respect of letters of credit and letters of guaranty and (i) all obligations, contingent or otherwise, of such entity in respect of bankers' acceptances; and

(ii) for all other purposes, with respect to any Person at any date, (a) all indebtedness of such Person for borrowed money or for the deferred purchase price of property or services (other than current liabilities incurred in the ordinary course of business and payable in accordance with customary trade practices) or that is evidenced by a note, bond, debenture or similar instrument or other evidence of indebtedness customary for indebtedness of that type, (b) all obligations of such Person under leases that have been or should be, in accordance with GAAP, recorded as capital leases, (c) all obligations of such Person in respect of acceptances issued or created for the account of such Person, (d) all liabilities secured by any Lien on any property owned by such Person even though such Person has not assumed or otherwise become liable for the payment thereof, (e) all indebtedness, obligations or liabilities of that Person in respect of derivatives, and (f) all obligations under direct or indirect guaranties in respect of obligations (contingent or otherwise) to purchase or otherwise acquire, or to otherwise assure a creditor against loss in respect of, indebtedness or obligations of others of the kind referred to in clauses (a) through (e) of this clause (ii).

"Indemnified Amounts" has the meaning assigned to that term in Section 9.01(a).

"Indemnified Party" has the meaning assigned to that term in Section 9.01(a).

"Indemnified Taxes" means (a) Taxes, other than Excluded Taxes, imposed on or with respect to any payment made by or on account of any obligation of the Borrower under this Agreement and (b) to the extent not otherwise described in (a), Other Taxes.

"Indemnifying Party" has the meaning assigned to that term in Section 9.03.

"Independent Director" means a natural person who, (A) for the five-year period prior to his or her appointment as Independent Director, has not been, and during the continuation of his or her service as Independent Director is not: (i) an employee, director, stockholder, member, manager, partner or officer of the Borrower, CGMS, Carlyle or any of their respective Affiliates (other than his or her service as an Independent Director (or in a functionally similar independent role, including as an independent officer) of the Borrower or other Affiliates that are structured to be "bankruptcy remote"); (ii) a customer or supplier of the Borrower or any of their Affiliates (other than his or her service as an Independent Director (or in a functionally similar independent role, including as an independent officer) of the Borrower); or (iii) any member of the immediate family of a person described in (i) or (ii), and (B) has, (i) prior experience as an Independent Director for a corporation or limited liability company whose charter documents required the unanimous consent of all Independent Directors thereof before such corporation or limited liability company could consent to the institution of bankruptcy or insolvency proceedings against it or could file a petition seeking relief under any applicable federal or state law relating to bankruptcy and (ii) at least three years of employment experience with one or more entities that provide, in the ordinary course of their respective businesses, advisory, management or placement services to issuers of securitization or structured finance instruments, agreements or securities.

"Indorsement" has the meaning specified in Section 8-102(a)(11) of the UCC, and "Indorsed" has a corresponding meaning.

"Industry" means the industry categories listed on Schedule VI.

"Initial Advance" means the first Advance made pursuant to Article II.

"Initial Extension" has the meaning assigned to that term in Section 2.21.

"Initial Payment Date" means July 20, 2013.

"Initial Unrated Loan Asset" means a Loan Asset that is not rated by at least two Rating Agencies but for which, as of five Business Days after the Cut-Off Date relating thereto, the Servicer (whether directly or through an Affiliate) has applied for a credit rating or credit estimate with respect thereto (to the extent not obtained) from at least two Rating Agencies.

"Institutional Lender" means each financial institution (other than a Conduit Lender or a Liquidity Bank) which may from time to time become a Lender hereunder by executing and delivering a Joinder Supplement to the Administrative Agent and the Borrower as contemplated by Section 12.04(a).

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

"Insurance Policy" means, with respect to any Loan Asset, an insurance policy covering liability and physical damage to, or loss of, the Underlying Collateral.

"Insurance Proceeds" means any amounts received on or with respect to a Loan Asset under any Insurance Policy or with respect to any condemnation proceeding or award in lieu of condemnation, other than any such amount received which is required to be used to restore, improve or repair the related real estate or other assets or required to be paid to the Obligor under the Loan Agreement.

"Interest Collection Subaccount" means the account established at the Account Bank with account number 46455702 for U.S. Dollar deposits into which Interest Collections shall be segregated, and each other subaccount of the Collection Account that may be established from time to time for administration or convenience into which Interest Collections are to be segregated.

"Interest Collections" means, (i) with respect to any Loan Asset, all cash Collections attributable to interest on such Loan Asset, including, without limitation, all scheduled payments of interest and payments of interest relating to principal prepayments, all guaranty payments attributable to interest and proceeds of any liquidations, sales or dispositions attributable to interest on such Loan Asset and (ii) amendment fees, late fees, waiver fees, prepayment fees or other amounts received in respect of Loan Assets.

"Interest Coverage Ratio" means as of any Reporting Date, the percentage equivalent of a fraction (i) the numerator of which is equal to the sum of Interest Collections deposited in the Interest Collection Subaccount during the immediately preceding 3-Month period, and (ii) the denominator of which is equal to the sum of the cash distributions made pursuant to items *first* through *ninth* (excluding item *seventh*) of Section 2.04(a) hereof on the Payment Dates during such preceding 3-Month period, all as set forth in the latest Servicing Report.

"Joinder Supplement" means an agreement among the Borrower, a Lender, its Lender Agent and the Administrative Agent in the form of Exhibit E to this Agreement (appropriately completed) delivered in connection with a Person becoming a Lender hereunder after the Closing Date.

"Joint Lead Arranger" or "Joint Lead Arrangers" means the Lead Arranger.

"Large-Market Loan Asset" means a Loan Asset for which the EBITDA of the related Obligor thereof (as set forth in, or as calculated in connection with, the Underwriting Memoranda for such Loan Asset) is equal to or greater than $20,000,000.

"Last Out Senior Secured Loan Asset" means any Loan Asset that: (a) may, by its terms, become subordinate in right of payment to any other obligation of the Obligor of the Loan Asset; (b) is secured by a valid first-priority perfected Lien in, to or on specified collateral securing the Obligor's obligations under the Loan Asset (subject to any expressly permitted Liens, including typical and customary "permitted liens" under the applicable Loan Agreement); and (c) is not secured solely or primarily by common stock or other equity interests.

"Lead Arranger" means Citibank, not in its individual capacity, but solely as the Lead Arranger pursuant to the terms of this Agreement.

"Lender" means collectively, any Institutional Lender, the Conduit Lenders, the Liquidity Banks or any other Person to whom an Institutional Lender, a Conduit Lender or Liquidity Bank assigns any part of its rights and obligations under this Agreement and the other Transaction Documents in accordance with the terms of Section 12.04.

"Lender Agent" means, with respect to (i) the Lender Group containing the Citi Conduits and their related Liquidity Bank, Citibank, (ii) each other Conduit Lender and Liquidity Bank which may from time to time become party hereto, the Person designated as the "Lender Agent" with respect to such Conduit Lender or such Liquidity Bank in the applicable Joinder Supplement and (iii) each Institutional Lender which may from time to time become a party hereto, such Institutional Lender as Lender Agent for itself, and, in each case, each of their respective successors and assigns.

"Lender Group" means (i) a group consisting of related Conduit Lenders, their related Liquidity Banks and their related Lender Agent and (ii) with respect to each Institutional Lender, such Institutional Lender, as Lender and as Lender Agent for itself, and, in each case, each of their respective successors and assigns.

"LIBOR" means, with respect to Daily LIBOR Advances, the Daily LIBOR and, with respect to Fixed LIBOR Advances, the applicable Fixed LIBOR.

"Lien" means any mortgage or deed of trust, pledge, hypothecation, collateral assignment, deposit arrangement, encumbrance, lien (statutory or other), charge, claim, preference, priority or other security interest or preferential arrangement in the nature of a security interest of any kind or nature whatsoever (including any conditional sale, lease or other title retention agreement, sale subject to a repurchase obligation, any easement, right of way or other encumbrance on title to real property, and any financing lease having substantially the same economic effect as any of the foregoing) or the filing of or agreement to give any financing statement perfecting a security interest under the UCC or comparable law of any jurisdiction.

"Liquidity Agreement" means (i) with respect to any Liquidity Bank other than Citibank, any agreement entered into in connection with this Agreement pursuant to which a Liquidity Bank agrees to make purchases from or advances to, or purchase assets from, any Conduit Lender in order to provide liquidity support for such Conduit Lender's Advances hereunder and (b) in the case of Citibank, each secondary market agreement, asset purchase agreement or other similar liquidity agreement entered into by Citibank for the benefit of each Conduit Lender for which it is acting as Liquidity Bank, to the extent relating to the sale or transfer of interests in Advances.

"Liquidity Bank" means (i) with respect to the Lender Group that includes the Citi Conduits, CIESCO, and (ii) with respect to such Lender Group or any other Lender Group that includes a Conduit Lender, such Person or Persons who provide liquidity support to such Conduit Lender pursuant to a Liquidity Agreement in connection with the issuance by such Conduit Lender of Commercial Paper Notes or as may from time to time become a Liquidity Bank hereunder by executing and delivering a Joinder Supplement.

"Loan Agreement" means the loan agreement, credit agreement or other agreement pursuant to which a Loan Asset has been issued or created and each other agreement that governs the terms of or secures the obligations represented by such Loan Asset or of which the holders of such Loan Asset are the beneficiaries.

"Loan Asset" means any loan or loan participation originated by the Borrower or originated or acquired by the Transferor in the ordinary course of its business and transferred pursuant to the Contribution Agreement, which loan or loan participation includes, without limitation, (i) the Required Loan Documents and Loan Asset File, and (ii) all right, title and interest of the Transferor in and to the loan or loan participation and any Underlying Collateral, but excluding, in each case, any Retained

Interest and any Excluded Amounts, and which loan or loan participation (A) was approved and certified as an "Eligible Loan Asset" by the Transferor, and (B) (x) as of the initial Advance Date, is set forth on the Loan Asset Schedule delivered on the initial Advance Date, or (y) at all times after the initial Advance Date, if transferred pursuant to the Contribution Agreement, is listed on Schedule I to the Loan Assignment as of its Cut-Off Date.

"Loan Asset Checklist" means an electronic or hard copy, as applicable, of a checklist delivered by or on behalf of the Borrower to the Collateral Custodian and the Backup Servicer, for each Loan Asset, of all Required Loan Documents to be included within the respective Loan Asset File, which shall specify whether such document is an original or a copy.

"Loan Asset Dividend" has the meaning assigned to that term in Section 2.07(d)(i).

"Loan Asset Dividend Certificate" has the meaning assigned to that term in Section 2.07(d)(i).

"Loan Asset Dividend Date" means any Business Day prior to the Commitment Termination Date identified by the Borrower in a written notice to the Administrative Agent, Collateral Agent and Collateral Custodian of its intent to effect a Loan Asset Dividend on a date not more than 45 days' and at least 20 days' following the delivery date of such written notice, all in accordance with Section 2.07(d)(i).

"Loan Asset File" means, with respect to each Loan Asset, a file containing (a) each of the documents and items as set forth on the Loan Asset Checklist with respect to such Loan Asset and (b) duly executed originals (to the extent required by the Servicing Standard) and copies of any other Records relating to such Loan Assets and Portfolio Assets pertaining thereto.

"Loan Asset Register" has the meaning assigned to that term in Section 5.04(m)(i).

"Loan Asset Schedule" means the schedule of information with respect to the Loan Assets delivered by the Borrower to the Collateral Custodian and the Administrative Agent. Each such schedule shall set forth, as to any Eligible Loan Asset to be Pledged hereunder, the applicable information specified on Schedule IV, which shall also be provided to the Collateral Custodian in electronic format acceptable to the Collateral Custodian.

"Loan Assignment" has the meaning assigned to that term in the Contribution Agreement.

"Majority Lenders" means, as of any date of determination, Liquidity Banks and Institutional Lenders with Commitments representing an aggregate of more than 50% of the Aggregate Commitments at such time (which, so long as there exists at least two unaffiliated Lender Groups, shall be comprised of at least two Lender Groups that are not Affiliates); *provided,* that the Commitments of Defaulting Lenders shall be excluded for the purposes of making a determination of Majority Lenders.

"Management Agreement" means the Investment Advisory Agreement, dated as of April 3, 2013, by and between CGMS and Carlyle Management.

"Margin Stock" means "margin stock" as such term is defined in Regulation T, U or X of the Federal Reserve Board.

"Material Adverse Effect" means, with respect to any event or circumstance, a material adverse effect on (a) the business, condition (financial or otherwise), operations, performance or properties of the Transferor, the Servicer or the Borrower, (b) the validity, enforceability or collectability of this Agreement or any other Transaction Document or the validity, enforceability or collectability of the Loan Assets generally or any material portion of the Loan Assets, (c) the rights and remedies of the Collateral Agent, the Collateral Custodian, the Backup Servicer, the Account Bank, the Administrative Agent, any Lender, any Lender Agent and the Secured Parties with respect to matters arising under this Agreement or any other Transaction Document, (d) the ability of each of the Borrower and the Servicer, to perform their respective obligations under this Agreement or any other Transaction Document, or (e) the status, existence, perfection, priority or enforceability of the Collateral Agent's, the Administrative Agent's or the other Secured Parties' lien on the Collateral Portfolio.

"Material Modification" means any amendment or waiver of, or modification or supplement to, a Loan Agreement governing a Loan Asset executed or effected on or after the Cut-Off Date for such Loan Asset which:

(i) reduces or forgives any or all of the principal amount due under such Loan Asset;

(ii) delays or extends the maturity date for such Loan Asset; *provided,* that an extension of the term of a Loan Agreement with respect to an Eligible Loan Asset that is part of the Collateral Portfolio and not in default during the Revolving Period shall not be considered a Material Modification and such Loan Asset shall be considered a newly transferred Loan Asset for all purposes hereunder;

(iii) waives one or more cash interest payments, permits any interest due in cash to be deferred or capitalized and added to the principal amount of such Loan Asset, or reduces the cash spread (giving effect to any LIBOR floor) or cash coupon with respect to such Loan Asset (other than due to automatic changes in grid pricing existing at the Cut-Off Date for such Loan Asset) to less than (i) 7.00% for a Fixed Rate Loan Asset, and (ii) LIBOR *plus* 3.00% for any Floating Rate Loan Asset;

(iv) (1) in the case of a Unitranche Loan Asset or First Lien Loan Asset, contractually or structurally subordinates such Loan Asset 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 any expressly permitted Liens, including "permitted liens" as defined in the applicable Loan Agreement for such Loan Asset or such comparable definition if "permitted liens" is not defined therein) on any of the Underlying Collateral securing such Loan Asset or (2) in the case of a Second Lien Loan Asset, contractually or structurally subordinates such Loan Asset to any obligation (other than any first lien loan which existed at the Cut-Off Date for such Loan Asset) 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 expressly permitted Liens, including any "permitted liens" as defined in the applicable Loan Agreement for such Loan Asset or such comparable definition if "permitted liens" is not defined therein) on any of the Underlying Collateral securing such Loan Asset; or

(v) substitutes, alters or releases the Underlying Collateral securing such Loan Asset and each such substitution, alteration or release, as determined in the sole reasonable discretion of the Administrative Agent, materially and adversely affects the value of such Loan Asset (other than releases for value with application of 100% of net proceeds in permanent reductions of amounts outstanding under the Loan Asset (or in the case of a Second Lien Loan Asset, under such Loan Asset or the related first lien loan asset) as may be permitted in the underlying Loan Agreement).

"Maximum Availability" means the lesser of (i) the result of (A) the Maximum Facility Amount, *minus* (B) an amount equal to the sum of, for each Revolving Loan Asset that is an Eligible Loan Asset, (x) the aggregate Unfunded Revolving Commitments for such Revolving Loan Asset, *multiplied by* (y) 100% minus the percentage that would be applied to such Revolving Loan Asset under clause (4) of the definition of "Minimum Credit Enhancement", and (ii) the Maximum Draw Amount.

"Maximum Draw Amount" means, at any time, the sum of the Borrowing Base *plus* (solely to the extent not included in the calculation of the Borrowing Base) the aggregate Principal Collections received but not distributed pursuant to Section 2.04; *provided* that the Maximum Draw Amount shall not be increased by any Available Collections or other amounts if at any time such Available Collections or other amounts are rescinded, unavailable for distribution or must be returned for any reason.

"Maximum Facility Amount" means, as of any date of determination, the lesser of (i) the Aggregate Commitments then in effect, and (ii) the amount of net cash proceeds received by and Unpledged Capital Commitments provided to CGMS from public offerings and private placements of equity in CGMS; *provided* that at all times after the Revolving Period, the Maximum Facility Amount shall mean the aggregate Advances Outstanding at such time.

"Mid-Market Loan Asset" A Loan Asset for which the EBITDA of the related Obligor thereof (as set forth in, or as calculated in connection with, the Underwriting Memoranda for such Loan Asset) is less than $20,000,000.

"Middle Market Loan Asset" means a Loan Asset that is not a Broadly Syndicated Loan Asset.

"Minimum Credit Enhancement" means, as of any date of determination, the sum of (A) the URC Reserve Requirement, *plus* (B) the greatest of (1) $30,000,000; (2) the aggregate amount of the six largest Outstanding Principal Balances of all Eligible Loan Assets (and, for the purpose of this calculation, all Eligible Loan Assets funded to an Obligor and its Affiliates shall constitute a single Eligible Loan Asset), (3) either (x) if such date of determination is prior to the CQT Matrix Trigger Date, 45% of the Aggregate Outstanding Loan Balance other than the Excess Concentration Amounts for all Eligible Loan Assets, or (y) if such date of determination is on or after the CQT Matrix Trigger Date, 35% of the Aggregate Outstanding Loan Balance other than the Excess Concentration Amounts for all Eligible Loan Assets, and (4) the sum of the following:

(i) 35% of the aggregate Outstanding Loan Balance of all First Lien Broadly Syndicated Loan Assets that are Eligible Loan Assets (but excluding Senior B Loan Assets that are subject to clause (iii) below), other than the Excess Concentration Amount for such First Lien Broadly Syndicated Loan Assets, if any;

(ii) 40% of the aggregate Outstanding Loan Balance of all First Lien Middle Market Loan Assets that are Eligible Loan Assets (but excluding Senior B Loan Assets that are subject to clause (iii) below), other than the Excess Concentration Amount for such First Lien Middle Market Loan Assets, if any;

(iii) 50% of the aggregate Outstanding Loan Balance of all Senior B Loan Assets that are Eligible Loan Assets, other than the Excess Concentration Amount for such Senior B Loan Assets, if any;

(iv) 75% of the aggregate Outstanding Loan Balance of all Second Lien Loan Assets that are Eligible Loan Assets, other than the Excess Concentration Amount for all Second Lien Loan Assets, if any; and

(v) 60% of the aggregate Outstanding Loan Balance of all Last Out Senior Secured Loan Assets that are Eligible Loan Assets, other than the Excess Concentration Amount for all Last Out Senior Secured Loan Assets, if any.

"Minimum Demand Amount" has the meaning specified in clause (i) of the definition of "Servicer Termination Event" in this Section 1.01(b).

"Moody's" means Moody's Investors Service, Inc. (or its successors in interest).

"Moody's Recovery Rate" has the meaning assigned to that term in Annex E.

"Month" means a calendar month.

"Monthly Delinquency Ratio" means, as of any Reporting Date, the amount, expressed as percentage, of (i) the sum of the Outstanding Principal Balances of all Delinquent Assets on such date, *divided by* and (ii) the Aggregate Outstanding Principal Balance on such date.

"Multiemployer Plan" means a "multiemployer plan" as defined in Section 4001(a)(3) of ERISA to which the Borrower or the Servicer, as the case may be, or any ERISA Affiliate thereof, contributed or had any obligation to contribute on behalf of its employees at any time during the current year or the preceding five years.

"Nationally Recognized Valuation Firm" means each of: (i) FTI Consulting, Inc. (ii) Lincoln International LLC (f/k/a Lincoln Partners LLC), (iii) Valuation Research Corporation, and (iv) any other nationally recognized accounting firm or valuation firm approved by the Administrative Agent in its reasonable discretion.

"Non-Defaulting Lender" means any Liquidity Bank or Institutional Lender that is not a Defaulting Lender.

"Non-Defaulting Lender Group" means, at any time, each Lender Group that does not include a Defaulting Lender at such time.

"Non-U.S. Lender" has the meaning assigned to that term in Section 2.11(d).

"Noteless Loan Asset" means a Loan Asset with respect to which the Loan Agreements (i) do not require the Obligor to execute and deliver a promissory note to evidence the indebtedness created under such Loan Asset or (ii) require any holder of the indebtedness created under such Loan Asset to affirmatively request a promissory note from the related Obligor.

"Notice of Borrowing" means an irrevocable written notice of borrowing from the Borrower to the Administrative Agent and each Lender Agent in the form attached hereto as Exhibit F.

"Notice of Exclusive Control" has the meaning specified in the Collection Account Agreement.

"Notice of Reduction" means a notice of a reduction of the Advances Outstanding pursuant to Section 2.18, in the form attached hereto as Exhibit G.

"Obligations" means all present and future indebtedness and other liabilities and obligations (howsoever created, arising or evidenced, whether direct or indirect, absolute or contingent, or due or to become due) of the Borrower to the Lenders, the Lender Agents, the Administrative Agent, the Account Bank, the Collateral Agent or the Collateral Custodian arising under this Agreement or any other Transaction Document and shall include, without limitation, all liability for principal of and interest on the Advances, Breakage Fees, Fees, Hedge Breakage Costs, indemnifications and other amounts due or to become due by the Borrower to the Lenders, the Administrative Agent, the Lender Agents, the Collateral Agent, the Collateral Custodian, the Collateral Administrator and the Account Bank under this Agreement or any other Transaction Document, including, without limitation, any Fee Letter, any costs and expenses payable by the Borrower to the Lenders, the Administrative Agent, the Lender Agents, the Account Bank, the Collateral Agent or the Collateral Custodian, including reasonable attorneys' fees, costs and expenses, including without limitation, interest, fees and other obligations that accrue after the commencement of an insolvency proceeding (in each case whether or not allowed as a claim in such insolvency proceeding).

"Obligor" means, collectively, each Person obligated to make payments under a Loan Agreement, including any guarantor thereof.

"Obligor Group" means, collectively, each Obligor and its direct corporate or entity parents and subsidiaries; *provided,* that Obligors will not be considered members of the same Obligor Group solely as a result of a relationship based on the direct or indirect ownership of, or control by, a common owner which is a financial institution, asset manager, private equity sponsor, fund, investment vehicle or similar entity which is in the business of making diversified investments.

"Officer's Certificate" means a certificate signed by the president, the secretary, an assistant secretary, the chief financial officer or any vice president, as an authorized officer, of any Person.

"Opinion of Counsel" means a written opinion of counsel, which opinion and counsel are acceptable to the Administrative Agent in its sole discretion; *provided* that Latham & Watkins LLP, Richards, Layton & Finger, P.A., Venable LLP and Sullivan & Cromwell LLP, shall be considered acceptable counsel for purposes of this definition.

"Optional Sale" has the meaning assigned to that term in Section 2.07(c).

"Optional Sale Date" means any Business Day prior to the Commitment Termination Date identified by the Borrower in a written notice to the Administrative Agent, Collateral Agent and Collateral Custodian of its intent to effect an Optional Sale on a date not more than 45 days' and at least 10 days' following the delivery date of such written notice, all in accordance with Section 2.07(c).

"Other Taxes" has the meaning assigned to that term in Section 12.07(b).

"Outstanding Loan Balance" means for any Loan Asset, for any date of determination, an amount equal to the Assigned Value of such Loan Asset at such time multiplied by the Outstanding Principal Balance of such Loan Asset; *provided* that the parties hereby agree that the Outstanding Loan Balance of any Loan Asset that is no longer an Eligible Loan Asset shall equal zero.

"Outstanding Principal Balance" means the principal balance of a Loan Asset, expressed exclusive of the portion of the outstanding principal balance of a Loan Asset, if any, that represents interest which has accrued in kind and has been added to the principal balance of such Loan Asset, and any accrued interest; *provided,* that the Outstanding Principal Balance of a Foreign Currency Loan Balance as of any date shall equal the U.S. Dollar equivalent of the principal balance of such Loan Asset under the applicable Hedging Agreement.

"Participant Register" has the meaning assigned to that term in Section 2.14.

"Payment Date" means the 20th day of each of January, April, July and October, or, if such day is not a Business Day, the next succeeding Business Day; *provided* that the final Payment Date shall occur on the Collection Date.

"Payment Duties" has the meaning assigned to that term in Section 11.02(b)(ii).

"Pension Plan" has the meaning assigned to that term in Section 4.01(z).

"Permitted Investments" means U.S. Dollar denominated negotiable instruments or securities or other investments (which may include securities or investments in which Citibank, the Account Bank or either of their Affiliates provide services or receive compensation) that (i) except in the case of demand or time deposits, certificates of deposit and investments in money market funds, are represented by instruments in bearer or registered form or ownership of which is represented by book entries by a Clearing Agency or by a Federal Reserve Bank in favor of depository institutions eligible to have an account with such Federal Reserve Bank who hold such investments on behalf of their customers, (ii) as of any date of determination, mature (or, in the case of money market funds, are redeemable) by their terms on or prior to the Business Day preceding the next Payment Date, and (iii) evidence:

(a) direct obligations of, and obligations fully guaranteed as to full and timely payment by, the United States (or by any agency thereof to the extent such obligations are backed by the full faith and credit of the United States);

(b) certificates of deposit of depository institutions or trust companies incorporated under the laws of the United States or any state thereof and subject to supervision and examination by federal or state banking or depository institution authorities; *provided* that at the time of the Borrower's investment or contractual commitment to invest therein, the commercial paper, if any, and short-term unsecured debt obligations (other than such obligation whose rating is based on the credit of a Person other than such institution or trust company) of such depository institution or trust company shall have a credit rating from at least two of the Rating Agencies, each of which is in the Highest Required Investment Category granted by such Rating Agency;

(c) commercial paper obligations having, at the time of the Borrower's investment or contractual commitment to invest therein, a rating in the Highest Required Investment Category granted by two or more of the Rating Agencies;

(d) certificates of deposit that are fully insured by the FDIC and are maintained at a depository institution whose certificates of deposit or short-term deposits are (i) rated by at least two Rating Agencies and (ii) not rated lower than 'A-1' (or the equivalent, 'P 1' or 'F1,' in the case of Moody's or Fitch, respectively) by any Rating Agency;

(e) notes that are payable on demand or bankers' acceptances issued by any depository institution or trust company referred to in clause (b) above;

(f) investments in taxable, registered money market funds having, at the time of the Borrower's investment or contractual commitment to invest therein, a rating of the Highest Required Investment Category from two or more of the Rating Agencies; or

(g) time deposits (having maturities of not more than 90 days) by an entity the commercial paper of which has, at the time of the Borrower's investment or contractual commitment to invest therein, a rating of the Highest Required Investment Category granted by two or more of the Rating Agencies.

In connection with the acquisition or disposition of Permitted Investments pursuant to the terms of the Transaction Documents, the Collateral Agent may pursuant to the direction of the Servicer or the Administrative Agent, as applicable, purchase or sell to itself or an Affiliate, as principal or agent, the Permitted Investments described above.

"Permitted Liens" means any of the following as to which no enforcement, collection, execution, levy or foreclosure proceeding shall have been commenced (a) Liens for state, municipal or other local Taxes if such Taxes shall not at the time be due and payable or if a Person shall currently be contesting the validity thereof in good faith by appropriate proceedings and with respect to which reserves in accordance with GAAP have been provided on the books of such Person, (b) Liens imposed by law, such as materialmen's, warehousemen's, mechanics', carriers', workmen's and repairmen's Liens and other similar Liens, arising by operation of law in the ordinary course of business for sums that are not overdue or are being contested in good faith, and (c) Liens granted pursuant to or by the Transaction Documents.

"Permitted Offset" has the meaning assigned to that term in Section 2.07(c).

"Permitted Refinancing" means any refinancing transaction undertaken by CGMS or an Affiliate of the CGMS that is secured (or to be secured), directly or indirectly, by any Loan Asset currently included in the Collateral Portfolio or any portion thereof or any interest therein released from the Lien of this Agreement.

"Permitted Securitization" means a private or public term or conduit securitization transaction undertaken by the CGMS, the Borrower or an Affiliate of the CGMS that is secured (or to be secured), directly or indirectly, by any Loan Asset currently included in the Collateral Portfolio or any portion thereof or any interest therein released from the Lien of this Agreement, including, without limitation, any collateralized loan obligation or collateralized debt obligation offering or other asset securitization.

"Person" means an individual, partnership, corporation (including a statutory or business trust), limited liability company, joint stock company, trust, unincorporated association, sole proprietorship, joint venture, government (or any agency or political subdivision thereof) or other entity.

"PIK Loan Asset" means a Loan Asset which provides for a portion of the interest that accrues thereon to be added to the principal amount of such Loan Asset (whether as of the Cut-Off Date or in the future) for some period of the time prior to such Loan Asset requiring the current cash payment of such previously capitalized interest, which cash payment shall be treated as an Interest Collection at the time it is received.

"Pledge" means the pledge of any Eligible Loan Asset or other Portfolio Asset pursuant to Article II, whether such Eligible Loan Asset was originated by the Borrower or acquired by the Borrower pursuant to the Contribution Agreement.

"Portfolio Assets" means all Loan Assets owned by the Borrower, together with all proceeds thereof and other assets or property related thereto, including all right, title and interest of the Borrower in and to:

(a) any amounts on deposit in any cash reserve, collection, custody or lockbox accounts securing the Loan Assets;

(b) all rights with respect to the Loan Assets to which the Borrower is entitled as lender under the applicable Loan Agreement;

(c) the Collection Account, together with all cash and investments in each of the foregoing other than amounts earned on investments therein;

(d) any Underlying Collateral securing a Loan Asset and all Recoveries related thereto, all payments paid in respect thereof and all monies due, to become due and paid in respect thereof accruing after the applicable Cut-Off Date and all liquidation proceeds;

(e) all Required Loan Documents, the Loan Asset Files related to any Loan Asset, any Records, and the documents, agreements, and instruments included in the Loan Asset Files or Records;

(f) all Insurance Policies with respect to any Loan Asset;

(g) all Liens, guaranties, indemnities, warranties, letters of credit, accounts, bank accounts and property subject thereto from time to time purporting to secure or support payment of any Loan Asset, together with all UCC financing statements, mortgages or similar filings signed or authorized by an Obligor relating thereto;

(h) the Contribution Agreement (including, without limitation, rights of recovery of the Borrower against the Transferor) and the assignment to the Collateral Agent, for the benefit of the Secured Parties, of all UCC financing statements filed by the Borrower against the Transferor under or in connection with the Contribution Agreement;

(i) all records (including computer records) with respect to the foregoing; and

(j) all Collections, income, payments, proceeds and other benefits of each of the foregoing.

"Prime Rate" means the rate announced by Citibank from time to time as its prime rate in the United States, such rate to change as and when such designated rate changes. The Prime Rate is not intended to be the lowest rate of interest charged by Citibank or any other specified financial institution in connection with extensions of credit to debtors.

"Principal Collection Subaccount" means the account established at the Account Bank with account number 46455701 for U.S. Dollar deposits into which Principal Collections shall be segregated, and each other subaccount of the Collection Account that may be established from time to time for administration or convenience into which Principal Collections are to be segregated.

"Principal Collections" means (i) any cash Collections deposited by the Borrower in the Collection Account accordance with Section 2.06(a)(i) or Section 2.07(b), (c) or (e) with respect to any Loan Asset, all cash Collections received which are not Interest Collections, including, without limitation, all Recoveries, all Insurance Proceeds, all scheduled payments of principal and principal prepayments and all guaranty payments and proceeds of any Permitted Refinancings, Permitted Securitizations, liquidations, sales or dispositions, in each case, attributable to the principal of such Loan Asset.

"Pro Rata Share" means, with respect to each Liquidity Bank and each Institutional Lender, (1) at any time during the Revolving Period (i) with respect to the determination of Advances, the Undrawn Percentage of such Liquidity Bank or Institutional Lender, and (ii) with respect to the allocation of Collections on any Payment Date or otherwise in connection with any distribution hereunder, the Funded Percentage of such Liquidity Bank or Institutional Lender, and (2) on or after the Revolving Period, with respect to the allocation of Collections on any Payment Date or otherwise in connection with any distribution hereunder, such Liquidity Bank's or Institutional Lender's Funded Percentage,

where:

"Drawn Amount" of each Liquidity Bank and each Institutional Lender, means the Advances Outstanding of such Liquidity Bank or Institutional Lender.

"Funded Percentage" for any Liquidity Bank or Institutional Lender as of any date of determination, means the amount, expressed as a percentage, obtained by dividing (i) the Drawn Amount of such Liquidity Bank or Institutional Lender, by (ii) the Advances Outstanding of all Liquidity Banks and Institutional Lenders.

"Undrawn Amount" for any Liquidity Bank or Institutional Lender as of any date of determination, means the positive difference, if any, between (i) the Commitment of such Person, and (ii) the Drawn Amount of such Person.

"Undrawn Percentage" for any Liquidity Bank or Institutional Lender as of any date of determination, means the amount, expressed as a percentage, obtained by dividing (i) the Undrawn Amount of such Liquidity Bank or Institutional Lender, by (ii) the aggregate Undrawn Amounts of all Liquidity Banks and Institutional Lenders.

"Proceeds" means, with respect to any Collateral Portfolio, all property that is receivable or received when such Collateral Portfolio is collected, sold, liquidated, foreclosed, exchanged, or otherwise disposed of, whether such disposition is voluntary or involuntary, and includes all rights to payment with respect to any insurance relating to such Collateral Portfolio.

"Quoted Price" means, with respect to each Loan Asset as of any date, the net value (expressed as a percentage of the Outstanding Principal Balance) of such Loan Asset quoted by a Nationally Recognized Valuation Firm selected by the Agent and valuing such Loan Asset.

"RAC Reporting Date" means the earlier to occur of (i) the date on which the Servicer or the Borrower has actual knowledge that the Servicer is not or will not be in compliance with the Required Asset Coverage Ratio with respect to the immediately prior fiscal quarter, and (ii) the date 45 days following the end of any fiscal quarter on which the Borrower shall fail to deliver to the Administrative Agent written certification that demonstrates that CGMS is in compliance with the Required Asset Coverage Ratio as at the end of such fiscal quarter.

"Ramp-Up Period" means the period commencing on the Closing Date and ending on the earlier to occur of (x) the initial date on which AOLB exceeds $250,000,000, and (y) January 24, 2014.

"Rating Agency" means each of S&P, Moody's and Fitch.

"Records" means all documents relating to the Loan Assets, including books, records and other information executed in connection with the origination or acquisition of the Collateral Portfolio or maintained with respect to the Collateral Portfolio and the related Obligors that the Borrower, the Transferor or the Servicer have generated, in which the Borrower or the Transferor has acquired an interest pursuant to the Contribution Agreement or in which the Borrower or the Transferor has otherwise obtained an interest.

"Recoveries" means, as of the time any Underlying Collateral with respect to any Loan Asset that is subject to clauses (i), (ii) or (iii) of the definition of "Assigned Value Adjustment Event" is sold, discarded or abandoned (after a determination by the Servicer that such Underlying Collateral has little or no remaining value) or otherwise determined to be fully liquidated by the Servicer in accordance with the Servicing Standard, the proceeds from the sale of the Underlying Collateral, the proceeds of any related Insurance Policy, any other recoveries (including interest proceeds recovered) with respect to such Loan Asset, as applicable, the Underlying Collateral, and amounts representing late fees and penalties, net of any amounts received that are required under such Loan Asset, as applicable, to be refunded to the related Obligor.

"Register" has the meaning assigned to that term in Section 2.14.

"Release Date" has the meaning assigned to that term in Section 2.07(f).

"Release Period" means any period following the Ramp-Up Period and prior to the Commitment Termination Date that the Borrower is in compliance with the Collateral Quality Tests.

"Remittance Period" means, (i) as to the Initial Payment Date, the period beginning on the Closing Date and ending on, but excluding, the Determination Date immediately preceding such Payment Date and (ii) as to any subsequent Payment Date, the period beginning on, and including, the Determination Date prior to the immediately preceding Payment Date and ending on, but excluding, the Determination Date immediately preceding such Payment Date, or, with respect to the final Remittance Period, the Collection Date.

"Reportable Event**"** means any of the events set forth in Section 4043(c) of ERISA, other than an event for which the 30 day notice period has been waived.

"Replacement Servicer" has the meaning assigned to that term in Section 6.01(c).

"Reporting Date" means the date that is the 12th day of each Month, commencing June 12, 2013, or if such date is not a Business Day, the immediate preceding Business Day.

"Required Asset Coverage Ratio" means, as of any date of determination, "asset coverage" (as understood under the 1940 Act) of CGMS of at least 200 per centum, as determined in accordance with the terms and requirements of the 1940 Act, including Sections 6(f), 18 and 61(a)(1) thereof, and otherwise in accordance with GAAP.

"Required Lenders" means, as of any date of determination, Liquidity Banks and Institutional Lenders with Commitments representing an aggregate of more than 66.667% of the Aggregate Commitments at such time (which, so long as there exists at least two unaffiliated Lender Groups, shall be comprised of at least two Lender Groups that are not Affiliates); *provided,* that the Commitments of Defaulting Lenders shall be excluded for the purposes of making a determination of Required Lenders.

"Required Loan Documents" means, for each Loan Asset, originals (except as otherwise indicated) of the following documents or instruments, all as specified on the related Loan Asset Checklist:

(a) (i) the original executed promissory note or, in the case of a lost note, a copy of the executed underlying promissory note accompanied by an original executed affidavit and indemnity endorsed by the Borrower in blank (and an unbroken chain of endorsements from each prior holder of such promissory note to the Borrower), or (ii) if such promissory note is not issued in the name of the Borrower or is a Noteless Loan Asset, an executed copy of each assignment and assumption agreement, transfer document or instrument relating to such Loan Asset evidencing the assignment of such Loan Asset from any prior third party owner thereof to the Borrower and from the Borrower in blank; and

(b) to the extent applicable for the related Loan Asset, copies of the executed (a) guaranty, (b) credit agreement, (c) loan agreement, (d) note purchase agreement, (e) sale and servicing agreement, (f) acquisition agreement (or similar agreement) and (g) security agreement or mortgage, in each case as set forth on the Loan Asset Checklist.

"Required Reports" means, collectively, the Servicing Report required pursuant to Section 6.08(b), the Servicer's Certificate required pursuant to Section 6.08(c), the financial statements of the Servicer required pursuant to Section 6.08(d), the tax returns of the Borrower and the Servicer required pursuant to Section 6.08(e), the financial statements and valuation reports of each Obligor required pursuant to Section 6.08(f), the annual statements as to compliance required pursuant to Section 6.09, and the annual independent public accountant's report required pursuant to Section 6.10.

"Responsible Officer" means, with respect to any Person, any duly authorized officer of such Person with direct responsibility for the administration of this Agreement and also, with respect to a particular matter, any other duly authorized officer of such Person to whom such matter is referred because of such officer's knowledge of and familiarity with the particular subject.

"Restricted Junior Payment" means (i) any dividend or other distribution, direct or indirect, on account of any class of membership interests of the Borrower now or hereafter outstanding, except a dividend paid solely in interests of that class of membership interests or in any junior class of membership interests of the Borrower; (ii) any redemption, retirement, sinking fund or similar payment, purchase or other acquisition for value, direct or indirect, of any class of membership interests of the Borrower now or hereafter outstanding, (iii) any payment made to redeem, purchase, repurchase or retire, or to obtain the surrender of, any outstanding warrants, options or other rights to acquire membership interests of the Borrower now or hereafter outstanding, and (iv) any payment of

management fees by the Borrower (except for reasonable management fees to the Servicer or its Affiliates in reimbursement of actual management services performed, which management fees shall be paid pursuant to Section 2.04(a)(vii), Section 2.04(b)(iii) and Section 2.04(c)(vi)). For the avoidance of doubt, (x) payments and reimbursements due to the Servicer in accordance with this Agreement or any other Transaction Document do not constitute Restricted Junior Payments, and (y) distributions by the Borrower to holders of its membership interests of Loan Assets or of cash or other proceeds relating thereto which have been substituted by the Borrower in accordance with this Agreement shall not constitute Restricted Junior Payments.

"Retained Interest" means (A) with respect to any Revolving Loan Asset, all obligations to provide additional funding (in excess of principal amounts outstanding) with respect to such Loan Asset, and (B) with respect to any Agented Note that is originated or transferred to the Borrower, (i) all of the obligations, if any, including obligations to provide additional funding, of the agent(s) under the documentation evidencing such Agented Note, and (ii) the applicable portion of the interests, rights and obligations under the documentation evidencing such Agented Note that relate to such portion(s) of the indebtedness that is owned by another lender or is being retained by the Transferor pursuant to clause (A) of this definition.

"Review Criteria" has the meaning assigned to that term in Section 13.02(b)(i).

"Revolving Loan Asset" means a Loan Asset that is not a Term Loan Asset (including a Loan Asset that contains revolving loan or delayed draw term loan provisions).

"Revolving Loan Principal Collections" means Principal Collections with respect to Revolving Loan Assets.

"Revolving Note" has the meaning assigned to that term in Section 2.01(a).

"Revolving Period" means the date commencing on the Closing Date and ending on the Commitment Termination Date.

"Risk and Collection Policies" means collectively, the Carlyle GMS Finance, Inc,. Risk Policy Manual and the Carlyle GMS Finance, Inc,. Collection Policy Manual, each as attached hereto as Exhibit B.

"Rule 17g-5" means Rule 17g-5 under the Securities Exchange Act of 1934, as amended, as such rule may be amended from time to time, and subject to the interpretations provided by the Securities and Exchange Commission or its staff from time to time.

"S&P" means Standard & Poor's Ratings Group, a Standard & Poor's Financial Services LLC business (or its successors in interest).

"Sanctions" has the meaning assigned to that term in Section 4.01(kk).

"Scheduled Commitment Termination Date" means May 24, 2018, as such date may be extended by mutual agreement of the parties hereto (each, in their sole and absolute discretion) pursuant to Sections 2.21 and 12.01(b).

"Scheduled Maturity Date" means May 22, 2021, as such date may be extended by mutual agreement of the parties hereto (in their sole and absolute discretion) pursuant to Sections 2.21 and 12.01(b).

"Scheduled Payment" means each scheduled payment of principal or interest required to be made by an Obligor on the related Loan Asset, as adjusted pursuant to the terms of the related Loan Agreement.

"Scheduled Valuation Process" has the meaning assigned to that term in Section 6.02(d).

"Second Extension" has the meaning assigned to that term in Section 2.21.

"Second Lien Broadly Syndicated Loan Asset" means a Broadly Syndicated Loan Asset that is a Second Lien Loan Asset or a Last Out Senior Secured Loan Asset.

"Second Lien Loan Asset" means any Loan Asset that (i) is secured by a valid and perfected Lien on substantially all of the Obligor's assets constituting Underlying Collateral for the Loan Asset, subject only to (i) the prior lien provided to secure the obligations under a "first lien" loan pursuant to typical commercial terms, and any other expressly permitted liens under the applicable Loan Agreement for such Loan Asset, including those set forth in "permitted liens" as defined in such Loan Agreement, or such comparable definition if "permitted liens" is not defined therein, and (ii) provides that the payment obligation of the Obligor on such Loan Asset is "senior debt" and, except for the express priority provisions under the documentation of the "first lien" lenders, is either senior to, or *pari passu* with, all other Indebtedness of such Obligor.

"Second Lien Middle Market Loan Asset" means a Middle Market Loan Asset that is a Second Lien Loan Asset or a Last Out Senior Secured Loan Asset.

"Secured Party" means each of the Administrative Agent, each Lender (together with its successors and assigns), each Lender Agent, each Affected Party, each Indemnified Party, the Collateral Custodian, the Collateral Agent, the Collateral Administrator and the Account Bank.

"Senior Debt/EBITDA Ratio" means for any Obligor, the ratio of (x) senior Indebtedness (i.e., Indebtedness that is not subject to contractual or structural subordination) of such Obligor, to (y) EBITDA of such Obligor, as set forth in, or as calculated in connection with, the Underwriting Memoranda for such Loan Asset.

"Senior B Loan Asset" means, with respect to a Loan Asset (a "Combined Facility") with a revolving loan facility ("Revolving Facility") and term loan facility ("Term Facility"), where the Revolving Facility may be part of the same facility as the Term Facility or may be a standalone revolving loan facility, the Term Facility of such Combined Facility that, as of any date of determination, would qualify as a First Lien Loan Asset but for the seniority in right of payment of the Revolving Facility and the seniority of the Lien securing the Revolving Facility, so long as such Loan Asset satisfies the following criteria: (1) as of the related Cut-Off Date, the committed amount of the Revolving Facility is equal to or less than 25% of the Combined Facility; (2) as of the related Cut-Off Date, the ratio of (x) the sum of the committed amount of the Revolving Facility to (y) the EBITDA of the related Obligor shall not exceed 1.00:1.00; (3) as of the related Cut-Off Date, the ratio of (x) the amount of the Combined Facility, to (y) EBITDA of the related Obligor, shall not exceed 4.50:1.00; and (4) at all times, the Senior B Loan Asset has been assigned a Moody's Recovery Rate of at least 45%.

"Senior Fee Limit" means, as of any date of determination, an amount equal to the sum of (i) the product of (a) 0.025% and (b) either (x) from the Closing Date until the first anniversary of the Closing Date, $250,000,000, or (y) at all times after the first anniversary of the Closing Date, the weighted average Aggregate Outstanding Principal Balance of all Loan Assets over the twelve month period ending on such date of determination, and (ii) $175,000.

"Senior Servicing Fees" means the fee payable to the Servicer on each Payment Date in arrears in respect of each Remittance Period, which fee shall be equal to the product of (i) 0.25%, (ii) the weighted average daily Aggregate Outstanding Principal Balance of all Eligible Loan Assets for such Remittance Period, and (iii) the actual number of days in such Remittance Period divided by 360; *provided* that so long as CGMS or any Affiliate of CGMS is acting as Servicer, the Servicer shall have the right to irrevocably waive payment of any Senior Servicing Fees payable on any Payment Date; and *provided, further* that the rate set forth in clause (i) hereof may be increased up to a level determined by the Majority Lenders as then reflecting the arm's length servicing fee in the event that the Backup Servicer or other replacement Servicer is appointed pursuant to Section 6.01(c).

"Servicer" means at any time the Person then authorized, pursuant to Section 6.01 to service, administer, and collect on the Loan Assets and exercise rights and remedies in respect of the same.

"Servicer Advance" means a discretionary advance of funds by the Servicer (or the Borrower) to an Obligor that does not constitute a revolving advance in the ordinary course under a Revolving Loan Asset.

"Servicer Pension Plan" has the meaning assigned to that term in Section 4.03(p).

"Servicer Termination Event" means the occurrence of any one or more of the following events:

(a) any failure by the Servicer to make any payment, transfer or deposit into the Collection Account (including, without limitation, with respect to bifurcation and remittance of Interest Collections and Principal Collections), as required by this Agreement or any Transaction Document which continues unremedied for a period of two Business Days (unless such failure was due solely to an administrative error by the financial institution holding the Collection Account crediting any such payment to the wrong account and the Servicer and such financial institution work diligently to resolve as promptly as possible and in any event within two Business Days after such error was discovered);

(b) any withdrawal by the Servicer from the Collection Account in contravention of or otherwise not in accordance with the terms of this Agreement;

(c) any failure on the part of the Servicer duly to (i) observe or perform in any material respect any other covenants or agreements of the Servicer set forth in this Agreement or the other Transaction Documents to which the Servicer is a party (including, without limitation, any delegation of the Servicer's duties that is not permitted by Section 6.01 of this Agreement, but excluding a covenant that is specifically addressed by clause (t) below) or (ii) comply in any material respect with the Risk and Collection Policies or Servicing Standard regarding the servicing of the Collateral Portfolio, and in each case the same continues unremedied for a period of 30 days (if such failure can be remedied) after the earlier to occur of (x) the date on which written notice of such misrepresentation or failure requiring the same to be remedied shall have been given to the Servicer by the Administrative Agent, the Collateral Agent (at the direction of the Administrative Agent) or the Borrower and (y) the date on which a Responsible Officer of the Servicer acquires knowledge thereof;

(d) the failure of the Servicer to make any payment when due (after giving effect to any related grace period) under one or more agreements for borrowed money to which it is a party in an aggregate amount in excess of $25,000,000 (or its U.S. Dollar equivalent), individually or in the aggregate, or the occurrence of any event or condition that has resulted in the acceleration of such amount of recourse debt whether or not waived;

(e) the Servicer shall have made payments of amounts in excess of $25,000,000 in the settlement of any litigation, claim or dispute (excluding payments made from insurance proceeds); or

(f) the effectuation of any material change in the Risk and Collection Policies without the prior written consent of the Administrative Agent where, pursuant to Section 5.04(f), and giving effect to the *proviso* thereto, such material change would require consent of the Administrative Agent;

(g) a Bankruptcy Event shall occur with respect to the Servicer;

(h) CGMS shall assign its rights or obligations as "Servicer" hereunder to any Person without the consent of each Lender Agent and the Administrative Agent (as required in the last sentence of Section 12.04(a));

(i) CGMS fails to maintain the Required Asset Coverage Ratio; unless (x) on the applicable RAC Reporting Date, the Servicer provides the Administrative Agent with an Officer's Certificate attaching a copy of a Demand that the Servicer certifies has been made and is in an amount at least equal to the amount required to cure the circumstance giving rise to such Servicer Termination Event (the "Minimum Demand Amount"), (y) as of the date of such Demand the Unpledged Capital Commitments equal at least 125% of the Minimum Demand Amount, and (z) the funding of at least the Minimum Demand Amount arising from such Demand occurs (and the Required Asset Coverage Ratio is maintained) not later than 10 Business Days from the date of such Demand;

(j) CGMS permits (1) the sum of (x) Shareholders' Equity (as reflected in its 10Q or 10K (or financial statements to the extent CGMS is not required to make such public filings) without any deductions) plus (y) without duplication of any Unpledged Capital Commitments included in the determination of clause (1)(x) above, the Unpledged Capital Commitments at the last day of any fiscal quarter, to be less than (2) the greater of (A) 40% of the total assets of CGMS and its Subsidiaries, in each case, as of the last day of such fiscal quarter (determined on a consolidated basis, without duplication, in accordance with GAAP), and (B) the sum of (i) $0 (being 80% of the aggregate net proceeds of the initial and any secondary equity offering of CGMS prior to the Closing Date), plus (ii) 80% of the net proceeds of the aggregate net proceeds of any secondary equity offering of CGMS following the Closing Date or of the proceeds of the drawing of any Unpledged Capital Commitment, plus (iii) Unpledged Capital Commitments;

(k) CGMS fails as of any date of determination to maintain (i) Unrestricted Cash *plus* (ii) Unpledged Capital Commitments, that are, in the aggregate, equal to or greater than the amount of principal payments due or to become due (whether scheduled, upon maturity or otherwise) under Indebtedness of the Servicer in the next 30 days of such date of determination;

(l) CGMS fails to maintain its status as a "business development company" under the 1940 Act;

(m) any failure by the Servicer to deliver (i) any required Servicing Report on or before the date occurring two Business Days after the date such report is required to be made or given, as the case may be, (ii) the valuations required to be delivered on a quarterly basis or an annual basis, as applicable, pursuant to the Scheduled Valuation Process set forth under Section 6.02(d) on or before the date occurring ten Business Days after the date such valuations are required to be delivered, or (iii) any other Required Reports hereunder on or before the date occurring ten Business Days after the date such report is required to be made or given, as the case may be, in each case under the terms of this Agreement;

(n) any representation, warranty or certification made by the Servicer in any Transaction Document or in any certificate delivered pursuant to any Transaction Document shall prove to have been incorrect when made (other than a representation or warranty that is specifically addressed by clause (t) below), which has a Material Adverse Effect on the Administrative Agent or any of the Secured Parties and continues to be unremedied for a period of 30 days after the earlier to occur of (i) the date on which written notice of such incorrectness requiring the same to be remedied shall have been given to the Servicer by the Administrative Agent, the Collateral Agent (at the direction of the Administrative Agent) or the Borrower and (ii) the date on which a Responsible Officer of the Servicer acquires knowledge thereof;

(o) any financial or other information reasonably requested by the Administrative Agent or the Collateral Agent is not provided as requested within a reasonable amount of time following such request;

(p) the rendering against the Servicer of one or more final judgments, decrees or orders by a court or arbitrator of competent jurisdiction for the payment of money in excess individually or in the aggregate of $25,000,000, and the continuance of such judgment, decree or order unsatisfied and in effect for any period of more than 60 consecutive days without a stay of execution;

(q) any event or series of events that would result in a "Change of Control";

(r) the occurrence of an Event of Default (past any applicable notice or cure period provided in the definition thereof);

(s) any other event which has caused a Material Adverse Effect on the assets, liabilities, financial condition, business or operations of the Servicer or the ability of the Servicer to meet its obligations under the Transaction Documents to which it is a party; or

(t) the Servicer shall breach or violate any of the representations, warranties or covenants set forth in Section 4.03(q) or 5.04(a)(ii).

"Servicer Termination Notice" has the meaning assigned to that term in Section 6.01(b).

"Servicer's Certificate" has the meaning assigned to that term in Section 6.08(c).

"Servicing Fees" means the Senior Servicing Fee and the Subordinate Servicing Fee, collectively.

"Servicing File" means, for each Loan Asset, (a) copies of each of the Required Loan Documents and (b) any other portion of the Loan Asset File which is not part of the Required Loan Documents.

"Servicing Report" has the meaning assigned to that term in Section 6.08(b)(i).

"Servicing Standard" means, with respect to any Loan Assets included in the Collateral Portfolio, to service and administer such Loan Assets on behalf of the Secured Parties in accordance with the Risk and Collection Policies, which Risk and Collection Policies provides the servicing and administration of the Loan Assets in accordance with Applicable Law, the terms of this Agreement, the Loan Agreements, all customary and usual servicing practices for loans like the Loan Assets and, to the extent consistent with the foregoing, (a) the higher of: (A) the standards, policies and procedures that the Servicer reasonably believes to be customarily followed by institutional managers of national standing relating to assets of the nature and character of the Collateral Portfolio and (B) the same care, skill, prudence and diligence with which the Servicer services and administers loans for its own account or for the account of others; (b) with a view to maximize the value of the Loan Assets; and (c) without regard to: (i) any relationship that the Servicer or any Affiliate of the Servicer may have with any Obligor or any Affiliate of any Obligor, (ii) the Servicer's obligations to incur servicing and administrative expenses with respect to a Loan Asset, (iii) the Servicer's right to receive compensation for its services hereunder or with respect to any particular transaction, (iv) the ownership by the Servicer or any Affiliate thereof of any Loan Assets, (v) the ownership, servicing or management for others by the Servicer of any other loans or property by the Servicer or (vi) any relationship that the Servicer or any Affiliate of the Servicer may have with any holder of other loans of the Obligor with respect to such Loan Assets.

"Shareholders' Equity" means, at any date, the amount determined on a consolidated basis and without duplication, and in accordance with GAAP of shareholders' equity for CGMS and its Subsidiaries at such date.

"Side Quote" means, with respect to any Loan Asset, bid side quotes for such Loan Asset obtained from one or more of Loan Pricing Corporation, MarkIt Partners or any other nationally recognized loan pricing service selected by the Servicer and approved in writing by the Administrative Agent.

"Solvent" means, as to any Person at any time, having a state of affairs such that all of the following conditions are met: (a) the fair value of the property of such Person is greater than the amount of such Person's liabilities (including disputed, contingent and unliquidated liabilities) as such value is established and liabilities evaluated for purposes of Section 101(32) of the Bankruptcy Code; (b) the present fair saleable value of the property of such Person in an orderly liquidation of such Person is not less than the amount that will be required to pay the probable liability of such Person on its debts and other liabilities as they become absolute and matured; (c) such Person is able to realize upon its property and pay its debts and other liabilities (including disputed, contingent and unliquidated liabilities) as they mature in the normal course of business; (d) such Person does not intend to, and does not believe that it will, incur debts or liabilities beyond such Person's ability to pay as such debts and liabilities mature; and (e) such Person is not engaged in a business or a transaction, and does not propose to engage in a business or a transaction, for which such Person's property assets would constitute unreasonably small capital.

"Special Cov-Lite Loan Asset" means a Cov-Lite Loan Asset that (i) does not qualify as a Broadly Syndicated Loan Asset solely because such Loan Asset has a Tranche Size of $150,000,000 or greater but less than $200,000,000 (without consideration of reductions thereon from scheduled amortization payments), or (ii) has only one current Bid Price or a Side Quote that is based on only one current Bid Price.

"Spread" means, with respect to any Floating Rate Loan Asset as of any date of determination, (i) to the extent that such Floating Rate Loan Asset determines the applicable interest rate thereunder based on the London Interbank Offered Rate without reference to a "LIBOR floor", the specified cash interest percentage in excess of the London Interbank Offered Rate thereunder as of such date of determination, (ii) to the extent that such Floating Rate Loan Asset determines the applicable interest rate thereunder based on a "LIBOR floor", the specified cash interest percentage in excess of the Daily LIBOR as of such date of determination, or (iii) to the extent that such Floating Rate Loan Asset determines the applicable interest rate thereunder based on the prime rate or a rate other than the London Interbank Offered Rate or a "LIBOR floor", the specified cash interest percentage in excess of the Daily LIBOR as of such date of determination.

"Spreadsheet" has the meaning assigned to that term in Section 7.02(b)(ii).

"State" means one of the fifty states of the United States or the District of Columbia.

"Subordinate Servicing Fees" means the fee payable to the Servicer on each Payment Date in arrears in respect of each Remittance Period, which fee shall be equal to the product of (i) 0.25%, (ii) the weighted average daily Aggregate Outstanding Principal Balance of all Eligible Loan Assets for such Remittance Period, and (iii) the actual number of days in such Remittance Period divided by 360; *provided* that so long as CGMS or any Affiliate of CGMS is acting as Servicer, the Servicer shall have the right to irrevocably waive payment of any Subordinate Servicing Fees payable on any Payment Date; and *provided, further* that the rate set forth in clause (i) hereof may be increased up to a level determined by the Administrative Agent in its sole and absolute discretion as then reflecting the arm's length servicing fee in the event that the Backup Servicer or other replacement Servicer is appointed pursuant to Section 6.01(c).

"Subsidiary" means with respect to a person, a corporation, partnership or other entity of which shares of stock or other ownership interests having ordinary voting power (other than stock or such other ownership interests having such power only by reason of the happening of a contingency) to elect a majority of the board of directors or other managers of such corporation, partnership or other entity are at the time owned, or the management of which is otherwise controlled, directly or indirectly through one or more intermediaries, or both, by such person.

"Substitute Eligible Loan Asset" means each Eligible Loan Asset Pledged by the Borrower to the Collateral Agent, on behalf of the Secured Parties, pursuant to Section 2.07(a) or Section 2.07(e)(ii).

"Substitution" has the meaning assigned to that term in Section 2.07(a).

"Taxes" means any present or future taxes, levies, imposts, duties, charges, assessments or fees of any nature (including interest, penalties, and additions thereto) that are imposed by any Governmental Authority.

"Term Loan Asset" means a Loan Asset that is a term loan that has been fully funded and does not contain any unfunded commitment on the part of the Transferor arising from an extension of credit by the Transferor to an Obligor.

"Total Debt/EBITDA Ratio" means for any Obligor, the ratio of (x) Indebtedness of such Obligor, to (y) EBITDA of such Obligor, as set forth in, or as calculated in connection with, the Underwriting Memoranda for such Loan Asset.

"Tranche Size" means, with respect to any Broadly Syndicated Loan Asset, the tranche currently held or contemplated for purchase by the Borrower; *provided*, that (i) to the extent, there are multiple *pari passu* tranches issued by an Obligor, such other tranches shall be included in the calculation of "Tranche Size" if and to the extent that the related Loan Agreement provides that (x) such tranches are governed by the same material terms, and (y) each of such tranches are each widely distributed, and (ii) the calculation of "Tranche Size" hereunder shall include any last out component (but not any second lien component) relating thereto.

"Transaction Documents" means this Agreement, the Revolving Note(s), any Joinder Supplement, the Contribution Agreement, the Collection Account Agreement, the Fee Letters, each collateral assignment agreement and each document, instrument or agreement related to any of the foregoing.

"Transaction Fee Letter" means the Fee Letter, dated as of May 24, 2013, between Citibank, in its capacities as Administrative Agent and Collateral Agent, each Lender Agent party hereto from time to time, the Borrower and CGMS, as Servicer and Transferor, as such letter may be amended, modified, supplemented, restated or replaced from time to time.

"Transferee Letter" has the meaning assigned to that term in Section 12.04(a).

"Transferor" means CGMS as the transferor under the Contribution Agreement.

"Underlying Collateral" means, with respect to a Loan Asset, any property or other assets designated and pledged or mortgaged as collateral to secure repayment of such Loan Asset, as applicable, including, without limitation, mortgaged property or a pledge of the stock, membership or other ownership interests in the related Obligor and all proceeds from any sale or other disposition of such property or other assets.

"Underwriting Memoranda" means for any Loan Asset, the underwriting or investment approval memoranda utilized by the Transferor or the Borrower, as applicable, in evaluating and approving such Loan Asset for investment (which Underwriting Memoranda shall provide for a method for calculation of "EBITDA" and "Indebtedness" of the related Obligor).

"Undrawn Fee" has the meaning assigned to that term in Section 2.09.

"Undrawn Fee Calculation Basis" has the meaning set forth in the Transaction Fee Letter.

"Undrawn Fee Rate" means the applicable percentages set forth in the Transaction Fee Letter.

"Unfunded Revolving Commitments" means, as of any Determination Date, the aggregate amount of commitments under Revolving Loan Assets to provide additional funding thereunder, after taking into account as of any Determination Date (i) the increase or decrease of such aggregate commitments under the Loan Agreements governing such Revolving Loan Assets, (ii) the increase or reduction of such aggregate commitments resulting from the sales, substitutions and repurchases of Revolving Loan Assets under Section 2.07 prior to such Determination Date, and (iii) the increase or decrease (as reflected in Revolving Loan Principal Collections received in the Collection Account) of the principal amount outstanding under such Revolving Loan Assets, or otherwise.

"United States" means the United States of America.

"Unitranche Loan Asset" means any Loan Asset that (i) is secured by a valid and perfected first priority Lien on substantially all of the Obligor's assets constituting Underlying Collateral for the Loan Asset, subject to expressly permitted Liens, including any "permitted liens" as defined in the applicable Loan Agreement for such Loan Asset or such comparable definition if "permitted liens" is not defined therein, (ii) provides that the payment obligation of the Obligor on such Loan Asset is either senior to, or *pari passu* with, all other Indebtedness of such Obligor, and (iii) for which no other Indebtedness of the Obligor exists or is outstanding.

"Unmatured Event of Default" means any event that, if it continues uncured, will, with lapse of time, notice or lapse of time and notice, constitute an Event of Default.

"Unpledged Capital Commitments" means the sum of (i) any unfunded, undrawn and readily available capital commitments of shareholders of CGMS that are not pledged or subject to any Lien, including without limitation, any subscription line credit facility, shareholder's note or similar instrument relating thereto, *plus*, without duplication, (ii) the result (not to be less than zero), of (A) any unfunded, undrawn and readily available capital commitments of shareholders of CGMS that have been pledged by CGMS to a lender to secure the obligations of CGMS under a subscription line working capital credit facility in form and substance reasonably satisfactory to the Administrative Agent, where the maximum indebtedness possible under such credit facility does not exceed an amount equal to 3.33% of the undrawn capital commitments pledged as collateral therefor, minus (B) the maximum principal amount possibly outstanding under such credit facility.

"Unrated Loan Asset" means a Loan Asset that is not rated by at least two Rating Agencies and is not an Initial Unrated Loan Asset.

"Unrestricted Cash" means, for any Person, cash of such Person available for use for general corporate purposes and not held in any reserve account or legally or contractually restricted for any particular purposes.

"Unused Portion" has the meaning assigned to that term in Section 2.09.

"Updated Assigned Value" means, with respect to each Loan Asset as of any date, the value (expressed as a percentage of the Outstanding Principal Balance) of such Loan Asset reflected on the books and records of CGMS, as adjusted to the Quoted Price established pursuant to the Scheduled Valuation Process, or otherwise adjusted pursuant to any periodic valuation required by, and in accordance with, the 1940 Act and any orders of the Securities and Exchange Commission issued to CGMS, to be determined by the Board of Directors of CGMS and reviewed by its auditors; *provided* if CGMS does not report the Quoted Price established pursuant to the Scheduled Valuation Process to the Servicer, the Administrative Agent and the Backup Servicer as required pursuant to Section 6.02(d) (or more frequently to the extent required under the 1940 Act), the "Updated Assigned Value" of such Loan Asset shall be deemed to equal zero until CGMS provides such report; *provided,* in no event shall any Updated Assigned Value exceed 100%, and *provided, further*, any Loan Asset that is determined to have an Updated Assigned Value equal to or greater than 97% shall be deemed to have an Assigned Value equal to 100%.

"URC Loan Asset Dividend" has the meaning assigned to that term in Section 2.07(d)(ii).

"URC Reserve Requirement" means, as of any date of determination, an amount equal to the aggregate Unfunded Revolving Commitments of all Loan Assets that are included in the Collateral Portfolio.

"Value Adjusted Assigned Value" means, with respect to any Loan Asset included in the calculation of the Borrowing Base as of any date following the occurrence of an Assigned Value Adjustment Event, the value (expressed as a percentage of the Outstanding Principal Balance) of such Loan Asset established by the Administrative Agent from time to time in its sole and absolute discretion (and the Administrative Agent shall promptly notify the Servicer of any change to Value Adjusted Assigned Value it may establish from time to time),

provided, that:

(1) the Value Adjusted Assigned Value of any Loan Asset subject to a Material Modification under clause (i) of such defined term shall in all events equal zero;

(2) except with respect to a Loan Asset described in clause (1) above, the Value Adjusted Assigned Value shall not be less than any Quoted Price (when it becomes available) issued after the occurrence of the related Assigned Value Adjustment Event from a Nationally Recognized Valuation Firm selected by the Administrative Agent (at the Borrower's expense) and retained to value such Loan Asset; and

(3) except with respect to a Loan Asset described in clause (1) above, in the event the Borrower disagrees with the Administrative Agent's determination of the Value Adjusted Assigned Value, the Borrower may (at its expense) retain any Nationally Recognized Valuation Firm to value such Loan Asset, and if the value determined by such Nationally Recognized Valuation Firm is greater than the Administrative Agent's determination of the Value Adjusted Assigned Value, such Nationally Recognized Valuation Firm's valuation shall become the Value Adjusted Assigned Value hereunder; *provided* that until the completion of such valuation process, the Value Adjusted Assigned Value of such Loan Asset shall be the value assigned by the Administrative Agent.

"Volcker Event" has the meaning assigned to that term in Section 8.03(a).

"Volcker Extension Deadline" has the meaning assigned to that term in Section 8.03(a).

"Volcker Rule" means Section 13 of the Bank Holding Company Act of 1956, as amended, 12 USC § 1851 (added pursuant to Section 619 of Dodd-Frank), as implemented by *Prohibitions and Restrictions on Proprietary Trading and Certain Interests in, and Relationships With, Hedge Funds and Private Equity Funds; Final Rule*, 79 F.R. 5536 (January 31, 2014), and together with any other rules, regulations, interpretations and pronouncements of any Governmental Authority with respect to the foregoing.

"WARF Test" means, as of any date of determination, a test that is satisfied if WARF is not greater than either (i) during the Ramp-Up Period, 3490, and (ii) after the Ramp-Up Period, either (a) if such date of determination is prior to the CQT Matrix Trigger Date, 3800, or (b) if such date of determination is on or after the CQT Matrix Trigger Date, the numeric figure selected by the Servicer by reference to the matrix set forth on Annex D.

"WARR Test" means, as of any date of determination, a test that is satisfied if the WARR is not less than (i) if such date of determination is prior to the CQT Matrix Trigger Date, 48%, or (ii) if such date of determination is on or after the CQT Matrix Trigger Date, the "Minimum Recovery Rate" selected by the Servicer by reference to the matrix set forth on Annex D.

"Warranty Event" means, as to any Loan Asset, the discovery (i) that as of the related Cut-Off Date for such Loan Asset there existed a breach of any representation or warranty relating to such Loan Asset (other than any representation or warranty that the Loan Asset satisfies the criteria of the definition of Eligible Loan Asset), or (ii) following the Cut-Off Date for such Loan Asset, of a Dispute.

"Warranty Loan Asset" means (i) any Loan Asset that fails to satisfy any criteria of the definition of Eligible Loan Asset as of the Cut-Off Date for such Loan Asset or a Loan Asset with respect to which a Warranty Event has occurred, or (ii) any Loan Asset, or if not affecting the full Loan Asset, the portion thereof, subject to a Dispute following the Cut-Off Date.

"Weighted Average Life" means, as of any date of determination with respect to all Eligible Loan Assets, the number of years following such date obtained by summing the products obtained for each of the Eligible Loan Assets, by multiplying: (a) the Average Life of each such Eligible Loan Asset as at such date of determination, by the Outstanding Principal Balance of such Eligible Loan Asset, and dividing such sum by: (b) the aggregate Outstanding Principal Balance of all Eligible Loan Assets.

"Weighted Average Life Test" means, as of any date of determination, that the Weighted Average Life of all Eligible Loan Assets is equal to or less than 6.0 years.

"Weighted Average Rating Factor" or "WARF" means, as of any date of determination, the number obtained by dividing (i) the sum of the products obtained for each of the Eligible Loan Assets, by multiplying (a) the Moody's Rating Factor (as defined in Annex E) of each such Eligible Loan Asset as at such date of determination, by (b) the Outstanding Principal Balance of such Eligible Loan Asset, by (ii) the aggregate Outstanding Principal Balance of all Eligible Loan Assets.

"Weighted Average Recovery Ratio" or "WARR" means, as of any date of determination, the percentage obtained by dividing (i) the sum of the products obtained for each of the Eligible Loan Assets, by multiplying (a) the Moody's Recovery Rate of each such Eligible Loan Asset as at such date of determination, by (b) the Outstanding Principal Balance of such Eligible Loan Asset, by (ii) the aggregate Outstanding Principal Balance of all Eligible Loan Assets.

"Weighted Average Spread" means, as of any date of determination with respect to all Eligible Loan Assets, the Spread obtained by summing the products obtained for each of the Eligible Loan Assets that are Floating Rate Loan Assets, by multiplying: (a) the Spread of each such Eligible Loan Asset, by the maximum committed funding amount, and dividing such sum by: (b) the aggregate maximum committed funding amounts of all Eligible Loan Assets that are Floating Rate Loan Assets.

"Weighted Average Spread Test" means, as of any date of determination, a test that is satisfied if the Weighted Average Spread of all Eligible Loan Assets that are Floating Rate Loan Assets is equal to or greater than (i) if such date of determination is prior to the CQT Matrix Trigger Date, 3.50%, or (ii) if such date of determination is on or after the CQT Matrix Trigger Date, the "Minimum WAS" selected by the Servicer by reference to the matrix set forth on Annex D.

"Yield" means with respect to any Remittance Period (or portion thereof), the sum for all Advances Outstanding for each day in such Remittance Period (or portion thereof) determined in accordance with the following formula for each such Advance:

$$\frac{YR \times L}{D}$$

where:	YR	=	the Yield Rate applicable on such day to such Advance;
	L	=	the principal amount of such Advance on such day; and
	D	=	360 or, to the extent the Yield Rate is the Base Rate, 365 or 366 days, as applicable;

provided that (i) no provision of this Agreement shall require the payment or permit the collection of Yield in excess of the maximum permitted by Applicable Law and (ii) Yield shall not be considered paid by any distribution if at any time such distribution is later required to be rescinded by any Lender to the Borrower or any other Person for any reason including, without limitation, such distribution becoming void or otherwise avoidable under any statutory provision or common law or equitable action, including, without limitation, any provision of the Bankruptcy Code.

"Yield Rate" means, as of any date of determination, an interest rate per annum equal to

(i) to the extent the Lender is a Conduit Lender that is funding the applicable Advance or portion thereof through the issuance of Commercial Paper Notes, a rate equal to the CP Rate for such Remittance Period *plus* the Applicable Spread on such portion; or

(ii) to the extent the relevant Lender is not funding the applicable Advance or portion thereof through the issuance of Commercial Paper Notes, a rate equal to LIBOR for such date *plus* the Applicable Spread on such portion;

provided that: (x) the Yield Rate shall be the Base Rate *plus* the Applicable Spread for any Remittance Period for any Advance as to which a Conduit Lender has funded the making or maintenance thereof by a sale of an interest therein to any Liquidity Bank under the applicable Liquidity Agreement on any day other than the first day of such Remittance Period and without giving such Liquidity Bank at least two Business Days' prior notice of such assignment, and (y) if any Lender Agent shall have notified the Administrative Agent that a Eurodollar Disruption Event has occurred and is continuing, the Administrative Agent shall in turn so notify the Borrower, whereupon the Yield Rate shall be equal to the Base Rate *plus* the Applicable Spread until such Lender Agent shall have notified the Administrative Agent that such Eurodollar Disruption Event has ceased, at which time the Yield Rate shall again be equal to Daily LIBOR for such date *plus* the Applicable Spread.

SECTION 1.02 Other Terms. All accounting terms used but not specifically defined herein shall be construed in accordance with GAAP. All terms used in Article 9 of the UCC in the State of New York, and used but 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" and the words "to" and "until" each mean "to but excluding."

SECTION 1.04 Interpretation.

In each Transaction Document, 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 only if such successors and assigns are not prohibited by the Transaction Documents;

(c) reference to any gender includes each other gender;

(d) reference to day or days without further qualification means calendar days;

(e) reference to any time means New York, New York time;

(f) the term "or" is not exclusive;

(g) reference to the words "include", "includes" and "including" shall be deemed to be followed by the phrase "without limitation";

(h) reference to any agreement (including any Transaction Document), document or instrument means such agreement, document or instrument as amended, modified, waived, supplemented, restated or replaced 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;

(i) 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;

(j) reference to any Event of Default shall not include any Event of Default that has been expressly waived in writing in accordance with the terms of this Agreement; and

(k) where any formulation requires the determination of (i) the greater or greatest of a series of options and two of the available options yield the same result (which result is greater than the result(s) yielded by the other options, if any), then such shared result shall be the result used for such determination, (ii) the lesser or least of a series of options and two of the available options yield the same result (which result is less than the result(s) yielded by the other options, if any), then such shared result shall be the result used for such determination, (iii) the later or latest of a series of options and two of the available options yield the same result (which result is later than the result(s) yielded by the other options, if any), then such shared result shall be the result used for such determination, and (iv) the earlier or earliest of a series of options and two of the available options yield the same result (which result is earlier than the result(s) yielded by the other options, if any), then such shared result shall be the result used for such determination.

ARTICLE II.
THE FACILITY

SECTION 2.01 Revolving Note and Advances.

(a) Revolving Note. The Borrower has heretofore delivered or shall, on the date hereof (and on the terms and subject to the conditions hereinafter set forth), deliver, to each Lender Agent so requesting, at the address set forth in Section 12.02 of this Agreement, and on the effective date of any Joinder Supplement, to each additional Lender Agent, at the address set forth in the applicable Joinder Supplement, a duly executed Revolving Note (the "Revolving Note") to the extent requested by such Lender Agent, in substantially the form of Exhibit H, in an aggregate face amount equal to the applicable Lender Group's Group Advance Limit as of the Closing Date or the effective date of any Joinder Supplement, as applicable, and otherwise duly completed. Interest shall accrue on the Revolving Note, and the Revolving Note shall be payable, as described herein.

(b) Advances. On the terms and conditions hereinafter set forth, the Borrower may at its option, by delivery of a Notice of Borrowing to the Administrative Agent and each Lender Agent, from time to time on any Business Day from the Closing Date until the end of the Revolving Period (but in no event more than 2 times per calendar week), request that the Lenders make Advances to it in an amount which after giving effect to such Advances, would not cause the aggregate Advances Outstanding to exceed the Maximum Availability on such date; *provided* that with respect to an Advance proposed to be funded in connection with the addition of a Loan Asset to the Collateral Portfolio, such Advance resulted in, or results in, Collateral Quality Improvement, determined as of the CQI Advance Determination Date. Such Advances shall be used for the purposes contemplated in Section 5.02(h) hereof. Upon receipt of such Notice of Borrowing, the Lender Agent for each Lender Group containing one or more Conduit Lenders shall notify the Conduit Lenders in its Lender Group of the requested Advance, and such Conduit Lenders may, in their sole discretion, agree or decline to make the Advance. If any Conduit Lender declines to make all or any part of a proposed Advance, the Lender Agent for such Conduit Lender shall so notify the Liquidity Banks in its Lender Group and the applicable portion of the Advance shall be made by such Liquidity Banks in accordance with their ratable shares of the Group Advance Limit for their Lender Group. Under no circumstances shall any Conduit Lender make any Advance or shall any Liquidity Bank or any Institutional Lender be required to make any Advance if after giving effect to such Advance and the addition to the Collateral Portfolio of the Eligible Loan Assets being acquired by the Borrower using the proceeds of such Advance, (i) an Event of Default has occurred and is continuing or would result therefrom or an Unmatured Event of Default exists or would result therefrom or (ii) the aggregate Advances Outstanding would exceed the Maximum Availability. Notwithstanding anything contained in this Section 2.01 or elsewhere in this Agreement to the contrary, (A) no Liquidity Bank shall be obligated to make any Advance in an amount that would, after giving effect to such Advance, exceed such Liquidity Bank's Commitment less the sum of (x) the aggregate outstanding amount of any Advances funded by such Liquidity Bank under such Liquidity Bank's Liquidity Agreement plus (y) such Liquidity Bank's ratable share of the aggregate outstanding Advances made by the Conduit Lenders in such Liquidity Bank's Lender Group (whether or not any portion thereof has been assigned under a Liquidity Agreement), (B) no Institutional Lender shall be obligated to make any Advance in an amount that would, after giving effect to such Advance, exceed such Institutional Lender's

Commitment less the aggregate outstanding amount of any Advances funded by such Institutional Lender, (C) no Conduit Lender shall make any Advance in an amount that would, after giving effect to such Advance, result in the aggregate Advances then funded by all of the Conduit Lenders in a Lender Group exceeding the Group Advance Limit for such Lender Group then in effect and (D) no Conduit Lender shall make any Advance and no Liquidity Bank or Institutional Lender shall be required to make any Advance if after giving effect to such Advance, the aggregate amount of Advances Outstanding would exceed the Maximum Availability. Each Advance to be made hereunder shall be made ratably among the Lender Groups in accordance with their Group Advance Limits.

(c) Notations on Revolving Note. Each Lender Agent is hereby authorized to enter on a schedule attached to the Revolving Note with respect to each Lender in such Lender Agent's Lender Group a notation (which may be computer generated) with respect to each Advance under the Revolving Note made by the applicable Lender of: (i) the date and principal amount thereof, and (ii) each repayment of principal thereof, and any such recordation, absent manifest error, shall constitute prima facie evidence of the accuracy of the information so recorded. The failure of any Lender Agent to make any such notation on the schedule attached to any Revolving Note shall not limit or otherwise affect the obligation of the Borrower to repay the Advances in accordance with their respective terms as set forth herein.

SECTION 2.02 Procedure for Advances.

(a) On any Business Day during the Revolving Period, the Borrower may request that the Lenders make Advances, subject to and in accordance with the terms and conditions of Sections 2.01 and 2.02 and subject to the provisions of Article III hereof.

(b) Each Advance shall be made upon delivery of an irrevocable request for an Advance from the Borrower to the Administrative Agent and each Lender Agent, with a copy to the Collateral Agent, the Collateral Administrator and the Collateral Custodian, no later than 3:00 p.m. on the Business Day immediately prior to the proposed date of such Advance (which shall be a Business Day), or such shorter notice period as may be agreed upon by the Borrower, the Administrative Agent and the Lenders, in the form of a Notice of Borrowing. Each Notice of Borrowing shall include a duly completed Borrowing Base Certificate (updated to the date such Advance is requested and giving *pro forma* effect to the Advance requested and the use of the proceeds thereof), and shall specify:

(i) the aggregate amount of such Advance, which amount shall not cause the Advances Outstanding to exceed the Borrowing Base; *provided* that the amount of such Advance must be at least equal to $500,000;

(ii) the proposed date of such Advance and, if such Advance is to be a Fixed LIBOR Advance, the related Fixed Period (it being understood that if notice of such Advance is not provided at least two Business Days prior to the proposed Cut-Off Date, then such Advance shall be a Daily LIBOR Advance for two Business Days following which the Advance shall convert to a Fixed LIBOR Advance);

(iii) with respect to an Advance proposed to be funded in connection with the Pledge of a Loan Asset, a written certification of the Servicer demonstrating that such Advance resulted in, or results in, Collateral Quality Improvement, determined as of the CQI Advance Determination Date; and

(iv) a representation that all conditions precedent for an Advance described in Article III hereof have been satisfied.

No later than 1:00 p.m. on the date of each Advance, upon satisfaction of the applicable conditions set forth in Article III, each Conduit Lender may, or the related Liquidity Banks, as applicable, and the Institutional Lenders shall, in accordance with instructions received by the Lender Agent for such Lenders from the Borrower, make available to the Borrower, in same day funds, an amount equal to such Lender's ratable share of such Advance, by payment into the account which the Borrower has designated in writing.

(c) The Advances shall bear interest at the Yield Rate.

(d) Subject to Section 2.18 and the other terms, conditions, provisions and limitations set forth herein, the Borrower may borrow, repay or prepay and reborrow Advances without any penalty, fee or premium on and after the Closing Date and prior to the end of the Revolving Period.

(e) A determination by the Administrative Agent or any Lender Agent of the existence of any Eurodollar Disruption Event (any such determination to be communicated to the Borrower by written notice from the Administrative Agent or such Lender Agent promptly after the Administrative Agent or such Lender Agent learns of such event), or of the effect of any Eurodollar Disruption Event on its making or maintaining Advances at LIBOR, shall be conclusive absent manifest error.

(f) The obligation of each Liquidity Bank and Institutional Lender to remit its Pro Rata Share of any Advance shall be several from that of each other Liquidity Bank and Institutional Lender and the failure of any Liquidity Bank or Institutional Lender to so make such amount available to the Borrower shall not relieve any other Liquidity Bank or Institutional Lender of its obligation hereunder.

SECTION 2.03 Determination of Yield; Conversions of Advances; Limitations on Fixed LIBOR Advances.

(a) The Administrative Agent (and the Lender Agents with respect to the Conduit Lenders in their respective Lender Groups) shall determine the Yield for the Advances (including unpaid Yield related thereto, if any, due and payable on a prior Payment Date) to be paid by the Borrower on each Payment Date for the related Remittance Period and shall advise the Servicer thereof no later than the Business Day prior to the Reporting Date.

(b) The Borrower may elect from time to time to convert Fixed LIBOR Advances to Daily LIBOR Advances by giving the Administrative Agent, the Collateral Administrator and Lender Agents prior irrevocable notice of such election no later than 2:00 p.m. on the Business Day two Business Days prior to the proposed conversion date; *provided* that any such conversion of Fixed LIBOR Advances may only be made on the last day of a Fixed Period with respect thereto. The Borrower may elect from time to time to convert Daily LIBOR Advances to Fixed LIBOR Advances by giving the Administrative Agent and the Lender Agents prior irrevocable notice of such election no later than 2:00 p.m. on the second Business Day preceding the proposed conversion date (which notice shall specify the length of the initial Fixed Period therefor); *provided* that no Daily LIBOR Advances may be converted into Fixed LIBOR Advances after the earliest to occur of an Event of Default, an Unmatured Event of Default or the Final Maturity Date.

(c) Any Fixed LIBOR Advance may be continued in whole or in part (including by combining with other Fixed LIBOR Advances that have Fixed Periods expiring on the same date or with Daily LIBOR Advances) upon the expiration of the then current Fixed Period with respect thereto by the Borrower giving prior irrevocable notice to the Administrative Agent and Lender Agents not later than 2:00 p.m. on the date that is two Business Days prior to the last day of the then current Fixed Period setting forth the length of the next Fixed Period to be applicable to such Fixed LIBOR Advance; *provided* that no Fixed LIBOR Advance may be continued after the earliest to occur of an Event of Default, an Unmatured Event of Default or the Final Maturity Date; *provided*, *further*, that if the Borrower shall fail to give any required notice as described above in this paragraph or if such continuation is not permitted pursuant to the preceding proviso, such Advance shall be automatically converted to a Daily LIBOR Advance on the last day of such then expiring Fixed Period.

(d) Notwithstanding anything to the contrary in this Agreement, all borrowings, conversions and continuations of Fixed LIBOR Advances and all selections of Fixed Periods shall be in such amounts and be made pursuant to such elections so that, (a) after giving effect thereto, the aggregate principal amount of Fixed LIBOR Advances allocated to each Fixed Period shall be equal to $10,000,000 or an integral multiple of $1,000,000 in excess thereof and (b) no more than ten Fixed Periods shall be outstanding at any one time.

SECTION 2.04 Remittance Procedures. On each Payment Date, the Servicer, as agent for the Administrative Agent and the Lender Agents, shall instruct the Collateral Agent (and the Collateral Agent shall instruct the Account Bank) and, if the Servicer fails to do so, the Administrative Agent may instruct the Collateral Agent (and the Collateral Agent shall instruct the Account Bank), to apply funds on deposit in the Collection Account as described in this Section 2.04; *provided* that, at any time after delivery of Notice of Exclusive Control, the Administrative Agent shall instruct the Collateral Agent (and the Collateral Agent shall instruct the Account Bank) to apply funds on deposit in the Collection Account as described in this Section 2.04.

(a) Interest Payments Prior to the Commitment Termination Date. Prior to the occurrence of the Commitment Termination Date, the Collateral Agent shall (as directed pursuant to the first paragraph of this Section 2.04) instruct the Account Bank to transfer Interest Collections held by the Account Bank in the Collection Account, in accordance with the Servicing Report, to the following Persons in the following amounts, calculated as of the most recent Determination Date, in the following order and priority:

(i) ***first***, to the Administrative Agent for distribution to the Collateral Agent, the Collateral Custodian, the Backup Servicer, the Collateral Administrator and the Account Bank, payment in full of all accrued fees and expenses (including Backup Servicer Succession Expenses) due hereunder and under the Fee Letters; provided that fees and expenses paid pursuant to this clause *first* for the twelve month period ending on such date shall not exceed the Senior Fee Limit;

(ii) ***second***, to the Servicer, in payment in full of the accrued Senior Servicing Fees (to the extent not waived);

(iii) ***third***, (1) if no Default Period is in effect, to the Administrative Agent for distribution to each Lender Agent for the account of the applicable Lender, *pro rata*, in accordance with the amounts due under this clause *third*, all Yield accrued and unpaid as of the last day of the related Remittance Period, and (2) if a Default Period is in effect, to the Administrative Agent for distribution to each Lender Agent for the account of the applicable Lender, in accordance with the Adjusted Pro Rata Shares and in accordance with the amounts due under this clause *third*, all Yield accrued and unpaid as of the last day of the related Remittance Period to Lenders constituting part of a Non-Defaulting Lender Group;

(iv) ***fourth***, to the Administrative Agent for distribution to each Lender Agent for the account of the applicable Lender (other than any Defaulting Lender), *pro rata*, in accordance with the amounts due under this clause *fourth*, the Undrawn Fee that is accrued and unpaid as of the last day of the related Remittance Period;

(v) ***fifth***, if a Default Period is in effect, to the Administrative Agent for distribution to each Lender Agent for the account of the applicable Lender *pro rata* with respect to each applicable Defaulting Lender, all Yield accrued and unpaid as of the last day of the related Remittance Period to such Defaulting Lenders;

(vi) ***sixth***, to the Administrative Agent for distribution to each Lender Agent for the account of the applicable Lender, all accrued and unpaid fees, expenses (including attorneys' fees, costs and expenses) and indemnity amounts payable by the Borrower to the Administrative Agent, any Lender Agent or any Lender under the Transaction Documents;

(vii) ***seventh***, (1) if no Default Period is in effect, to the Administrative Agent for distribution to each Lender Agent for the account of the applicable Lender, *pro rata*, to pay the Advances Outstanding to the extent required to satisfy any outstanding Borrowing Base Deficiency, and (2) if a Default Period is in effect, to the Administrative Agent (x) first, for distribution to each Lender Agent for the account of the applicable Lender, in accordance with the Adjusted Pro Rata Shares and to pay the Advances Outstanding to the extent required to satisfy any outstanding Borrowing Base Deficiency, and (y) second, if all Advances Outstanding of all Non-Defaulting Lenders are reduced to zero, to each Lender Agent of a Defaulting Lender Group for the account of the applicable Lender (including any Defaulting Lender), *pro rata*, to pay the Advances Outstanding to the extent required to satisfy any outstanding Borrowing Base Deficiency;

(viii) ***eighth***, to the Servicer, in payment in full of the accrued Subordinate Servicing Fees, including any unpaid Subordinate Servicing Fees with respect to any prior Remittance Period (to the extent not waived);

(ix) ***ninth***, to the Administrative Agent for the benefit of the Collateral Agent, Collateral Custodian, Backup Servicer, the Collateral Administrator and Account Bank in payment in full of all accrued fees and expenses (including Backup Servicer Succession Expenses) or other amounts due hereunder and under the Fee Letters to the extent not previously paid (including to the extent of any such fees and expenses in excess of the Senior Fee Limit and not paid pursuant to clause *first* above);

(x) ***tenth***, to the Administrative Agent for distribution to each Lender Agent for the account of the applicable Lender, to pay the Advances Outstanding in connection with any complete refinancing or termination of this Agreement in accordance with Section 2.18(d);

(xi) ***eleventh***, to the Administrative Agent for distribution to each Lender Agent for the account of the applicable Lender or any other Person making claim for a payment pursuant to the terms hereof, to pay any other amounts due and payable to such Persons (other than with respect to the repayment of Advances) under this Agreement and the other Transaction Documents;

(xii) ***twelfth***, to the Servicer, in respect of all reasonable expenses (except allocated overhead) incurred in connection with the performance of its duties hereunder;

(xiii) ***thirteenth***, to the Administrative Agent for distribution to each Lender Agent for the account of the applicable Lender, to pay the Advances Outstanding in connection with any voluntary prepayment of Advances hereunder in accordance with Section 2.18(b); and

(xiv) ***fourteenth***, during any Release Period, to the Borrower, any remaining amounts.

(b) Principal Payments Prior to the Commitment Termination Date. Prior to the Commitment Termination Date, the Collateral Agent shall (as directed pursuant to the first paragraph of this Section 2.04) instruct the Account Bank to transfer Principal Collections held by the Account Bank in the Collection Account, in accordance with the Servicing Report, to the following Persons in the following amounts, calculated as of the most recent Determination Date, in the following order and priority:

(i) ***first***, to the Administrative Agent for distribution to the appropriate Person to pay amounts due under Section 2.04(a)(i) to the extent not paid thereunder;

(ii) ***second***, to the Servicer, in payment in full of the accrued Senior Servicing Fees due under Section 2.04(a)(ii) to the extent not paid thereunder;

(iii) ***third***, to the Administrative Agent for distribution to each Lender Agent for the account of the applicable Lender to pay amounts due under Section 2.04(a)(iii) through (viii) (including, without limitation, any Borrowing Base Deficiency under clause (vii)) to the extent not paid thereunder;

(iv) ***fourth***, to the Administrative Agent for distribution to the Collateral Agent, the Collateral Custodian, the Backup Servicer and the Account Bank, payment in full of all accrued fees and expenses (including Backup Servicer Succession Expenses) due hereunder and under the Fee Letters to the extent not previously paid;

(v) ***fifth***, to the Administrative Agent and each Lender Agent (for the account of the applicable Lender) to pay any other amounts due and payable to such Persons (other than with respect to the repayment of Advances) under this Agreement and the other Transaction Documents to the extent not paid thereunder;

(vi) ***sixth***, to the Servicer, in respect of all reasonable expenses (except allocated overhead) incurred in connection with the performance of its duties hereunder to the extent not paid thereunder;

(vii) ***seventh***, to the Administrative Agent for distribution to each Lender Agent for the account of the applicable Lender, to pay the Advances Outstanding in connection with any voluntary prepayment of Advances hereunder in accordance with Section 2.18(b); and

(viii) ***eighth***, during any Release Period, to the Borrower, any remaining amounts.

(c) Payment Date Transfers Upon the Occurrence of the Commitment Termination Date. Upon the occurrence of the Commitment Termination Date or, in any case, after the declaration, or automatic occurrence, of the Final Maturity Date, the Collateral Agent shall (as directed pursuant to the first paragraph of this Section 2.04) instruct the Account Bank to transfer collected funds held by the Account Bank in the Collection Account, in accordance with the Servicing Report, to the following Persons in the following amounts, calculated as of the most recent Determination Date, in the following order and priority:

(i) ***first***, to the Administrative Agent for distribution to the Collateral Agent, the Collateral Custodian, the Backup Servicer, the Collateral Administrator and the Account Bank, payment in full of all accrued fees and expenses (including Backup Servicer Succession Expenses and Collateral Agent Expenses) due hereunder, and amounts due under the Fee Letters;

(ii) ***second***, to the Servicer, in payment in full of the accrued Senior Servicing Fees (to the extent not waived);

(iii) ***third***, to the Administrative Agent for distribution to each Lender Agent for the account of the applicable Lender, *pro rata*, in accordance with the amounts due under this clause *third*, all Yield and the Undrawn Fee accrued and unpaid as of the last day of the related Remittance Period;

(iv) ***fourth***, to the Administrative Agent for distribution to each Lender Agent for the account of the applicable Lender, all accrued and unpaid fees, expenses (including attorneys' fees, costs and expenses) and indemnity amounts payable by the Borrower to the Administrative Agent, any Lender Agent or any Lender under the Transaction Documents;

(v) ***fifth***, to the Administrative Agent for distribution to each Lender Agent for the account of the applicable Lender, *pro rata*, to pay the Advances Outstanding until paid in full;

(vi) ***sixth***, to the Administrative Agent for the benefit of the Collateral Agent, Collateral Custodian, Backup Servicer and Account Bank in payment in full of all accrued expenses or other amounts due to the extent not previously paid;

(vii) ***seventh***, to the Servicer, in payment of the accrued Subordinate Servicing Fees (to the extent not waived) and all reasonable expenses (except allocated overhead) incurred in connection with the performance of its duties hereunder;

(viii) ***eighth***, to the Administrative Agent and each Lender Agent (for the account of the applicable Lender) to pay any other amounts due and payable to such Persons (other than with respect to the repayment of Advances) under this Agreement and the other Transaction Documents; and

(ix) ***ninth***, to the Borrower, any remaining amounts.

(d) Insufficiency of Funds. The parties hereby agree that if the funds on deposit in the Collection Account are insufficient to pay any amounts due and payable on a Payment Date or otherwise, the Borrower shall nevertheless remain responsible for, and shall pay when due, all amounts payable under this Agreement and the other Transaction Documents in accordance with the terms of this Agreement and the other Transaction Documents, together with interest accrued as set forth in Section 2.08(a), from the Payment Date when due and unpaid hereunder.

SECTION 2.05 Instructions to the Collateral Agent and the Account Bank. All instructions and directions given to the Collateral Agent or the Account Bank by the Servicer, the Borrower or the Administrative Agent pursuant to Section 2.04 shall be in writing (including instructions and directions transmitted to the Collateral Agent or the Account Bank by telecopy or e-mail), and such written instructions and directions shall be delivered with a written certification that such instructions and directions are in compliance with the provisions of Section 2.04. The Servicer and the Borrower shall transmit to the Administrative Agent by telecopy or e-mail a copy of all instructions and directions given to the Collateral Agent or the Account Bank by such party pursuant to Section 2.04 substantially currently with the delivery thereof. The Administrative Agent shall transmit to the Servicer and the Borrower by telecopy or e-mail a copy of all instructions and directions given to the Collateral Agent or the Account Bank by the Administrative Agent, pursuant to Section 2.04 substantially currently with the delivery thereof. If either the Administrative Agent or Collateral Agent disagrees with the computation of any amounts to be paid or deposited by the Borrower or the Servicer under Section 2.04 or otherwise pursuant to this Agreement, or upon their respective instructions, it shall so notify the Borrower, the Servicer and the Collateral Agent in writing and in reasonable detail to identify the specific disagreement. If such disagreement cannot be resolved within two Business Days, the determination of the Administrative Agent as to such amounts shall be conclusive and binding on the parties hereto absent manifest error. In the event the Collateral Agent or the Account Bank receives instructions from the Servicer or the Borrower which conflict with any instructions received by the Administrative Agent, the Collateral Agent or the Account Bank, as applicable, (i) shall rely on and follow the instructions given by the Administrative Agent, and (ii) shall promptly notify the Borrower, the Servicer and the Administrative Agent of such conflicting instructions.

SECTION 2.06 Borrowing Base Deficiency Payments.

(a) In addition to any other obligation of the Borrower to cure any Borrowing Base Deficiency pursuant to the terms of this Agreement, if, on any day prior to the Collection Date, any Borrowing Base Deficiency exists, then the Borrower may eliminate such Borrowing Base Deficiency in its entirety by effecting one or more (or any combination thereof) of the following actions in order to eliminate such Borrowing Base Deficiency as of such date of determination: (i) deposit cash in United States dollars into the Principal Collection Subaccount, (ii) repay Advances (together with any Breakage Fees and all accrued and unpaid costs and expenses of the Administrative Agent, the Lender Agents and the Lenders, in each case in respect of the amount so prepaid), (iii) sell Eligible Loan Assets in accordance with Section 2.07, or (iv) during the Revolving Period, Pledge additional Eligible Loan Assets.

(b) No later than 2:00 p.m. on the Business Day prior to the proposed repayment of Advances or Pledge of additional Eligible Loan Assets pursuant to Section 2.06(a), the Borrower (or the Servicer on its behalf) shall deliver (i) to the Administrative Agent and Lender Agents (with a copy to the Collateral Agent, the Collateral Administrator and the Collateral Custodian), notice of such repayment or Pledge and a duly completed Borrowing Base Certificate, updated to the date such repayment or Pledge is being made and giving *pro forma* effect to such repayment or Pledge, and (ii) to the Administrative Agent, if applicable, a description of any Eligible Loan Asset and each Obligor of such Eligible Loan Asset to be Pledged and added to the updated Loan Asset Schedule. Any notice pertaining to any repayment or any Pledge pursuant to this Section 2.06 shall be irrevocable.

(c) Until such time as any Borrowing Base Deficiency has been cured in full and no other Event of Default or Unmatured Event of Default has occurred and is continuing, the Borrower shall not request the right to transfer (by sale, dividend, distribution or otherwise), and the Administrative Agent and Collateral Agent shall not grant the release of Lien or the transfer of any Eligible Loan Asset from the Collateral Portfolio.

SECTION 2.07 Substitution and Sale of Loan Assets; Affiliate Transactions.

(a) Substitutions. The Borrower may, with the consent of the Administrative Agent in its sole discretion, replace any Loan Asset (a "Substitution") *so long as* (i) such Substitution results in Collateral Quality Improvement, and (ii) no Event of Default has occurred and is continuing, or would result from such Substitution, and no event has occurred and is continuing, or would result from such Substitution, which constitutes an Unmatured Event of Default or a Borrowing Base Deficiency; *provided* that the Borrower may effect a Substitution as necessary to cure a Borrowing Base Deficiency and any related Unmatured Event of Default arising therefrom; and (iii) simultaneously therewith, the Borrower Pledges (in accordance with all of the terms and provisions contained herein) a Substitute Eligible Loan Asset. The Administrative Agent shall use all commercially reasonable efforts to respond to any approval request in a timely manner.

(b) Discretionary Sales. The Borrower may sell Loan Assets from time to time, without the consent of the Administrative Agent to Persons including the Transferor or its Affiliates (a "Discretionary Sale"); *so long as* (i) the purchase price in cash deposited in the Collection Account with respect to such Discretionary Sale is at least equal to the Outstanding Loan Balance and otherwise complies with the pricing requirements set forth in clause (f) below, (ii) 100% of the net proceeds of such Discretionary Sale shall be deposited into the Collection Account to be disbursed in accordance with Section 2.04 hereof, (iii) such Discretionary Sale results in Collateral Quality Improvement, and (iv) no event has occurred and is continuing, or would result from such Discretionary Sale, which constitutes an Event of Default and no event has occurred and is continuing, or would result from such Discretionary Sale, which constitutes an Unmatured Event of Default or a Borrowing Base Deficiency; *provided* that the Borrower may effectuate a Discretionary Sale as necessary to cure in full (simultaneously with the application of the amounts deposited under clauses (i) and (ii) above and any substitution under Section 2.07(a)) a Borrowing Base Deficiency and any Unmatured Event of Default arising therefrom so long as such Loan Asset is sold for an amount at least equal to the Outstanding Loan Balance.

(c) Optional Sales. The Borrower may on any Optional Sale Date, prepay all or portion of the Advances Outstanding in connection with the sale or other transfer of all or a portion of the Loan Assets in connection with a Permitted Securitization or a Permitted Refinancing (each, an "Optional Sale"), without the consent of the Administrative Agent; *so long as* (i) except as otherwise agreed by the Administrative Agent pursuant to Section 2.07(j)(i)(A), the Borrower shall have provided to the Administrative Agent (with a copy to the Collateral Agent, the Collateral Administrator and the Collateral Custodian) not more than 45 days' and at least 10 days' prior written notice of its intent to effect an Optional Sale on the Optional Sale Date, (ii) the purchase price in cash deposited in the Collection Account with respect to the Optional Sale is at least equal to the aggregate Outstanding Loan Balance of the Loan Assets being sold and purchased in connection therewith, and otherwise complies with the pricing requirements set forth in clause (h) below), (iii) 100% of the net proceeds of such Optional Sale shall be deposited into the Collection Account to be disbursed in accordance with Section 2.04 hereof, and (iv) no event has occurred and is continuing, or would result from such Optional Sale, which constitutes an Event of Default and no event has occurred and is continuing, or would result from such

Optional Sale, which constitutes an Unmatured Event of Default or a Borrowing Base Deficiency; *provided*, that so long as all other conditions in this clause (c) and the Agreement are satisfied in full, the Administrative Agent, in its sole and absolute discretion (upon the delivery of a Notice of Permitted Securitization in the form attached as Exhibit A setting forth the proposed offset and demonstrating compliance with clause (iv) above in connection therewith), may permit the offset (a "Permitted Offset") by the Servicer against the required purchase price to be deposited in the Collection Account under clause (ii) or (iii) of this Section 2.07(c) (and, if applicable, clause (i) of Section 2.07(h) below) by an amount not to exceed the Minimum Credit Enhancement applicable to the Loan Assets subject to an Optional Sale.

(d) Loan Asset Dividend; URC Loan Asset Dividend.

(i) The Borrower may, on any Loan Asset Dividend Date, distribute by dividend to its member a portion of the Loan Assets (each, a "Loan Asset Dividend"), without the consent of the Administrative Agent; *so long as* (A) except as otherwise agreed by the Administrative Agent pursuant to Section 2.07(j)(i)(B), the Borrower shall have provided to the Administrative Agent (with a copy to the Collateral Agent, the Collateral Administrator and the Collateral Custodian) not more than 45 days' and at least 10 days' prior written notice of its intent to effect a Loan Asset Dividend on the Loan Asset Dividend Date, (B) no event has occurred and is continuing, or would result from such Loan Asset Dividend, which constitutes an Event of Default and no event has occurred and is continuing, or would result from such Loan Asset Dividend, which constitutes an Unmatured Event of Default or a Borrowing Base Deficiency, and (C) except as provided in Section 2.07(j)(ii)(B), not more than five days' and at least two days' prior to the related Loan Asset Dividend Date the Borrower and the Servicer shall have delivered to the Administrative Agent a written certificate (a "Loan Asset Dividend Certificate") that (x) lists all Loan Assets to be subject to the Loan Asset Dividend, and (y) certifies on a *pro forma* basis as of the Loan Asset Dividend Date that such Loan Asset Dividend (after giving effect thereto) results in Collateral Quality Improvement.

(ii) The Borrower may either (x) if the Commitment Termination Date occurs before the date that is 10 Business Days before the Scheduled Commitment Termination Date, during the 10 Business Day period following the occurrence of the Commitment Termination Date or, (y) if the Commitment Termination Date occurs on or after the date that is 10 Business Days before the Scheduled Commitment Termination Date, during the 10 Business Day period prior to the Scheduled Commitment Termination Date, make a one-time distribution by dividend to its member of all or any Loan Assets with Unfunded Revolving Commitments (the "URC Loan Asset Dividend"), without the consent of the Administrative Agent; *so long as* (A) the Borrower shall have provided to the Administrative Agent (with a copy to the Collateral Agent, the Collateral Administrator and the Collateral Custodian) at least two Business Days' prior written notice of its intent to effect an URC Loan Asset Dividend, (B) no event has occurred and is continuing, or would result from such URC Loan Asset Dividend, which constitutes an Event of Default and no event has occurred and is continuing, or would result from such URC Loan Asset Dividend, which constitutes an Unmatured Event of Default or a Borrowing Base Deficiency, and (C) at least two Business Days' prior to the URC Loan Asset Dividend, the Borrower and the Servicer shall have delivered to the Administrative Agent a written certificate that lists all Loan Assets to be subject to the URC Loan Asset Dividend. The Borrower and the Servicer (on behalf of the Borrower) shall pay the reasonable legal fees and expenses of the Administrative Agent, the Collateral Agent, the Collateral Custodian and the Collateral Administrator in connection with any URC Loan Asset Dividend (including, but not limited to, expenses incurred in connection with the release of the Lien of the Collateral Agent, on behalf of the Secured Parties, and any other party having an interest in the Loan Asset in connection with dividend).

(e) Purchase or Substitution of Warranty Loan Assets. If on any day a Loan Asset is (or becomes) a Warranty Loan Asset, subject to the proviso below, no later than 10 days following the earlier of knowledge by the Borrower or the Servicer of such Loan Asset becoming a Warranty Loan Asset or receipt by the Borrower from the Administrative Agent or the Servicer of written notice thereof, the Borrower (or the Servicer on the Borrower's behalf) shall either:

(i) make a deposit to the Collection Account (for allocation pursuant to Section 2.04) in immediately available funds in an amount equal to (x) the Advance Date Assigned Value multiplied by the principal amount then outstanding of such Loan Asset, plus on such amount interest from the Cut-Off Date at the Yield Rate, and (y) any expenses or fees with respect to such Loan Asset and costs and damages incurred by the Administrative Agent, any Lender Agent or any Lender in connection with any violation by such Loan Asset of any predatory or abusive lending law which is an Applicable Law (a notification regarding the amount of such expenses or fees to be provided by the Administrative Agent to the Borrower); *provided* that the Administrative Agent shall have the right to determine whether the amount so deposited is sufficient to satisfy the foregoing requirements; or

(ii) with the prior written consent of the Administrative Agent, in its sole discretion, substitute for such Warranty Loan Asset a Substitute Eligible Loan Asset;

provided, that so long as (i) no Event of Default, Unmatured Event of Default or CQT Non-Qualification Period is continuing or would result therefrom, (ii) the Commitment Termination Date has not occurred and is not scheduled or anticipated to occur within the later of (A) 30 days from the related Cut-Off Date or (B) 10 days from the date on which a Responsible Officer of the Borrower or the Servicer had knowledge of such Loan Asset being or becoming a Warranty Loan Asset (a "Cure Date"), (iii) the Servicer believes in good faith that such breach of representation or warranty is capable of being rectified prior to the relevant Cure Date, and (iv) the Servicer delivers a written notice to the Administrative Agent setting forth that a breach of one or more representations or warranties relating to a Loan Asset existed as of its related Cut-Off Date (and describing such breach), and that the Servicer is actively seeking to rectify such breach prior to the relevant Cure Date, *then* (x) the Servicer shall not be required to take the actions set forth in clauses (i) or (ii) above until the relevant Cure Date therefor, and (y) if, prior to such Cure Date the Servicer and the Borrower each certifies to the Administrative Agent that all breaches of representations or warranties that resulted in the occurrence of a Warranty Event have been cured in full, then such Loan Asset shall no longer be considered a "Warranty Loan Asset" hereunder; *provided*, that until such time, such Loan Asset shall not constitute an Eligible Loan Asset.

(f) Release of Lien. Upon confirmation by the Administrative Agent and Collateral Agent, as the case may be, of:

(i) the delivery by the Borrower of a Substitute Eligible Loan Asset pursuant to a Substitution under Section 2.07(a) and the fulfillment of the other terms and conditions set forth in Section 2.07(a), (g), (h) and (i);

(ii) the deposit of the purchase price in cash into the Collection Account pursuant to a Discretionary Sale set forth in Section 2.07(b) and the fulfillment of the other terms and conditions set forth in Section 2.07(b), (g), (h) and (i);

(iii) the deposit of the purchase price in cash into the Collection Account pursuant to an Optional Sale set forth in Section 2.07(c) and the fulfillment of the other terms and conditions set forth in Section 2.07(c), (g), (h) and (i);

(iv) the deposit of the amounts set forth in Section 2.07(e)(i) in cash into the Collection Account or the delivery by the Borrower of a Substitute Eligible Loan Asset for each Warranty Loan Asset under Section 2.07(e)(ii) and the fulfillment of the other terms and conditions set forth in Section 2.07(e), (g), (h) and (i);

(v) the recordation of the dividend of Loan Assets subject to the Loan Asset Dividend on the books and records of the Borrower and the fulfillment of the other terms and conditions set forth in Section 2.07(d)(i), (g), (h) and (i);

(vi) the recordation of the dividend of Loan Assets subject to the URC Loan Asset Dividend on the books and records of the Borrower and the fulfillment of the other terms and conditions set forth in Section 2.07(d)(ii);

(such date of fulfillment, a "Release Date"),

then, the Warranty Loan Asset, or the Loan Assets and related Portfolio Assets subject of the Substitution, Discretionary Sale, Optional Sale, Loan Asset Dividend or URC Loan Asset Dividend, as the case may be, shall be removed from the Collateral Portfolio and, as applicable, the Substitute Eligible Loan Asset and related Portfolio Assets shall be included in the Collateral Portfolio. Subject to compliance by the Borrower with the immediately prior sentence, on the Release Date of each subject Loan Asset or Warranty Loan Asset, as the case may be, the Collateral Agent, for the benefit of the Secured Parties, shall automatically and without further action be deemed to release to the Borrower, without recourse, representation or warranty of any kind or nature, all the right, title and interest and any Lien of the Collateral Agent, for the benefit of the Secured Parties in, to and under the Loan Asset subject of the Substitution, Discretionary Sale, Optional Sale, Loan Asset Dividend, URC Loan Asset Dividend or the Warranty Loan Asset under this Section 2.07 and any related Portfolio Assets and all future monies due or to become due with respect thereto.

(g) Conditions to Sales, Substitutions, Repurchases and Loan Asset Dividend. Any Substitution, Discretionary Sale, Optional Sale or Loan Asset Dividend, or transfer of a Warranty Loan Asset effected pursuant to Sections 2.07(a), (b), (c), (d)(i) or (e) shall be subject to the satisfaction of the following conditions (as certified in writing to the Administrative Agent and Collateral Agent by the Borrower):

(i) the Borrower shall deliver a Borrowing Base Certificate to the Administrative Agent in connection with (and reflecting) such sale, substitution or repurchase;

(ii) the Borrower shall deliver a list of all Loan Assets to be sold, substituted, repurchased or subject to dividend;

(iii) no selection procedures adverse to the interests of the Administrative Agent, the Lender Agents or the Lenders were utilized by the Borrower in the selection of the Loan Assets to be sold, repurchased, substituted or subject to dividend;

(iv) except with respect to (x) an Optional Sale requiring the additional notice set forth in Section 2.07(c) and (y) a Loan Asset Dividend requiring the additional notice set forth in Section 2.07(d)(i), the Borrower shall give two Business Days' notice of such sale, substitution or repurchase;

(v) the Borrower shall notify the Administrative Agent of any amount to be deposited into the Collection Account in connection with any sale, substitution or repurchase;

(vi) the representations and warranties contained in Sections 4.01, 4.02 and 4.03 hereof shall continue to be correct in all material respects, except to the extent relating to an earlier date;

(vii) any repayment of Advances Outstanding in connection with any sale, substitution or repurchase of Loan Assets hereunder shall comply with the requirements set forth in Section 2.18;

(viii) with respect to any Warranty Loan Asset, the Borrower shall have made a claim under Section 6.1 of the Contribution Agreement for a repurchase therefor;

(ix) except with respect to a transfer of a Warranty Loan Asset, such Substitution, Discretionary Sale, Optional Sale or Loan Asset Dividend, as the case may be, results in Collateral Quality Improvement;

(x) the Borrower and the Servicer (on behalf of the Borrower) shall pay the reasonable legal fees and expenses of the Administrative Agent, the Collateral Agent, the Account Bank, the Collateral Administrator and the Collateral Custodian in connection with any such sale, substitution, repurchase or dividend (including, but not limited to, expenses incurred in connection with the release of the Lien of the Collateral Agent, on behalf of the Secured Parties, and any other party having an interest in the Loan Asset in connection with such sale, substitution, repurchase or dividend);

(xi) except as otherwise provided in Section 2.07(j)(ii)(B), with respect to a proposed Loan Asset Dividend, the Borrower and the Servicer shall have delivered, not more than five days' and at least two days' prior to the related Loan Asset Dividend Date, a Loan Asset Dividend Certificate; and

(xii) with respect to a proposed Loan Asset Dividend, following the effectuation thereof as of the Loan Asset Dividend Date, the Administrative Agent shall be satisfied that such Loan Asset Dividend results in Collateral Quality Improvement.

(h) Affiliate Transactions. Notwithstanding anything to the contrary set forth herein or in any other Transaction Document, no Transferor (or any Affiliate thereof) shall reacquire from the Borrower and the Borrower shall not transfer to the Transferor or any Affiliate of the Transferor, and neither the Transferor nor any of its Affiliates will have a right or ability to purchase, any Loan Asset unless (i) such transfer is pursuant to the terms of the Contribution Agreement applicable to Warranty

Loan Assets, or on an arms' length basis and (other than in the case of a Loan Asset Dividend or an URC Loan Asset Dividend) for an acquisition price in cash (subject to any Permitted Offset, if applicable, under the proviso to Section 2.07(c)) equal to the greater of (x) the Outstanding Loan Balance, and (y) the fair market value, of such Loan Asset, (ii) such transfer is pursuant to (and in compliance with the terms, conditions and requirements elsewhere set forth in) this Section 2.07, and (iii) to the extent any Loan Asset is sold for less than the Outstanding Loan Balance thereof in cash, the prior written consent of the Administrative Agent has been obtained.

(i) Limitations on Repurchases and Substitutions.

(i) The Outstanding Principal Balance of all Loan Assets (other than Warranty Loan Assets) sold to the Transferor or any Affiliate thereof pursuant to Section 2.07(b) or substituted pursuant to Section 2.07(a) during the 12-month period immediately preceding the proposed date of sale or substitution (or such lesser number of months as shall have elapsed as of such date) does not exceed 20% (excluding Credit Revised Loan Assets) of the highest aggregate Outstanding Principal Balance of any month during such 12-month period (or such lesser number of months as shall have elapsed as of such date).

(ii) The Outstanding Principal Balance of all Loan Assets subject to clause (i) or (iii) of the definition of "Assigned Value Adjustment Event" (other than Warranty Loan Assets) sold or transferred to the Transferor (or any Affiliate thereof) or substituted pursuant to Section 2.07(a) during the 12-month period immediately preceding the proposed date of sale or substitution (or such lesser number of months as shall have elapsed as of such date) does not exceed 10% of the highest aggregate Outstanding Principal Balance of any month during such 12-month period (or such lesser number of months as shall have elapsed as of such date).

(iii) True Contribution. Notwithstanding anything in this Section 2.07, the Borrower shall not, and the Servicer shall not on the Borrower's behalf, purchase, sell or substitute any Loan Asset in contravention with the assumptions set forth in the legal opinion of (i) Latham & Watkins LLP, as special counsel to the Borrower, issued in connection with the Transaction Documents and relating to the issues of substantive consolidation and "true contribution" of the Loan Assets, and (ii) Richards, Layton & Finger, P.A., as special counsel to the Borrower, issued in connection with the Transaction Documents and relating to the issue of "true contribution" of the Loan Assets.

(j) Permitted Securitizations.

(i) The Administrative Agent may, in its sole and absolute discretion, waive the notice required to be delivered pursuant to (A) Section 2.07(c)(i) with respect to any Optional Sale or (B) Sections 2.07(d)(i)(A) with respect to any Loan Asset Dividend to be made in connection with a Permitted Securitization.

(ii) The delivery of a Notice of Permitted Securitization in the form set forth in Exhibit A on or prior to the second Business Day prior to the closing of the applicable Permitted Securitization shall be deemed to satisfy the requirement to deliver, if and to the extent applicable:

(A) a Notice of Reduction pursuant to Section 2.18(b);

(B) a Loan Asset Dividend Certificate pursuant to Sections 2.07(d)(i) and 2.07(g)(xi);

(C) the notice, if any, required to be delivered pursuant to Section 2.07(g)(iv); and

(D) the certifications and notices otherwise required to be delivered pursuant to (but not the other conditions set forth in) Section 2.07(g),

in each case with respect to any repayment of Advances, Loan Asset Dividend or Optional Sale to be made in connection with, and substantially contemporaneously with the closing of, such Permitted Securitization.

SECTION 2.08 Payments and Computations, Etc.

(a) All amounts to be paid or deposited by the Borrower or the Servicer hereunder shall be paid or deposited in accordance with the terms hereof so that funds are received by the Lenders no later than 1:00 p.m. on the day when due in lawful money of the United States (including, with respect to Foreign Currency Loan Assets, pursuant to Hedging Agreements) in immediately available funds to the Collection Account or such other account as is designated by the Administrative Agent. The Borrower or the Servicer, as applicable, shall, to the extent permitted by law, pay to the Secured Parties interest on all amounts not paid or deposited when due to any of the Secured Parties hereunder at 2.25% *per annum* above the Base Rate (other than with respect to any Advances outstanding, which shall accrue at the Yield Rate), payable on demand, from the date of such nonpayment until such amount is paid in full (as well after as before judgment); *provided* that such interest rate shall not at any time exceed the maximum rate permitted by Applicable Law. Any Obligation hereunder shall not be reduced by any distribution of any portion of Available Collections if at any time such distribution is rescinded or required to be returned by any Lender to the Borrower or any other Person for any reason. All computations of interest and all computations of Yield and other fees hereunder shall be made on the basis of a year of 360 days for the actual number of days (including the first but excluding the last day) elapsed, other than calculations with respect to the Base Rate, which shall be based on a year consisting of 365 or 366 days, as applicable.

(b) Whenever any payment hereunder shall be stated to be due on a day other than a Business Day, such payment shall be made on the next succeeding Business Day, and such extension of time shall in such case be included in the computation of payment of Yield or any fee payable hereunder, as the case may be.

(c) If any Advance requested by the Borrower and approved by the Administrative Agent and the Lender Agents pursuant to Section 2.02 is not for any reason whatsoever, except as a result of the gross negligence or willful misconduct of, or failure to fund such Advance on the part of, the Lenders, the Administrative Agent or an Affiliate thereof as determined in a final decision by a court of competent jurisdiction, made or effectuated, as the case may be, on the date specified therefor, the Borrower shall indemnify such Lender against any loss, cost or expense incurred by such Lender related thereto (other than any such loss, cost or expense solely due to the gross negligence or willful misconduct or failure to fund such Advance on the part of the Lenders, the Administrative Agent or an Affiliate thereof as determined in a final decision by a court of competent jurisdiction), including, without limitation, any loss (including cost of funds and reasonable out-of-pocket expenses but excluding lost profits), cost or expense incurred by reason of the liquidation or reemployment of

deposits or other funds acquired by such Lender to fund Advances or maintain the Advances. Any such Lender shall provide to the Borrower documentation setting forth the amounts of any loss, cost or expense referred to in the previous sentence, such documentation to be conclusive absent manifest error.

SECTION 2.09 Undrawn Fee. The Borrower shall pay, in accordance with Section 2.04, *pro rata* to each Lender (either directly or through the applicable Lender Agent), an undrawn fee (the "Undrawn Fee") payable in arrears for each Remittance Period, equal to the sum of the products for each day during such Remittance Period of (i) one divided by 360, (ii) the applicable Undrawn Fee Rate on such day, and (iii) the Undrawn Fee Calculation Basis on such day minus the Advances Outstanding on such day (the amount set forth in this clause (iii), the "Unused Portion").

SECTION 2.10 Increased Costs; Capital Adequacy.

(a) If, due to either (i) the introduction of or any change that becomes effective following the date hereof (including, without limitation, any change by way of imposition or increase of reserve requirements) in or in the interpretation, administration or application following the date hereof of any Applicable Law (including, without limitation, any law or regulation resulting in any interest payments paid to any Lender under this Agreement being subject to any Tax, except for Indemnified Taxes and Excluded Taxes), in each case whether foreign or domestic, including under Basel III or Dodd-Frank, or (ii) the compliance with any guideline or request following the date hereof from any central bank or other Governmental Authority (whether or not having the force of law), including under Basel III or Dodd-Frank, there shall be any increase in the cost to the Administrative Agent, any Lender, any Lender Agent, any Liquidity Bank or any Affiliate, participant, successor or assign thereof (each of which shall be an "Affected Party") of agreeing to make or making, funding or maintaining any Advance (or any reduction of the amount of any payment (whether of principal, interest, fee, compensation or otherwise) to any Affected Party hereunder), as the case may be, or there shall be any reduction in the amount of any sum received or receivable by an Affected Party under this Agreement, under any other Transaction Document or any Liquidity Agreement, the Borrower shall, from time to time, after written demand by the Administrative Agent (which demand shall be accompanied by a statement setting forth in reasonable detail the basis for such demand), on behalf of such Affected Party, pay to the Administrative Agent, on behalf of such Affected Party, additional amounts sufficient to compensate such Affected Party for such increased costs or reduced payments within 10 days after such demand; *provided* that the amounts payable under this Section 2.10 shall be without duplication of amounts payable under Section 2.11 and shall not include any Excluded Taxes.

(b) If either (i) the introduction of or any change that becomes effective following the date hereof in or in the interpretation, administration or application following the date hereof of any law, guideline, rule or regulation, directive or request or (ii) the compliance by any Affected Party with any law, guideline, rule, regulation, directive or request following the date hereof, from any central bank, any Governmental Authority or agency, including, without limitation, compliance by an Affected Party with any request or directive regarding capital adequacy, including under Basel III or Dodd-Frank, has or would have the effect of reducing the rate of return on the capital of any Affected Party, as a consequence of its obligations hereunder or any related document or arising in connection herewith or therewith to a level below that which any such Affected Party could have achieved but for such introduction, change or compliance (taking into consideration the policies of such Affected Party with respect to capital adequacy), by an amount deemed by such Affected Party to be material, then, from time to time, after demand by such Affected Party (which demand shall be accompanied by a statement

setting forth in reasonable detail the basis for such demand and certifying that such demand is being made as a general policy of such Affected Party in the majority of similar transactions in which such claim had or would have an impact on such Affected Party's rate of return, capital requirements or other economic loss), the Borrower shall pay the Administrative Agent on behalf of such Affected Party such additional amounts as will compensate such Affected Party for such reduction. For the avoidance of doubt, any increase in cost or reduction in Yield with respect to any Affected Party caused by regulatory capital allocation adjustments due to FAS 166, 167 and subsequent statements and interpretations shall constitute a circumstance on which such Affected Party may base a claim for reimbursement under this Section 2.10.

(c) If as a result of any event or circumstance similar to those described in clause (a) or (b) of this Section 2.10, (i) any Affected Party is required to compensate a bank or other financial institution providing liquidity support, credit enhancement or other similar support to such Affected Party in connection with this Agreement or the funding or maintenance of Advances hereunder, then within ten days after demand by such Affected Party, the Borrower shall pay to such Affected Party such additional amount or amounts as may be necessary to reimburse such Affected Party for any amounts payable or paid by it, or (ii) the Administrative Agent (whether in its own judgment or, if Citibank is no longer serving as Administrative Agent, at the request of the Majority Lenders) deems it necessary or appropriate to obtain a credit rating on the Revolving Notes, the Borrower shall (x) provide (as promptly as possible and in any event no later than 60 days following receipt by the Borrower of such reasonable request) at least one Rating Agency designated by the Administrative Agent with all information and documents reasonably requested by such Rating Agency (to the extent such information or documents are in the possession of or reasonably available to the Borrower) and otherwise cooperate with such Rating Agency's review of the Transaction Documents and transactions contemplated hereby, and (y) pay the costs and expenses of such Rating Agency in respect of the rating of the Revolving Notes.

(d) For avoidance of doubt, in connection with the interpretation of clause (a) and (b) of this Section 2.10, any regulatory changes, rules, guidelines or directives under or issued in connection with Basel III or Dodd-Frank will be considered as a "change" hereunder, and will not be treated as having been adopted or having come into effect before the date hereof.

(e) In determining any amount provided for in this Section 2.10, the Affected Party may use any reasonable averaging and attribution methods. The Administrative Agent, on behalf of any Affected Party making a claim under this Section 2.10, shall submit to the Borrower a certificate setting forth in reasonable detail the basis for and the computations of such additional or increased costs, which certificate shall be conclusive absent manifest error.

(f) Failure or delay on the part of any Affected Party to demand compensation pursuant to this Section 2.10 shall not constitute a waiver of such Affected Party's right to demand or receive such compensation.

SECTION 2.11 Taxes.

(a) All payments made by an Obligor in respect of a Loan Asset and all payments made by the Borrower or made by the Servicer on behalf of the Borrower under this Agreement will be made free and clear of and without deduction or withholding for or on account of any Taxes. If any Taxes are required to be withheld from any amounts payable to any Indemnified Party, then the amount payable to such Person will be increased (the amount of such increase, the "Additional Amount") such that every

net payment made under this Agreement after withholding for or on account of any Taxes (including, without limitation, any Taxes on such increase) is not less than the amount that would have been paid had no such deduction or withholding been made. The foregoing obligation to pay Additional Amounts with respect to payments required to be made by the Borrower or Servicer under this Agreement will not, however, apply with respect to Excluded Taxes, and no Borrower or Servicer shall have an obligation to indemnify any Lender for Excluded Taxes.

(b) The Borrower will indemnify from funds available to it pursuant to Section 2.04 (and to the extent the funds available for indemnification provided by the Borrower are insufficient the Servicer, on behalf of the Borrower, will indemnify) each Indemnified Party for the full amount of Taxes payable by such Person in respect of Additional Amounts and any liability (including penalties, interest and expenses) arising therefrom or with respect thereto. All payments in respect of this indemnification shall be made within 10 days from the date a written invoice therefor is delivered to the Borrower.

(c) Within 30 days after the date of any payment by the Borrower or by the Servicer on behalf of the Borrower of any Taxes, the Borrower or the Servicer, as applicable, will furnish to the Administrative Agent and the Lender Agents at the applicable address set forth on this Agreement, appropriate evidence of payment thereof.

(d) Each Lender (including any assignee thereof) that is not a "United States person" within the meaning of Section 7701(a)(30) of the Code (a "Non-U.S. Lender") shall deliver to the Borrower and the Servicer two copies of either U.S. Internal Revenue Service Form W-8BEN (claiming the benefits of an applicable tax treaty), W-8IMY, W-8EXP or W-8ECI, or, in the case of a Non-U.S. Lender claiming exemption from U.S. federal withholding tax under Section 871(h) or 881(c) of the Code with respect to payments of "portfolio interest" a statement substantially in the form of Exhibit R to the effect that such Lender is eligible for an exemption from withholding of U.S. taxes under Section 871(h) or 881(c) of the Code and a Form W-8BEN, or any subsequent versions thereof or successors thereto, in every case with any required attachments and properly completed and duly executed and claiming complete exemption from, or a reduced rate of, U.S. federal withholding tax on all payments by the Borrower under this Agreement. In addition, each Lender (including any assignee thereof) that is not a Non-U.S. Lender shall deliver to the Borrower and the Servicer two copies of U.S. Internal Revenue Service Form W-9, properly completed and duly executed and claiming complete exemption, or shall otherwise establish an exemption, from U.S. backup withholding. Such forms shall be delivered by each Lender on or before the date it becomes a party to this Agreement. In addition, each Lender shall deliver such forms promptly upon receiving notice of the obsolescence, expiration or invalidity of any form previously delivered by such Lender. Each Lender shall promptly notify the Borrower and the Servicer at any time it determines that it is no longer in a position to provide any previously delivered certificate to the Borrower or the Servicer (or any other form of certification adopted by the U.S. taxing authorities for such purpose). Notwithstanding any other provision of this paragraph, a Lender shall not be required to deliver any form pursuant to this paragraph that such Lender is not legally able to deliver.

(e) A Lender that is entitled to an exemption from or reduction of withholding tax under the law of the jurisdiction in which the Borrower is located, or any treaty to which such jurisdiction is a party, with respect to payments under this Agreement shall deliver to the Borrower and the Servicer, at the time or times prescribed by applicable law and reasonably requested by the Borrower or the Servicer, such properly completed and executed documentation or information prescribed by applicable law as will permit such payments to be made without withholding or at a reduced rate (or otherwise permit the Borrower and the Servicer to determine the applicable rate of withholding), provided that such Lender is legally entitled to complete, execute and deliver such documentation and in such Lender's reasonable judgment such completion, execution or submission would not materially prejudice the legal position of such Lender.

(f) If any Lender determines, in its reasonable discretion, that it has received a refund of any Taxes for which it was indemnified by the Borrower pursuant to this Section 2.11 or with respect to which the Borrower or the Servicer has paid Additional Amounts pursuant to this Section 2.11 or Section 2.10, it shall pay to the Borrower or the Servicer, as applicable, an amount equal to such refund (but only to the extent of indemnity payments made, or additional amounts paid, by the Borrower or the Servicer under this Section 2.11 or Section 2.10 with respect to the Taxes or Additional Amounts giving rise to such refund), net of all reasonable out-of-pocket expenses (including additional Taxes, if any) of such Lender, as the case may be, incurred in obtaining such refund, and without interest (other than any interest paid by the relevant Governmental Authority with respect to such refund)

(g) Without prejudice to the survival of any other agreement of the Borrower and the Servicer hereunder, the agreements and obligations of the Borrower and the Servicer contained in this Section 2.11 shall survive the termination of this Agreement.

SECTION 2.12 Collateral Assignment of Agreements. The Borrower hereby collaterally assigns to the Collateral Agent, for the benefit of the Secured Parties, all of the Borrower's right and title to and interest in, to and under (but not any obligations under) the Contribution Agreement (and any UCC financing statements filed under or in connection therewith), the Loan Agreements related to each Loan Asset, all other agreements, documents and instruments evidencing, securing or guarantying any Loan Asset and all other agreements, documents and instruments related to any of the foregoing but excluding any Excluded Amounts or Retained Interest (the "Assigned Documents"). In furtherance and not in limitation of the foregoing, the Borrower hereby collaterally assigns to the Collateral Agent, for the benefit of the Secured Parties, its right to indemnification under Article IX of the Contribution Agreement. The Borrower confirms that until the Collection Date the Collateral Agent (at the direction of the Administrative Agent) on behalf of the Secured Parties shall have the sole right to enforce the Borrower's rights and remedies under the Contribution Agreement and any UCC financing statements filed under or in connection therewith for the benefit of the Secured Parties. The parties hereto agree that such collateral assignment to the Collateral Agent, for the benefit of the Secured Parties, shall terminate upon the Collection Date.

SECTION 2.13 Grant of a Security Interest. To secure the prompt, complete and indefeasible payment in full when due, whether by lapse of time, acceleration or otherwise, of the Obligations and the performance by the Borrower of all of the covenants and obligations to be performed by it pursuant to this Agreement and each other Transaction Document, whether now or hereafter existing, due or to become due, direct or indirect, or absolute or contingent, the Borrower hereby (a) collaterally assigns and pledges to the Collateral Agent, on behalf of the Secured Parties, and (b) grants a security interest to the Collateral Agent, on behalf of the Secured Parties, in all of the Borrower's right, title and interest in, to and under (but none of the obligations under) all of the Collateral Portfolio, whether now existing or hereafter arising or acquired by the Borrower, and wherever the same may be located. For the avoidance of doubt, the Collateral Portfolio shall not include any Excluded Amounts, and the Borrower does not hereby assign, pledge or grant a security interest in any such amounts. Anything herein to the contrary notwithstanding, (a) the Borrower shall remain liable under the Collateral Portfolio to the extent set forth therein to perform all of its duties and obligations thereunder to the same extent as if this Agreement had not been executed, (b) the exercise by the Collateral Agent, for the benefit of the

Secured Parties, of any of its rights in the Collateral Portfolio shall not release the Borrower from any of its duties or obligations under the Collateral Portfolio, and (c) none of the Administrative Agent, the Collateral Agent, any Lender (nor its successors and assigns), any Lender Agent, any Liquidity Bank nor any Secured Party shall have any obligations or liability under the Collateral Portfolio by reason of this Agreement, nor shall the Administrative Agent, the Collateral Agent, any Lender (nor its successors and assigns), any Lender Agent, any Liquidity Bank nor any Secured Party be obligated to perform any of the obligations or duties of the Borrower thereunder or to take any action to collect or enforce any claim for payment assigned hereunder.

SECTION 2.14 Evidence of Debt. The Administrative Agent shall maintain, solely for this purpose as the agent of the Borrower, at its address referred to in Section 12.02 a copy of each assignment and acceptance agreement and participation agreement delivered to and accepted by it and a register for the recordation of the names and addresses and interests of the Lenders (the "Register"). The entries in the Register shall be conclusive and binding for all purposes, absent manifest error, and the Borrower, the Administrative Agent, each Lender and each Lender Agent shall treat each person whose name is recorded in the Register as a Lender under this Agreement for all purposes of this Agreement. The Register shall be available for inspection by the Borrower or any Lender Agent at any reasonable time and from time to time upon reasonable prior notice. If a Lender sells a participation, the Administrative Agent 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 Loan or other obligations under the Transaction Documents (the "Participant Register"); *provided* that the Administrative Agent shall have no 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 and binding for all purposes, absent manifest error, and the Administrative Agent 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.

SECTION 2.15 Survival of Representations and Warranties. It is understood and agreed that the representations and warranties set forth in Sections 4.01, 4.02 and 4.03 are made and are true and correct on the date of this Agreement and on each Cut-Off Date unless such representations and warranties are made as of a specific date.

SECTION 2.16 Release of Loan Assets.

(a) The Borrower may obtain the release of (i) any Loan Asset (and the related Portfolio Assets pertaining thereto) removed from the Collateral Portfolio pursuant to a Loan Asset Dividend or an URC Loan Asset Dividend or sold or substituted in accordance with the applicable provisions of Section 2.07 and any Portfolio Assets pertaining to such Loan Asset and (ii) any Loan Asset or any other asset in the Collateral Portfolio that expires by its terms and all amounts in respect thereof have been paid in full by the related Obligor and deposited in the Collection Account. The Collateral Agent, for the benefit of the Secured Parties, shall at the sole expense of the Borrower and at the direction of the Administrative Agent, execute such documents and instruments of release as may be prepared by the Servicer on behalf of the Borrower, give notice of such release to the Collateral Custodian (in the form of Exhibit M) (unless the Collateral Custodian and Collateral Agent are the same Person) and take other

such actions as shall reasonably be requested by the Borrower to effect such release of the Lien created pursuant to this Agreement. Upon receiving such notification by the Collateral Agent as described in the immediately preceding sentence, if applicable, the Collateral Custodian shall deliver the Required Loan Documents to the Borrower.

(b) Promptly after the Collection Date has occurred, the Collateral Agent (and to the extent that the Borrower identifies Liens held by such Persons, any Lender, Lender Agent or the Administrative Agent), at the direction of the Administrative Agent shall release to the Borrower, for no consideration but at the sole expense of the Borrower, its remaining interests in the Portfolio Assets, free and clear of any Lien resulting solely from an act by the Collateral Agent (and to the extent that the Borrower identifies Liens held by such Persons, any Lender, Lender Agent or the Administrative Agent), but without any other representation or warranty, express or implied, by or recourse against the Collateral Agent, any Lender, any Lender Agent or the Administrative Agent.

SECTION 2.17 Treatment of Amounts Deposited by the Borrower. Amounts deposited by the Borrower in the Collection Account pursuant to Section 2.07 on account of Loan Assets shall be treated as payments of Principal Collections or Interest Collections, as applicable, on Loan Assets hereunder.

SECTION 2.18 Mandatory and Voluntary Prepayments; Termination.

(a) On each of the 4th, 8th, 9th, 10th and 11th Payment Dates following the Scheduled Commitment Termination Date and on the Scheduled Maturity Date, the Borrower shall reduce the Advances Outstanding by depositing in the Collection Account an amount equal to the Amortization Principal Reduction Amount applicable to each such Payment Date.

(b) Except as expressly permitted or required herein (including, without limitation, pursuant to (A) Section 2.06, with respect to any repayment necessary to cure a Borrowing Base Deficiency, and (B) Section 2.07(j)(ii)(A), with respect to any repayment in connection with a Permitted Securitization), Advances may only be prepaid in whole or in part at the option of the Borrower at any time by delivering a Notice of Reduction (which notice shall include a Borrowing Base Certificate) to the Administrative Agent, the Collateral Agent and the Lender Agents at least three Business Days prior to such reduction. Upon any prepayment, the Borrower shall also pay in full any Breakage Fees (solely to the extent such prepayment occurs on any day other than a Payment Date) and other accrued and unpaid costs and expenses of Administrative Agent, the Lender Agents and Lenders related to such prepayment; *provided* that no reduction in Advances Outstanding shall be given effect unless (i) sufficient funds have been remitted to pay all such amounts in full, as determined by the Administrative Agent, in its sole discretion and (ii) no event has occurred or would result from such prepayment which would constitute an Event of Default or an Unmatured Event of Default. The Administrative Agent shall apply amounts received from the Borrower pursuant to this Section 2.18(b) to the payment of any Breakage Fees and to the *pro rata* reduction of the Advances Outstanding. Any notice relating to any repayment pursuant to this Section 2.18(b) shall be irrevocable.

(c) The Borrower may, at its option, permanently reduce the Aggregate Commitments hereunder upon not less than 15 Business Days' prior written notice to the Administrative Agent and the Lender Agents, subject to the payment of any Borrowing Base Deficiency resulting from such permanent reduction, together with accrued and unpaid Yield and Breakage Fees (if any) relating thereto, all accrued and unpaid costs and expenses of the Administrative Agent, the Lender Agents and Lenders, *pro rata* to each Lender Agent (for the account of the applicable Lender); *provided,* in no event shall the

Borrower have the right under this Section 2.18(c) to permanently reduce Aggregate Commitments below $250,000,000 without the prior written consent of the Majority Lenders. Upon the effectuation of any reduction in Aggregate Commitments in accordance with this Section 2.18(c), the Administrative Agent shall distribute to each Lender Agent a revised Annex A indicating the *pro rata* reduction of each Liquidity Bank's and Institutional Lender's Commitment effectuated under this Section 2.18(c) (unless a non-*pro rata* allocation is otherwise agreed to in writing by any Liquidity Bank or Institutional Lender in its sole discretion).

(d) The Borrower may, at its option, terminate this Agreement and the other Transaction Documents upon 15 Business Days' prior written notice to the Administrative Agent and the Lender Agents and upon payment in full of all outstanding Advances; all accrued and unpaid Yield; any Breakage Fees; all accrued and unpaid costs and expenses of the Administrative Agent, the Lender Agents and Lenders and payment of all other Obligations (other than unmatured contingent indemnification obligations). Any termination of this Agreement shall be subject to Section 12.05.

SECTION 2.19 Collections and Allocations.

(a) The Servicer shall direct any agent or administrative agent for any Loan Asset to remit all cash Collections with respect to such Loan Asset, and, if applicable, to direct the Obligor with respect to such Loan Asset to remit all cash Collections with respect to such Loan Asset directly to the Collection Account and all other Collections as directed by the Collateral Agent. The Borrower and the Servicer shall take commercially reasonable steps to ensure that only funds constituting cash Collections relating to Loan Assets shall be deposited into the Collection Account

(b) The Servicer shall promptly identify any Collections received as being on account of Interest Collections, Principal Collections or other Available Collections and shall transfer, or cause to be transferred, all Available Collections received directly by it to the Collection Account by the close of business two Business Days after such Collections are received. Upon the transfer of Available Collections to the Collection Account, the Servicer shall segregate Principal Collections and Interest Collections and direct the Account Bank to transfer the same to the Principal Collection Subaccount and the Interest Collection Subaccount, respectively. The Servicer shall further include a statement as to the amount of Principal Collections and Interest Collections on deposit in the Principal Collection Subaccount and the Interest Collection Subaccount on each Reporting Date in the Servicing Report delivered pursuant to Section 6.08(b).

(c) On the Cut-Off Date with respect to any Loan Asset, the Servicer will deposit into the Collection Account all Available Collections received in respect of Eligible Loan Assets being transferred to and included as part of the Collateral Portfolio on such date.

(d) With the prior written consent of the Administrative Agent (a copy of which will be provided by the Servicer to the Collateral Agent and the Account Bank), (i) prior to any Notice of Exclusive Control, the Servicer may withdraw from the Collection Account any deposits thereto constituting Excluded Amounts, or (ii) from and after any Notice of Exclusive Control, the Servicer may request the Administrative Agent to, and the Administrative Agent shall, withdraw from the Collection Account and deliver to the Servicer any deposits thereto constituting Excluded Amounts, in each case, if the Servicer has, prior to such withdrawal and consent or request and consent, as applicable, delivered to the Administrative Agent and each Lender Agent a report setting forth the calculation of such Excluded Amounts in form and substance reasonably satisfactory to the Administrative Agent and each Lender Agent.

(e) Prior to any Notice of Exclusive Control, the Servicer shall, pursuant to written instruction (which may be in the form of standing instructions), direct the Collateral Agent (and the Collateral Agent shall direct the Account Bank) to invest, or cause the investment of, funds on deposit in the Collection Account in Permitted Investments, from the date of this Agreement until the Collection Date. Absent any such written instruction, such funds shall not be invested. A Permitted Investment acquired with funds deposited in the Collection Account shall mature not later than the Business Day immediately preceding any Payment Date, and shall not be sold or disposed of prior to its maturity, unless the Servicer determines in its good faith commercial judgment that there is substantial risk of material deterioration of such Permitted Investment. All such Permitted Investments shall be registered in the name of the Account Bank or its nominee for the benefit of the Administrative Agent or Collateral Agent, and otherwise comply with assumptions of the legal opinions of Latham & Watkins LLP and Richards, Layton & Finger, P.A., each dated the Closing Date and delivered in connection with this Agreement; *provided* that compliance shall be the responsibility of the Borrower and the Servicer and not the Collateral Agent and Account Bank. All income and gain realized from any such investment, as well as any interest earned on deposits in the Collection Account shall be distributed in accordance with the provisions of Article II hereof. In the event the Borrower or Servicer direct the funds to be invested in investments which are not Permitted Investments, the Borrower shall deposit in the Collection Account (with respect to investments made hereunder of funds held therein), as the case may be, an amount equal to the amount of any actual loss incurred, in respect of any such investment, immediately upon realization of such loss. None of the Account Bank, the Collateral Agent, the Administrative Agent, any Lender Agent or any Lender shall be liable for the amount of any loss incurred, in respect of any investment, or lack of investment, of funds held in the Collection Account, other than with respect to fraud or their own gross negligence or willful misconduct as determined in a final decision by a court of competent jurisdiction. The parties hereto acknowledge that the Collateral Agent or the Account Bank or any of their respective Affiliates may receive compensation with respect to the Permitted Investments.

(f) Until the Collection Date, neither the Borrower nor the Servicer shall have any rights of direction or withdrawal, with respect to amounts held in the Collection Account, except to the extent explicitly set forth in Section 2.04, this Section 2.19, and Section 2.20.

SECTION 2.20 Reinvestment of Principal Collections.

On the terms and conditions hereinafter set forth as certified in writing to the Collateral Agent, the Administrative Agent and the Lender Agents, prior to the end of the Revolving Period, the Servicer may, to the extent of any Principal Collections on deposit in the Principal Collection Subaccount:

(a) withdraw such funds for the purpose of reinvesting in additional Eligible Loan Assets to be Pledged hereunder; *provided* that the following conditions are satisfied:

(i) all conditions precedent set forth in Section 3.04 have been satisfied;

(ii) no Servicer Termination Event or Event of Default has occurred and is continuing, or would result from such withdrawal and reinvestment, and no Unmatured Event of Default or Borrowing Base Deficiency exists or would result from such withdrawal and reinvestment;

(iii) the representations and warranties contained in Sections 4.01, 4.02 and 4.03 hereof shall continue to be correct in all material respects, except to the extent relating to an earlier date;

(iv) the Servicer provides same day written notice to the Administrative Agent and the Collateral Agent by facsimile or email (to be received no later than 1:00 p.m. on such day) of the request to withdraw Principal Collections and the amount of such request;

(v) the notice required in clause (iv) above shall be accompanied by a Disbursement Request and a Borrowing Base Certificate, each executed by the Borrower and a Responsible Officer of the Servicer; and

(vi) the Collateral Agent provides to the Administrative Agent by facsimile (to be received no later than 1:30 p.m. on that same day) a statement reflecting the total amount on deposit as of the opening of business on such day in the Principal Collection Subaccount; or

(b) withdraw such funds for the purpose of making payments in respect of the Advances Outstanding at such time in accordance with and subject to the terms of Section 2.18.

Upon the satisfaction of the applicable conditions set forth in this Section 2.20 (as certified by the Borrower to the Account Bank, Collateral Agent and the Administrative Agent), the Collateral Agent shall direct the Account Bank to release funds from the Principal Collection Subaccount to the Servicer, and the Account Bank shall release such funds as directed, in an amount not to exceed the lesser of (A) the amount requested by the Servicer and (B) the amount on deposit in the Principal Collection Subaccount on such day.

SECTION 2.21 Extension of Scheduled Commitment Termination Date. The Borrower may, within 60 days but not less than 45 days prior to the Scheduled Commitment Termination Date, make a request to extend the date set forth in the definition of "Scheduled Commitment Termination Date" for an additional period of one year. The Scheduled Commitment Termination Date may be extended by one year by mutual agreement among the Administrative Agent, each Lender, the Borrower, the Servicer and each of the other parties hereto and in conformance with Section 12.01(b) (such extension, the "Initial Extension"). Following such Initial Extension, the Borrower may, within 60 days but not less than 45 days prior to the Scheduled Commitment Termination Date (as revised by the Initial Extension), make a request to extend the date set forth in the definition of "Scheduled Commitment Termination Date" (as revised by the Initial Extension) for an additional period of one year. The Scheduled Commitment Termination Date (as revised by the Initial Extension) may be extended by one year upon the mutual agreement among the Administrative Agent, each Lender, the Borrower, the Servicer and each of the other parties hereto and in conformance with Section 12.01(b) (such extension, the "Second Extension"). The effectiveness of either the Initial Extension or the Second Extension shall be conditioned upon the payment in immediately available funds of an additional fee to be agreed among the Administrative Agent, each Lender, the Borrower, the Servicer and each of the other parties hereto. The Borrower confirms that each other party hereto, in their sole and absolute discretion, without regard to the value or performance of the Loan Assets or any other factor, may elect not to extend the Scheduled Commitment Termination Date.

In connection with the Initial Extension or the Second Extension, unless the parties expressly indicate to the contrary, the Scheduled Maturity Date shall be automatically extended by the same extension period, in conformance with Section 12.01(b).

SECTION 2.22 Defaulting Lenders. If any Liquidity Bank or Institutional Lender becomes a Defaulting Lender, then the provisions of this Section 2.22 will apply to the applicable Defaulting Lender Group until the Default Period has ended, to the extent permitted by Applicable Law:

(a) Each such Defaulting Lender's right to approve or disapprove any amendment, waiver, or consent with respect to this Agreement shall be restricted as set forth in the definition of Majority Lenders, Required Lenders and Section 12.01.

(b) Until such time as the Default Excess of any such Defaulting Lender Group has been reduced to zero, any prepayment of the aggregate Advances outstanding will be applied to the Advances of the Non-Defaulting Lender Groups in accordance with Section 2.04(a) and (b) in accordance with the Adjusted Pro Rata Shares.

(c) The amount of each such Defaulting Lender's Commitment and Advances will be excluded for purposes of calculating the Undrawn Fee, and each such Defaulting Lender will not be entitled to receive any Undrawn Fee in connection with such Defaulting Lender's Commitment for any Default Period relating to such Defaulting Lender.

(d) All or any part of each such Defaulting Lender's participation in Advances will be reallocated among the Non-Defaulting Lender Groups in accordance with their respective Adjusted Pro Rata Shares, but only to the extent that (i) the conditions set forth in Section 3.02 are satisfied at the time of such reallocation (and, unless the Borrower has otherwise notified the Administrative Agent at such time, the Borrower will be deemed to have represented and warranted that such conditions are satisfied at such time); and (ii) such reallocation does not cause the aggregate Advances of any Non-Defaulting Lender to exceed such Non-Defaulting Lender's Commitment. No such reallocation will constitute a waiver or release of any claim of any party under this Agreement against a Defaulting Lender arising from that Lender's having become a Defaulting Lender, including any claim of a Non-Defaulting Lender as a result of such Non-Defaulting Lender's increased exposure following such reallocation.

(e) If each of the Administrative Agent, the Servicer and the Borrower agree that a Defaulting Lender has adequately remedied all matters that resulted in it becoming a Defaulting Lender, then the Advances of the Lender Groups will be readjusted to reflect the inclusion of such Defaulting Lender's Commitment and on such date such Defaulting Lender shall purchase at par so much of the Advances of the other Lender Groups or take such other actions as the Administrative Agent determines to be necessary to cause the aggregate Advances outstanding to be held by the Lender Groups in accordance with their respective Commitments and Pro Rata Shares (without giving effect to Section 2.22(d)), whereupon such Lender will cease to be a Defaulting Lender; *provided* that notwithstanding Section 2.18(b), the Borrower shall not be liable for any Breakage Fees that may be incurred in connection with such readjustment of Advances.

(f) No amount of the Commitment of any Liquidity Bank or Institutional Lender will be increased or otherwise affected by, and, except as otherwise expressly provided in this Section 2.22, performance by the Borrower of its obligations under this Agreement and the other Transaction Documents will not be excused or otherwise modified as a result of, any Funding Default or the operation of this Section 2.22. The rights and remedies against a Defaulting Lender under this Section 2.22 are in addition to other rights and remedies that the Borrower may have against such Defaulting Lender with respect to any Funding Default and that the Administrative Agent or any Lender, Lender Agent or Lender Group may have against such Defaulting Lender with respect to any Funding Default.

ARTICLE III.
CONDITIONS PRECEDENT

SECTION 3.01 Conditions Precedent to Effectiveness.

(a) This Agreement shall be effective upon, and no Lender shall be obligated to make any Advance hereunder from and after the Closing Date, nor shall any Lender, the Collateral Custodian, the Account Bank, the Backup Servicer, the Collateral Administrator or the Administrative Agent be obligated to take, fulfill or perform any other action hereunder, until, the satisfaction of the following conditions precedent, as determined in the sole discretion of, or waived in writing by, the Administrative Agent and the Lead Arranger:

(i) this Agreement, each Liquidity Agreement, each Hedging Agreement, each collateral assignment agreement (including, without limitation, the assignment of the Contribution Agreement) and all other Transaction Documents and all other agreements and opinions of counsel listed on Schedule I hereto or counterparts hereof or thereof shall have been duly executed by, and delivered to, the parties hereto and thereto and the Administrative Agent shall have received such other documents, instruments, agreements and legal opinions as any Lender Agent shall reasonably request in connection with the transactions contemplated by this Agreement, on or prior to the Closing Date, each in form and substance reasonably satisfactory to the Administrative Agent;

(ii) all reasonable up-front expenses and fees (including legal fees, any fees required under the Fee Letters) that are invoiced at or prior to the Closing Date shall have been paid in full;

(iii) all other acts and conditions (including, without limitation, the obtaining of any necessary consents and regulatory approvals and the making of any required filings, recordings or registrations) required to be done and performed and to have happened prior to the execution, delivery and performance of this Agreement and all related Transaction Documents and to constitute the same legal, valid and binding obligations, enforceable in accordance with their respective terms, shall have been done and performed and shall have occurred in due and strict compliance with all Applicable Law;

(iv) in the reasonable judgment of the Administrative Agent, there has not been any change after the date hereof in Applicable Law which adversely affects any Lender's or the Administrative Agent's ability to enter into the transactions contemplated by the Transaction Documents or any Material Adverse Effect or material disruption in the financial, banking or commercial loan or capital markets generally;

(v) any and all information submitted to the Administrative Agent by the Borrower, the Transferor, the Servicer, Carlyle Management or any of their Affiliates is true, accurate, complete in all material respects and not misleading in any material respect;

(vi) the representations and warranties contained in Sections 4.01, 4.02 and 4.03 are true and correct in all material respects, and there exists no breach of any covenant on and as of the Closing Date (other than any representation and warranty that is made as of a specific date);

(vii) CGMS has received an aggregate amount equal to or exceeding $150,000,000 in (x) net cash proceeds, *plus* (y) Unpledged Capital Commitments pursuant to one or more equity private placements;

(viii) the Administrative Agent shall have received all documentation and other information requested by the Administrative Agent in its sole discretion or required by regulatory authorities with respect to the Borrower, the Transferor and the Servicer under applicable "know your customer" and anti-money laundering rules and regulations, including, without limitation, the USA PATRIOT Act, all in form and substance reasonably satisfactory to the Administrative Agent and each Lender Agent;

(ix) no material adverse change on the business, assets, financial conditions or performance of the Servicer and its subsidiaries, including the Borrower, on a consolidated basis, or any material portion of the initial proposed Eligible Loan Assets has occurred;

(x) the results of Administrative Agent's legal due diligence relating to the Transferor, the Borrower, the Servicer, the Eligible Loan Assets and the transactions contemplated hereunder are satisfactory to Administrative Agent;

(xi) each applicable Lender Agent shall have received a duly executed copy of its Revolving Note, in a principal amount equal to the Commitment of the related Lender;

(xii) Each Liquidity Bank whose commercial paper is being rated by one or more Rating Agency shall have received, to the extent required under the terms of such CP Lender's program documents, the written confirmation of each such Rating Agency that the execution and delivery of this Agreement will not result in a withdrawal or downgrading of the then-current rating of such commercial paper by such Rating Agency;

(xiii) The Collection Account (including the Principal Collection Subaccount and Interest Collection Subaccount thereunder) has been established pursuant to the Collection Account Agreement; and

(xiv) the Borrower has a valid ownership interest in the agreed-upon initial pool of Eligible Loan Assets (as set forth in Schedule IV as of the Closing Date).

(b) By its execution and delivery of this Agreement, each of the Borrower and the Servicer hereby certifies that each of the conditions precedent to the effectiveness of this Agreement set forth in this Section 3.01 have been satisfied.

SECTION 3.02 Conditions Precedent to All Advances. Each Advance (including the Initial Advance, except as explicitly set forth below) to the Borrower from the Lenders shall be subject to the further conditions precedent that:

(a) On the related Advance Date of such Advance, the following statements shall be true and correct, and the Borrower by accepting any amount of such Advance shall be deemed to have certified that:

(i) the Servicer (on behalf of the Borrower) shall have delivered to the Administrative Agent and each Lender Agent (with a copy to the Collateral Custodian, the Collateral Administrator and the Collateral Agent) no later than 3:00 p.m. on the Business Day immediately prior to the date of such Advance: (A) a Notice of Borrowing, and (B) a Borrowing Base Certificate;

(ii) if the Advance is in connection with the Pledge of an Eligible Loan Asset, the Borrower shall have delivered to the Collateral Custodian (with a copy to the Administrative Agent), no later than 12:00 p.m. on the related Advance Date, (w) a Loan Asset Schedule, (x) a Loan Assignment in the form of Exhibit A to the Contribution Agreement (including Schedule I thereto) and containing such additional information as may be reasonably requested by the Administrative Agent; and (y) a faxed or e-mailed copy of the duly executed original promissory notes of the Loan Assets (and, in the case of any Noteless Loan Asset, a fully executed assignment agreement) and (z) if any Loan Assets are closed in escrow, a certificate (in the form of Exhibit J) from the closing attorneys of such Loan Assets certifying the possession of the Required Loan Documents; *provided* that, notwithstanding the foregoing, the Borrower shall cause the Loan Asset Checklist and the Required Loan Documents to be in the possession of the Collateral Custodian and the Backup Servicer within five Business Days of any related Advance Date as to any Loan Assets;

(iii) the representations and warranties contained in Sections 4.01, 4.02 and 4.03 are true and correct in all material respects, and there exists no breach of any covenant before and after giving effect to the Advance to take place on such Advance Date and to the application of proceeds therefrom, on and as of such day as though made on and as of such date (other than any representation and warranty that is made as of a specific date);

(iv) on and as of such Advance Date, after giving effect to such Advance and the addition to the Collateral Portfolio of the Eligible Loan Assets being acquired by the Borrower using the proceeds of such Advance, the Advances Outstanding does not exceed the Borrowing Base;

(v) no Event of Default or Unmatured Event of Default has occurred and is continuing, or would result from such Advance or application of proceeds therefrom;

(vi) no Borrowing Base Deficiency exists or would result from such Advance;

(vii) no event has occurred and is continuing, or would result from such Advance, which constitutes a Servicer Termination Event or any event which, if it continues uncured, will, with notice or lapse of time, constitute a Servicer Termination Event;

(viii) since the Closing Date, no material adverse change has occurred in the ability of the Servicer, the Transferor or the Borrower to perform their respective obligations under any Transaction Document;

(ix) no Liens exist in respect of Taxes which are prior to the lien of the Collateral Agent on the Eligible Loan Assets to be Pledged on such Advance Date; and

(x) all terms and conditions of the Contribution Agreement required to be satisfied in connection with the assignment of each Eligible Loan Asset being Pledged hereunder on such Advance Date (and the Portfolio Assets related thereto), including, without limitation, the perfection of the Borrower's interests therein, shall have been satisfied in full, and all filings (including, without limitation, UCC filings) required to be made by any Person and all actions required to be taken or performed by any Person in any jurisdiction to give the Collateral Agent, for the benefit of the Secured Parties, a first priority perfected security interest (subject only to Permitted Liens) in such Eligible Loan Assets and the Portfolio Assets related thereto and the proceeds thereof shall have been made, taken or performed.

(b) On or prior to such applicable Advance Date, the Servicer shall have provided to the Administrative Agent (which may be provided electronically) the Loan Asset Schedule set forth on Schedule IV with respect to each of the Eligible Loan Assets identified in the applicable Loan Asset Schedule for inclusion in the Collateral Portfolio on the applicable Advance Date.

(c) No Applicable Law shall prohibit, and no order, judgment or decree of any federal, State or local court or governmental body, agency or instrumentality shall prohibit or enjoin, the making of such Advances by any Lender or the proposed Pledge of Eligible Loan Assets in accordance with the provisions hereof.

(d) Neither the Commitment Termination Date nor the Final Maturity Date shall have occurred.

(e) The Borrower shall have paid all reasonable fees then required to be paid, including all fees required hereunder and under the applicable Fee Letters and shall have reimbursed the Lenders, the Administrative Agent, each Lender Agent, the Collateral Custodian, the Collateral Administrator, the Account Bank and the Collateral Agent for all invoiced fees, costs and expenses of closing the transactions contemplated hereunder and under the other Transaction Documents, including the reasonable attorney fees of outside counsel and any other legal and document preparation costs incurred by the Lenders, the Administrative Agent and each Lender Agent.

(f) On or prior such Advance, the Minimum Credit Enhancement shall have been established.

(g) Solely with respect to the Initial Advance, the Borrower shall have delivered evidence satisfactory to the Administrative Agent that the Borrower (i) has obtained all licenses and approvals under the laws of the States of New York necessary to own its assets and to transact the business in which it is engaged, and (ii) is duly qualified, and in good standing under the laws of the State of New York.

The failure of the Borrower to satisfy any of the foregoing conditions precedent in respect of any Advance shall give rise to a right of the Administrative Agent and the applicable Lender Agent, which right may be exercised at any time on the demand of the applicable Lender Agent, to rescind the related Advance and direct the Borrower to pay to the applicable Lender Agent for the benefit of the applicable Lender an amount equal to the Advances made during any such time that any of the foregoing conditions precedent were not satisfied or waived in writing.

SECTION 3.03 Advances Do Not Constitute a Waiver. No Advance made hereunder shall constitute a waiver of any condition to any Lender's obligation to make such an advance unless such waiver is in writing and executed by such Lender.

SECTION 3.04 Conditions to Pledges of Loan Assets. Each Pledge of an additional Eligible Loan Asset pursuant to Section 2.06, a Substitute Eligible Loan Asset pursuant to Section 2.07(a) or (e), an additional Eligible Loan Asset pursuant to Section 2.20 or any other Pledge of a Loan Asset hereunder shall be subject to the further conditions precedent that (as certified to the Collateral Agent by the Borrower):

(a) the Servicer (on behalf of the Borrower) shall have delivered to the Administrative Agent and each Lender Agent (with a copy to the Collateral Custodian, the Collateral Administrator and the Collateral Agent) no later than 12:00 p.m. on the related Cut-Off Date: (A) a Borrowing Base Certificate, (B) a Loan Asset Schedule and (C) a Loan Assignment in the form of Exhibit A to the Contribution Agreement (including Schedule I thereto) and containing such additional information as may be reasonably requested by the Administrative Agent;

(b) the Borrower shall have delivered to the Collateral Custodian (with a copy to the Administrative Agent and the Backup Servicer), no later than 12:00 p.m. on the related Cut-Off Date, a faxed or e-mailed copy of the duly executed original promissory notes of the Loan Assets (and, in the case of any Noteless Loan Asset, a fully executed assignment agreement) and if any Loan Assets are closed in escrow, a certificate (in the form of Exhibit J) from the closing attorneys of such Loan Assets certifying the possession of the Required Loan Documents; *provided* that, notwithstanding the foregoing, the Borrower shall cause the Loan Asset Checklist and the Required Loan Documents to be in the possession of the Collateral Custodian and the Backup Servicer within five Business Days of any related Cut-Off Date as to any Loan Assets;

(c) no Liens exist in respect of Taxes which are prior to the lien of the Collateral Agent on the Eligible Loan Assets to be Pledged on such Cut-Off Date;

(d) all terms and conditions of the Contribution Agreement required to be satisfied in connection with the assignment of each Eligible Loan Asset being Pledged hereunder on such Cut-Off Date (and the Portfolio Assets related thereto), including, without limitation, the perfection of the Borrower's interests therein, shall have been satisfied in full, and all filings (including, without limitation, UCC filings) required to be made by any Person and all actions required to be taken or performed by any Person in any jurisdiction to give the Collateral Agent, for the benefit of the Secured Parties, a first priority perfected security interest (subject only to Permitted Liens) in such Eligible Loan Assets and the Portfolio Assets related thereto and the proceeds thereof shall have been made, taken or performed;

(e) no Event of Default or Unmatured Event of Default exists, or would result from such Pledge (other than, with respect to any Pledge of an Eligible Loan Asset necessary to cure a Borrowing Base Deficiency in accordance with Section 2.06 or Section 2.07, an Unmatured Event of Default arising solely pursuant to such Borrowing Base Deficiency and being cured as a result of such Pledge); and

(f) the representations and warranties contained in Sections 4.01, 4.02 and 4.03 are true and correct in all material respects, and there exists no breach of any covenant contained in Sections 5.01, 5.02, 5.03, 5.04 and 5.05 before and after giving effect to the Pledge to take place on such Cut-Off Date, on and as of such day as though made on and as of such date (other than any representation and warranty that is made as of a specific date).

ARTICLE IV.
REPRESENTATIONS AND WARRANTIES

SECTION 4.01 Representations and Warranties of the Borrower. The Borrower hereby represents and warrants, as of the Closing Date, as of each applicable Cut-Off Date, as of each applicable Advance Date, as of each Reporting Date and as of each other date provided under this Agreement or the other Transaction Documents on which such representations and warranties are required to be (or deemed to be) made (unless a specific date is specified below):

(a) Organization, Good Standing and Due Qualification. The Borrower is a limited liability company duly organized, validly existing and in good standing under the laws of the State of Delaware, with all requisite limited liability company power and authority necessary to own the Loan Assets and the Collateral Portfolio and to conduct its business as such business is presently conducted and to enter into and perform its obligations pursuant to this Agreement. The Borrower is duly qualified to do business as a limited liability company, and has obtained all licenses and approvals under the laws of the State of Delaware and, at all times after the date of the Initial Advance, has obtained all licenses and approvals under the laws of the State of New York, and in all other jurisdictions, in each case, necessary to own its assets and to transact the business in which it is engaged, and is duly qualified, and in good standing under the laws of the State of Delaware and, at all times after the date of the Initial Advance, is duly qualified, and in good standing under the laws of the State New York, and in each other jurisdiction where the transaction of such business or its ownership of the Loan Assets and the Collateral Portfolio and the conduct of its business requires such qualification where the failure to obtain such qualification, licenses or approvals could reasonably be expected to result in a Material Adverse Effect.

(b) Power and Authority; Due Authorization; Execution and Delivery. The Borrower (i) has the power, authority and legal right to (x) execute and deliver this Agreement and the other Transaction Documents to which it is a party and (y) perform and carry out the terms of this Agreement and the other Transaction Documents to which it is a party and the transactions contemplated thereby, and (ii) has taken all necessary action to (x) authorize the execution, delivery and performance of this Agreement and each of the other Transaction Documents to which it is a party and (y) grant to the Collateral Agent, for the benefit of the Secured Parties, a first priority perfected security interest in the Collateral Portfolio on the terms and conditions of this Agreement, subject only to Permitted Liens. This Agreement and each other Transaction Document to which the Borrower is a party have been duly executed and delivered by the Borrower.

(c) Binding Obligation. This Agreement and each of the other Transaction Documents to which the Borrower is a party constitutes the legal, valid and binding obligation of the Borrower, enforceable against the Borrower in accordance with their respective terms, except as the enforceability hereof and thereof may be limited by Bankruptcy Laws and by general principles of equity.

(d) All Consents Required. No consent of any other party and no consent, license, approval or authorization of, or registration or declaration with, any Governmental Authority, bureau or agency is required in connection with the execution, delivery or performance by the Borrower of this Agreement or any Transaction Document to which it is a party or the validity or enforceability of this Agreement or any such Transaction Document or the Loan Assets or the transfer of an ownership interest or security interest in such Loan Assets, other than such as have been met or obtained and are in full force and effect.

(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 pursuant hereto or thereto in connection with the Pledge of the Collateral Portfolio 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 Borrower's certificate of formation or limited liability company agreement (ii) result in the creation or imposition of any Lien on the Collateral Portfolio other than Permitted Liens, (iii) violate any Applicable Law in any material respect, or (iv) violate any contract or other agreement to which the Borrower is a party or by which the Borrower or any property or assets of the Borrower may be bound.

(f) No Proceedings. There is no litigation, proceeding or investigation pending or, to the knowledge of the Borrower, threatened against the Borrower or any properties of the Borrower, before any Governmental Authority (i) asserting the invalidity of this Agreement or any other Transaction Document to which the Borrower is a party, (ii) seeking to prevent the consummation of any of the transactions contemplated by this Agreement or any other Transaction Document to which the Borrower is a party or (iii) seeking any determination or ruling that could reasonably be expected to have a Material Adverse Effect.

(g) Selection Procedures. In selecting the Loan Assets to be Pledged pursuant to this Agreement, no selection procedures have been employed by the Borrower or any Affiliate of the Borrower (including the Transferor and the Servicer) which are intended to be adverse to the interests of the Lenders.

(h) Bulk Sales. The grant of the security interest in the Collateral Portfolio by the Borrower to the Collateral Agent, for the benefit of the Secured Parties, pursuant to this Agreement, and the execution, delivery and performance of this Agreement, is in the ordinary course of business for the Borrower and is not subject to the bulk transfer or any similar statutory provisions in effect in any applicable jurisdiction.

(i) No Liens. The Collateral Portfolio is owned by the Borrower free and clear of any Liens except for Permitted Liens as provided herein. No effective financing statement or other instrument similar in effect covering any Collateral Portfolio is on file in any recording office except such as may be filed in favor of the Administrative Agent, for the benefit of the Secured Parties, relating to this Agreement or reflecting the transfer of the Collateral Portfolio from the Transferor to the Borrower.

(j) Pledge of Collateral Portfolio. Except as otherwise expressly permitted by the terms of this Agreement, no item of Collateral Portfolio has been sold, transferred, assigned or pledged by the Borrower to any Person, other than as contemplated by Article II and the Pledge of such Collateral Portfolio to the Collateral Agent, for the benefit of the Secured Parties, pursuant to the terms of this Agreement.

(k) Indebtedness. The Borrower has no Indebtedness or other indebtedness, secured or unsecured, direct or contingent (including guaranteeing any obligation), other than Indebtedness incurred under the terms of the Transaction Documents or ordinary course business expenses incurred in the ordinary course of business pursuant to the transactions contemplated hereunder and under the other Transaction Documents.

(l) Sole Purpose. The Borrower has been formed solely for the purpose of engaging in transactions contemplated by this Agreement, and has not engaged in any business activity other than the negotiation, execution and to the extent applicable, performance of this Agreement and the transactions contemplated by the Transaction Documents. The Borrower is not party to any agreements other than the applicable Transaction Documents to which it is a party and the Required Loan Documents in respect of which the Borrower is a lender.

(m) Separate Entity. The Borrower is operated as an entity with assets and liabilities distinct from those of the Transferor and Carlyle Management, and any Affiliates thereof, and the Borrower hereby acknowledges that the Administrative Agent and the Lenders are entering into the transactions contemplated by this Agreement in reliance upon the Borrower's identity as a separate legal entity from, the Transferor and Carlyle Management, and from each such other Affiliate of the Transferor and Carlyle Management.

(n) No Injunctions. No injunction, writ, restraining order or other order of any nature adversely affects the Borrower's performance of its obligations under this Agreement or any Transaction Document to which the Borrower is a party.

(o) Taxes. The Borrower has filed or caused to be filed (on a consolidated basis or otherwise) on a timely basis all material tax returns (including, without limitation, all foreign, federal, state, local and other tax returns) required to be filed by it (subject to any extensions to file properly obtained by the same) and is not liable for Taxes payable by any other Person. The Borrower has paid or made adequate provisions for the payment of all material Taxes, assessments and other governmental charges made against it or any of its property except for those Taxes being contested in good faith by appropriate proceedings and in respect of which it has established proper reserves in accordance with GAAP on its books. No Tax lien or similar adverse claim has been filed, and no claim is being asserted, with respect to any such Tax, assessment or other governmental charge. Any Taxes, fees and other governmental charges due and payable by the Borrower, as applicable, in connection with the execution and delivery of this Agreement and the other Transaction Documents and the transactions contemplated hereby or thereby have been paid or shall have been paid if and when due.

(p) Location. The Borrower's location (within the meaning of Article 9 of the UCC) is Delaware. The chief executive office of the Borrower (and the location of the Borrower's records regarding the Collateral Portfolio (other than those delivered to the Collateral Custodian)) is located at the address set forth under its name in Section 12.02 (or at such other address as shall be designated by such party in a written notice to the other parties hereto).

(q) Tradenames. Except as permitted hereunder, the Borrower's legal name is as set forth in this Agreement. Except as permitted hereunder, the Borrower has not changed its name since its formation; does not have tradenames, fictitious names, assumed names or "doing business as" names other than as disclosed on Schedule II hereto (as such schedule may be updated from time to time by the Administrative Agent upon receipt of a notice delivered to the Administrative Agent pursuant to Section 5.02(p)); the Borrower's only jurisdiction of formation is Delaware, and, except as permitted hereunder, the Borrower has not changed its jurisdiction of formation.

(r) Solvency. The Borrower is not the subject of any Bankruptcy Proceedings or Bankruptcy Event. The Borrower is Solvent, and the transactions under this Agreement and any other Transaction Document to which the Borrower is a party do not and will not render the Borrower not Solvent. The Borrower is paying its debts as they become due; and the Borrower, after giving effect to the transactions contemplated hereby, will have adequate capital to conduct its business.

(s) No Subsidiaries. The Borrower has no Subsidiaries.

(t) Value Given. The Borrower has given fair consideration and reasonably equivalent value to each applicable Transferor in exchange for the purchase of each of the Loan Assets (or any number of them) from the Transferor pursuant to the Contribution Agreement. No such transfer has been made for or on account of an antecedent debt owed by the Borrower to the Transferor and no such transfer is or may be voidable or subject to avoidance under any section of the Bankruptcy Code.

(u) Reports Accurate. All information relating to the Borrower and prepared or supplied by the Borrower or the Servicer and contained in the Servicer's Certificates or Servicing Reports, Notices of Borrowing, Borrowing Base Certificates and other written or electronic information, exhibits, financial statements, documents, books, records or reports furnished by the Borrower to the Administrative Agent, the Collateral Agent or the Collateral Custodian in connection with this Agreement are, as of their date, accurate, true and correct in all material respects, and no such document or certificate contains any material misstatement of fact or omits to state a material fact or any fact necessary to make the statements contained therein not misleading; *provided* that, solely with respect to written or electronic information furnished by the Borrower that was provided to the Borrower from an Obligor with respect to a Loan Asset, such information need only be accurate, true and correct in all material respects to the knowledge of the Borrower; *provided*, *further*, that the foregoing proviso shall not apply to any information presented in a Servicer's Certificate, Servicing Report, Notice of Borrowing or Borrowing Base Certificate.

(v) 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 Proceeds from the sale of the Collateral Portfolio) 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 Borrower does not own or intend to carry or purchase, and no proceeds from the Advances will be used to carry or purchase, any "margin stock" within the meaning of Regulation U or to extend "purpose credit" within the meaning of Regulation U.

(w) No Adverse Agreements. There are no agreements in effect adversely affecting the rights of the Borrower to make, or cause to be made, the grant of the security interest in the Collateral Portfolio contemplated by Section 2.13.

(x) Event of Default/Unmatured Event of Default. No event has occurred which constitutes an Event of Default, and no event has occurred and is continuing which constitutes an Unmatured Event of Default (other than any Event of Default or Unmatured Event of Default which has previously been disclosed to the Administrative Agent as such).

(y) Servicing Standard. Each of the Loan Assets was underwritten or acquired and is being serviced in conformance with the Servicing Standard established under the Risk and Collection Policies and the standard underwriting, credit, collection, operating and reporting procedures and systems of the Servicer or the Transferor.

(z) ERISA. The present value of all vested benefits under each "employee pension benefit plan" as such term is defined in Section 3(2) of ERISA, other than a Multiemployer Plan, that is subject to Title IV of ERISA and is sponsored or maintained by the Borrower or any ERISA Affiliate of the Borrower or to which the Borrower or any ERISA Affiliate of the Borrower contributes or has an obligation to

contribute, or has any liability (each, a "Pension Plan"), does not exceed by a material amount the value of the assets of the Pension Plan allocable to such vested benefits (based on the value of such assets as of the last annual valuation date for the Pension Plan) determined in accordance with the assumptions used for funding such Pension Plan pursuant to Sections 412 and 430 of the Code for the applicable plan year. No prohibited transactions (within the meaning of ERISA Section 406(a) or (b) or Code Section 4975, for which an exemption is not available or has not previously been obtained from the United States Department of Labor), failure by the Borrower to meet the minimum funding standard set forth in Section 302(a) of ERISA and Section 412(a) of the Code, withdrawal by the Borrower or any ERISA Affiliate of the Borrower from a Pension Plan subject to Section 4063 of ERISA during a plan year in which it was a "substantial employer" (as defined in Section 4001(a)(2) of ERISA), or Reportable Events have occurred with respect to any Pension Plan, which either individually or in the aggregate is reasonably expect to result in a material liability to the Borrower. No notice of intent to terminate a Pension Plan has been filed by the plan administrator under Section 4041 of ERISA, nor has any Pension Plan been terminated under Section 4041 of ERISA, in either event, that is reasonably expected to result in a material liability to the Borrower. The Pension Benefit Guaranty Corporation has not instituted proceedings to terminate or appointed a trustee to administer a Pension Plan under Section 4042 of ERISA, and no event has occurred or condition exists which constitutes grounds under Section 4042 of ERISA for the termination of, or the appointment of a trustee to administer, any Pension Plan.

(aa) Allocation of Charges. There is no agreement or understanding between the Servicer and the Borrower (other than as expressly set forth herein or as consented to by the Administrative Agent), providing for the allocation or sharing of obligations to make payments or otherwise in respect of any taxes, fees, assessments or other governmental charges; *provided* that it is understood and acknowledged that the Borrower will be consolidated with the Servicer for tax purposes.

(bb) Broker-Dealer. The Borrower is not a broker-dealer or subject to the Securities Investor Protection Act of 1970, as amended.

(cc) Instructions to Obligors. The Collection Account is the only account to which Obligors have been instructed by the Borrower, or the Servicer on the Borrower's behalf, to send Principal Collections and Interest Collections on the Collateral Portfolio. The Borrower has not granted any Person other than the Collateral Agent, on behalf of the Secured Parties, an interest in the Collection Account.

(dd) Contribution Agreement. The Contribution Agreement and the Loan Assignment contemplated therein are the only agreements pursuant to which the Borrower acquires the Collateral Portfolio (other than with respect to a Loan Asset that is a loan or loan participation originated by Borrower). The Borrower accounts for the transfers of Loan Assets under the Contribution Agreement as contributions of such Loan Assets in its books, records and financial statements (although the financial statements of the Borrower and CGMS may be consolidated), in each case consistent with GAAP.

(ee) Investment Company Act. Neither the Borrower nor CGMS is required to register as an "investment company" under the provisions of the 1940 Act; *provided,* that CGMS is regulated as a "business development company" under the 1940 Act. Each Advance hereunder and each Loan Asset acquired by the Borrower is an "eligible asset" as defined in Rule 3a-7 under the 1940 Act.

(ff) Compliance with Applicable Law. The Borrower has complied in all material respects with all Applicable Law to which it may be subject, and no item of the Collateral Portfolio contravenes any Applicable Law (including, without limitation, all applicable predatory and abusive lending laws, laws, rules and regulations relating to licensing, truth in lending, fair credit billing, fair credit reporting, equal credit opportunity, fair debt collection practices and privacy).

(gg) Collections. The Borrower acknowledges that all Available Collections received by it or its Affiliates with respect to the Collateral Portfolio transferred or Pledged hereunder are held and shall be held in trust for the benefit of the Collateral Agent, on behalf of the Secured Parties, until deposited into the Collection Account within two Business Days after receipt as required herein.

(hh) Set-Off, etc. No Loan Asset has been compromised, adjusted, extended, satisfied, subordinated, rescinded, set-off or modified by the Borrower, the Transferor or the Obligor thereof, and no Collateral Portfolio is subject to compromise, adjustment, extension, satisfaction, subordination, rescission, set-off, counterclaim, defense, abatement, suspension, deferment, deduction, reduction, termination or modification, whether arising out of transactions concerning the Collateral Portfolio or otherwise, by the Borrower, the Transferor or the Obligor with respect thereto, except, in each case, for amendments, extensions and modifications, if any, to such Collateral Portfolio otherwise permitted pursuant to Section 6.04(a) of this Agreement and in accordance with the Risk and Collection Policies and the Servicing Standard.

(ii) Full Payment. As of the applicable Cut-Off Date thereof, the Borrower has no knowledge of any fact which should lead it to expect that any Loan Asset will not be paid in full.

(jj) Environmental. With respect to each item of Underlying Collateral as of the applicable Cut-Off Date for the Loan Asset related to such Underlying Collateral, to the actual knowledge of a Responsible Officer of the Borrower: (a) the related Obligor's operations comply in all material respects with all applicable Environmental Laws; (b) none of the related Obligor's operations is the subject of a Federal or state investigation evaluating whether any remedial action, involving expenditures, is needed to respond to a release of any Hazardous Materials into the environment; and (c) the related Obligor does not have any material contingent liability in connection with any release of any Hazardous Materials into the environment. As of the applicable Cut-Off Date for the Loan Asset related to such Underlying Collateral, none of the Borrower, the Transferor nor the Servicer has received any written or verbal notice of, or inquiry from any Governmental Authority regarding, any violation, alleged violation, non-compliance, liability or potential liability regarding environmental matters or compliance with Environmental Laws with regard to any of the Underlying Collateral, nor does any such Person have knowledge or reason to believe that any such notice will be received or is being threatened.

(kk) USA PATRIOT Act, Sanctions, Etc. (i) Neither the Borrower nor, to the knowledge of the Borrower, any Affiliate of the Borrower is (A) a country, territory, organization, person or entity that is the subject or target of any list-based or territorial sanctions administered or enforced by the U.S. Department of the Treasury's Office of Foreign Assets Control (OFAC), the U.S. Department of State, the United Nations Security Council, the European Union, or Her Majesty's Treasury (collectively, "Sanctions"), (B) located, organized or resident of a country, region or territory that is, or whose government is, the subject of Sanctions, (C) a "Foreign Shell Bank" within the meaning of the USA PATRIOT Act, *i.e.*, a foreign bank that does not have a physical presence in any country and that is not affiliated with a bank that has a physical presence and an acceptable level of regulation and supervision, or (D) a person or entity that resides in or is organized under the laws of a jurisdiction designated by the

United States Secretary of the Treasury under Sections 311 or 312 of the USA PATRIOT Act as warranting special measures due to money laundering concerns, (ii) the Borrower and, to the knowledge of the Borrower, its Affiliates have implemented, and each maintain in effect, policies and procedures designed to ensure compliance by the Borrower and its directors, officers, employees and agents with Anti-Corruption Laws and applicable Sanctions, and (iii) the Borrower, and to the knowledge of the Borrower, its Affiliates and its Affiliates' respective directors, officers, employees and agents, are in compliance with Anti-Corruption Laws and applicable Sanctions in all material respects.

(ll) Confirmation. The Borrower has received a letter in writing (which letters have been provided to the Administrative Agent for the benefit of the Secured Parties, who are intended third party beneficiaries thereunder) from CGMS and Carlyle Management stating that such Persons, to the fullest extent of their control and voting rights, will not suffer or permit the Borrower to file a voluntary bankruptcy petition under the Bankruptcy Code, except to the extent that any action precluding or otherwise allowing such petition would be in breach of its fiduciary obligations.

(mm) Accuracy of Representations and Warranties. Each representation or warranty by the Borrower contained herein or in any certificate or other document furnished by the Borrower pursuant hereto or in connection herewith is true and correct in all material respects.

(nn) Reaffirmation of Representations and Warranties. On each day that any Advance is made hereunder, the Borrower shall be deemed to have certified that all representations and warranties described in Section 4.01 and Section 4.02 are correct in all material respects on and as of such day as though made on and as of such day, except for any such representations or warranties which are made as of a specific date.

(oo) Security Interest.

(i) This Agreement creates a valid and continuing security interest (as defined in the applicable UCC) in the Borrower's rights in the Collateral Portfolio in favor of the Collateral Agent, on behalf of the Secured Parties, which security interest is prior to all other Liens (except for Permitted Liens), and is enforceable as such against creditors of and purchasers from the Borrower;

(ii) the Collateral Portfolio is comprised of "instruments", "financial assets", "security entitlements", "general intangibles", "chattel paper", "accounts", "certificated securities", "uncertificated securities", "securities accounts", "deposit accounts", "supporting obligations" or "insurance" (each as defined in the applicable UCC) and the proceeds of the foregoing or real property or such other category of collateral under the applicable UCC as to which the Borrower has complied with its obligations under this Section 4.01(oo);

(iii) with respect to Collateral Portfolio that constitute "financial assets":

(A) all of such financial assets (other than financial assets covered by subparagraphs (x), (xi), (xiii) or (xiv) of this Section 4.01(oo)) have been credited to the Collection Account and the securities intermediary for the Collection Account has agreed to treat all assets credited to the Collection Account as "financial assets" within the meaning of the applicable UCC; and

(B) the Collection Account is not in the name of any Person other than the Borrower, subject to the lien of the Collateral Agent, for the benefit of the Secured Parties. The securities intermediary of the Collection Account which is a "securities account" under the UCC has agreed to comply with the entitlement orders and instructions of the Borrower, the Servicer and the Collateral Agent (acting at the direction of the Administrative Agent) in accordance with the Transaction Documents, including causing cash to be invested in Permitted Investments; *provided* that, upon the delivery of a Notice of Exclusive Control by the Collateral Agent (acting at the direction of the Administrative Agent), the securities intermediary has agreed to only follow the entitlement orders and instructions of the Collateral Agent, on behalf of the Secured Parties, including with respect to the investment of cash in Permitted Investments.

(iv) the Collection Account constitutes a "securities account" as defined in the applicable UCC;

(v) the Borrower, the Account Bank and the Collateral Agent, on behalf of the Secured Parties, have entered into the Collection Account Agreement; and the Collection Account Agreement, together with this Agreement, grants to the Collateral Agent, for the benefit of the Secured Parties, a first priority perfected security interest in the Collection Account;

(vi) the Borrower owns and has good and marketable title to (or with respect to assets securing any Loan Assets, a valid security interest in) the Collateral Portfolio free and clear of any Lien (other than Permitted Liens) of any Person;

(vii) the Borrower has received all consents and approvals required by the terms of any Loan Asset to the granting of a security interest in the Loan Assets hereunder to the Collateral Agent, on behalf of the Secured Parties;

(viii) the Borrower has caused 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 Collateral Portfolio and that portion of the Loan Assets in which a security interest may be perfected by filing granted to the Collateral Agent, on behalf of the Secured Parties, under this Agreement; *provided* that filings in respect of real property shall not be required;

(ix) other than as expressly permitted by the terms of this Agreement and the security interest granted to the Collateral Agent, on behalf of the Secured Parties, pursuant to this Agreement, the Borrower has not pledged, assigned, sold, granted a security interest in or otherwise conveyed any of the Collateral Portfolio. 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 Collateral Portfolio other than any financing statement (A) relating to the security interests granted to the Borrower under the Contribution Agreement, (B) that has been terminated or fully and validly assigned to the Collateral Agent on or prior to the date hereof, or (C) reflecting the transfer of assets on a Release Date pursuant to (and simultaneously with or subsequent to) the consummation of any transaction contemplated under (and in compliance with the conditions set forth in) Section 2.07. The Borrower is not aware of the filing of any judgment or Tax lien filings against the Borrower;

(x) all original executed copies of each underlying promissory note or copies of each Loan Asset Register, as applicable, that constitute or evidence each Loan Asset has been, or subject to the delivery requirements contained herein, will be delivered to the Collateral Custodian;

(xi) other than in the case of Noteless Loan Assets, the Borrower has received, or subject to the delivery requirements contained herein will receive, a written acknowledgment from the Collateral Custodian that the Collateral Custodian, as the bailee of the Collateral Agent, is holding the underlying promissory notes that constitute or evidence the Loan Assets solely on behalf of and for the Collateral Agent, for the benefit of the Secured Parties;

(xii) none of the underlying promissory notes, or Loan Asset Registers, as applicable, that constitute or evidence the Loan Assets has any marks or notations indicating that they have been pledged, assigned or otherwise conveyed to any Person other than the Collateral Agent, on behalf of the Secured Parties;

(xiii) with respect to any Collateral Portfolio that constitutes a "certificated security," unless credited to the Collection Account and in the control of the Account Bank, such certificated security has been delivered to the Collateral Custodian, on behalf of the Secured Parties and, if in registered form, has been specially Indorsed to the Collateral Agent, for the benefit of the Secured Parties, or in blank by an effective Indorsement or has been registered in the name of the Collateral Agent, for the benefit of the Secured Parties, upon original issue or registration of transfer by the Borrower of such certificated security; and

(xiv) with respect to any Collateral Portfolio that constitutes an "uncertificated security", unless credited to the Collection Account and in the control of the Account Bank, the Borrower shall cause the issuer of such uncertificated security to register the Collateral Agent, on behalf of the Secured Parties, as the registered owner of such uncertificated security, or enter into a control agreement granting a perfected first Lien in such uncertificated security in a manner acceptable to the Collateral Agent and the Administrative Agent.

SECTION 4.02 Representations and Warranties of the Borrower Relating to the Agreement and the Collateral Portfolio. The Borrower (and the Servicer, with respect to clauses (b)(ii) below) hereby represent and warrant, as of the Closing Date, as of each applicable Cut-Off Date, as of each applicable Advance Date, as of each Reporting Date and any date which Loan Assets are Pledged hereunder and as of each other date provided under this Agreement or the other Transaction Documents on which such representations and warranties are required to be (or deemed to be) made:

(a) Valid Transfer and Security Interest. This Agreement constitutes a grant of a security interest in all of the Collateral Portfolio to the Collateral Agent, for the benefit of the Secured Parties, which upon the delivery of the Required Loan Documents to the Collateral Custodian, the crediting of Loan Assets to the Collection Account and the filing of the financing statements, shall be a valid and first priority perfected security interest in the Loan Assets forming a part of the Collateral Portfolio and in that portion of the Loan Assets in which a security interest may be perfected by filing a UCC financing statement subject only to Permitted Liens. Neither the Borrower nor any Person claiming through or under Borrower shall have any claim to or interest in the Collection Account and, if this Agreement constitutes the grant of a security interest in such property, except for the interest of the Borrower in such property as a debtor for purposes of the UCC. The Collection Account Agreement, together with this Agreement, grants to the Collateral Agent for the benefit of the Secured Parties a first priority perfected security interest in the Collection Account.

(b) Eligibility of Collateral Portfolio. (i) The Loan Asset Schedule and the information contained in each Notice of Borrowing, is an accurate and complete listing of all the Loan Assets contained in the Collateral Portfolio as of the related Cut-Off Date and the information contained therein with respect to the identity of such item of Collateral Portfolio and the amounts owing thereunder is true and correct as of the related Cut-Off Date, (ii) each Loan Asset designated on any Borrowing Base Certificate as an Eligible Loan Asset and each Loan Asset included as an Eligible Loan Asset in any calculation of Borrowing Base, Borrowing Base Deficiency is an Eligible Loan Asset and (iii) with respect to each item of Collateral Portfolio, 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 Borrower in connection with the grant of a security interest in each item of Collateral Portfolio to the Collateral Agent, for the benefit of the Secured Parties, have been duly obtained, effected or given and are in full force and effect. For the avoidance of doubt, any inaccurate representation that a Loan Asset is an Eligible Loan Asset hereunder or under the Contribution Agreement shall not constitute an Event of Default if the Borrower complies with Section 2.07(e) hereunder and the Transferor complies with Section 6.1 of the Contribution Agreement (subject to the grace period set forth in such provisions); *provided* that any such Loan Asset will not be included in the calculation of the Borrowing Base during such grace period.

(c) No Fraud. Each Loan Asset was originated without any fraud or misrepresentation by the Transferor or the Borrower or, to the best of the Borrower's knowledge, on the part of the Obligor.

SECTION 4.03 Representations and Warranties of the Servicer. The Servicer hereby represents and warrants, as of the Closing Date, as of each applicable Cut-Off Date, as of each applicable Advance Date, as of each Reporting Date and as of each other date provided under this Agreement or the other Transaction Documents on which such representations and warranties are required to be (or deemed to be) made (unless a specific date is specified below):

(a) Organization and Good Standing. The Servicer is a corporation duly incorporated, validly existing and in good standing under the laws of the State of Maryland (except as such jurisdiction is changed as permitted hereunder), with all requisite corporate power and authority necessary to own or lease its properties and to conduct its business as such business is presently conducted and to enter into and perform its obligations pursuant to this Agreement.

(b) Due Qualification. The Servicer is duly qualified to do business as a corporation, and has obtained all necessary licenses and approvals in the State of New York and in all other jurisdictions in which the ownership or lease of its property and the conduct of its business requires such qualification, licenses or approvals, except where the failure to obtain such qualification, licenses or approvals could reasonably be expected to result in a Material Adverse Effect.

(c) Power and Authority; Due Authorization; Execution and Delivery. The Servicer (i) has all necessary power, authority and legal right to (x) execute and deliver this Agreement and the other Transaction Documents to which it is a party and (y) carry out the terms of this Agreement and the other Transaction Documents to which it is a party, and (ii) has duly authorized by all necessary corporate action the execution, delivery and performance of this Agreement and each of the other Transaction Documents to which it is a party. This Agreement and each other Transaction Document to which the Servicer is a party have been duly executed and delivered by the Servicer.

(d) Binding Obligation. This Agreement and each of the other Transaction Documents to which the Servicer is a party constitutes a legal, valid and binding obligation of the Servicer, enforceable against the Servicer in accordance with their respective terms, except as the enforceability hereof and thereof may be limited by Bankruptcy Laws and by general principles of equity.

(e) No Violation. The execution, delivery and performance of this Agreement and the other Transaction Documents to which it is a party and the fulfillment of the terms hereof and thereof 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 Servicer's articles of incorporation or by-laws, (ii) result in the creation or imposition of any Lien upon any of the Servicer's properties pursuant to the terms of any such contractual obligation, other than this Agreement, (iii) violate any Applicable Law in any material respect or (iv) violate any material contract or other material agreement to which the Servicer is a party or by which the Servicer or any property or assets of the Servicer may be bound.

(f) No Proceedings. There is no litigation, proceeding or investigation pending or, to the knowledge of the Servicer, threatened against the Servicer or any properties of the Servicer, before any Governmental Authority (i) asserting the invalidity of this Agreement or any other Transaction Document to which the Servicer is a party, (ii) seeking to prevent the consummation of any of the transactions contemplated by this Agreement or any other Transaction Document to which the Servicer is a party or (iii) seeking any determination or ruling that could reasonably be expected to have a Material Adverse Effect.

(g) All Consents Required. No consent of any other party and no consent, license, approval or authorization of, or registration or declaration with, any Governmental Authority, bureau or agency is required in connection with the execution, delivery or performance by the Servicer of this Agreement or any other Transaction Document to which it is a party or the validity or enforceability of this Agreement or any such Transaction Document or the Loan Assets or the transfer of an ownership interest or security interest in such Loan Assets, other than such as have been met or obtained and are in full force and effect.

(h) Reports Accurate. All Servicer's Certificates, Servicing Reports (with respect to information prepared or supplied by the Borrower or the Servicer), Notices of Borrowing, Borrowing Base Certificates and other written or electronic information, exhibits, financial statements, documents, books, records or reports furnished by the Servicer to the Administrative Agent, the Collateral Agent or the Collateral Custodian in connection with this Agreement are, as of their date, accurate, true and correct in all material respects, and no such document or certificate contains any material misstatement of fact or omits to state a material fact or any fact necessary to make the statements contained therein not misleading; *provided,* that solely with respect to written or electronic information furnished by the Servicer that was provided to the Servicer from an Obligor with respect to a Loan Asset, such information is accurate, true and correct in all material respects to the best knowledge of the Servicer. Each Loan Asset designated on any Servicing Report as an Eligible Loan Asset and each Loan Asset included as an Eligible Loan Asset in any calculation of Borrowing Base, Borrowing Base Deficiency in any Servicing Report is an Eligible Loan Asset.

(i) Servicing Standard. The Servicer has complied in all material respects with the Risk and Collection Policies and the Servicing Standard with regard to the servicing of the Loan Assets.

(j) Collections. The Servicer acknowledges that all Available Collections received by it or its Affiliates with respect to the Collateral Portfolio transferred or Pledged hereunder are held and shall be held in trust for the benefit of the Collateral Agent, on behalf of the Secured Parties, until deposited into the Collection Account as promptly as possible and in any event within two Business Days from receipt as required herein.

(k) Bulk Sales. The execution, delivery and performance of this Agreement is in the ordinary course of business for the Servicer and is not subject to the bulk transfer or any similar statutory provisions in effect in any applicable jurisdiction.

(l) Solvency. The Servicer is Solvent and not the subject of any Bankruptcy Proceedings or Bankruptcy Event. The transactions under this Agreement and any other Transaction Document to which the Servicer is a party do not and will not render the Servicer not Solvent.

(m) Taxes. The Servicer has filed or caused to be filed (on a consolidated basis or otherwise) on a timely basis all material tax returns (including, without limitation, all foreign, federal, state, local and other tax returns) required to be filed by it (subject to any extensions to file properly obtained by the same). The Servicer has paid or made adequate provisions for the payment of all material Taxes, assessments and other governmental charges due made against it or any of its property except for those Taxes being contested in good faith by appropriate proceedings and in respect of which it has established proper reserves in accordance with GAAP on the books of the Servicer. No Tax lien or similar adverse claim has been filed and, to the Servicer's knowledge, no claim is being asserted, with respect to any material Tax, assessment or other governmental charge.

(n) Exchange Act Compliance; Regulations T, U and X. None of the transactions contemplated herein or the other Transaction Documents (including, without limitation, the use of the Proceeds from the sale of the Collateral Portfolio) 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.

(o) Security Interest. The Servicer has taken and will take all steps necessary to ensure that the Borrower has granted and will maintain a security interest (as defined in the UCC) to the Collateral Agent, for the benefit of the Secured Parties, in the Collateral Portfolio, which is enforceable in accordance with Applicable Law upon execution and delivery of this Agreement prior to all other Liens other than Permitted Liens. Upon the filing of UCC-1 financing statements naming the Collateral Agent as secured party and the Borrower as debtor, the Collateral Agent, for the benefit of the Secured Parties, shall have a valid and first priority perfected security interest in the Loan Assets and that portion of the Collateral Portfolio in which a security interest may be perfected by filing a UCC financing statement (except for any Permitted Liens). All filings (including, without limitation, such UCC filings) as are necessary for the perfection of the Secured Parties' security interest in the Loan Assets and that portion of the Collateral Portfolio in which a security interest may be perfected by filing have been (or prior to the applicable Advance will be) made.

(p) ERISA. The present value of all vested benefits under each "employee pension benefit plan" as such term is defined in Section 3(2) of ERISA, other than a Multiemployer Plan, that is subject to Title IV of ERISA and is sponsored or maintained by the Servicer or any ERISA Affiliate of the Servicer or

to which the Servicer or any ERISA Affiliate of the Servicer contributes or has an obligation to contribute, or has any liability (each, a "Servicer Pension Plan") does not exceed by a material amount the value of the assets of the Servicer Pension Plan allocable to such vested benefits (based on the value of such assets as of the last annual valuation date for the Servicer Pension Plan) determined in accordance with the assumptions used for funding such Servicer Pension Plan pursuant to Sections 412 and 430 of the Code for the applicable plan year. No prohibited transactions (within the meaning of ERISA Section 406(a) or (b) or Code Section 4975, for which an exemption is not available or has not previously been obtained from the United States Department of Labor), failure by the Servicer to meet the minimum funding standard set forth in Section 302(a) of ERISA and Section 412(a) of the Code, withdrawal by the Servicer or any ERISA Affiliate of the Servicer from a Servicer Pension Plan subject to Section 4063 of ERISA during a plan year in which it was a "substantial employer" (as defined in Section 4001(a)(2) of ERISA) or cessation of operations that is treated as such a withdrawal under Section 4062(e) of ERISA, or Reportable Events have occurred with respect to any Servicer Pension Plan which either individually or in the aggregate is reasonably expected to result in a material liability to the Servicer. No notice of intent to terminate a Servicer Pension Plan has been filed by the plan administrator under Section 4041 of ERISA, nor has any Servicer Pension Plan been terminated under Section 4041 of ERISA, in either event, that is reasonably expected to result in a material liability to the Servicer. The Pension Benefit Guaranty Corporation has not instituted proceedings to terminate or appointed a trustee to administer a Servicer Pension Plan under Section 4042 of ERISA, and no event has occurred or condition exists which constitutes grounds under Section 4042 of ERISA for the termination of, or the appointment of a trustee to administer, any Servicer Pension Plan.

(q) USA PATRIOT Act, Sanctions, Etc. (i) Neither the Servicer nor, to the knowledge of the Servicer, any Affiliate of the Servicer is (A) a country, territory, organization, person or entity that is the subject or target of any Sanctions, (B) located, organized or resident of a country, region or territory that is, or whose government is, the subject of Sanctions, (C) a "Foreign Shell Bank" within the meaning of the USA PATRIOT Act, i.e., a foreign bank that does not have a physical presence in any country and that is not affiliated with a bank that has a physical presence and an acceptable level of regulation and supervision, or (D) a person or entity that resides in or is organized under the laws of a jurisdiction designated by the United States Secretary of the Treasury under Sections 311 or 312 of the USA PATRIOT Act as warranting special measures due to money laundering concerns, (ii) the Servicer and, to the knowledge of the Servicer, its Affiliates have implemented, and each maintain in effect, policies and procedures designed to ensure compliance by the Servicer and its directors, officers, employees and agents with Anti-Corruption Laws and applicable Sanctions, and (iii) the Servicer, and to the knowledge of the Servicer, its Affiliates and its Affiliates' respective directors, officers, employees and agents, are in compliance with Anti-Corruption Laws and applicable Sanctions in all material respects.

(r) Environmental. With respect to each item of Underlying Collateral as of the applicable Cut-Off Date for the Loan Asset related to such Underlying Collateral, to the actual knowledge of a Responsible Officer of the Servicer: (a) the related Obligor's operations comply in all material respects with all applicable Environmental Laws; (b) none of the related Obligor's operations is the subject of a Federal or state investigation evaluating whether any remedial action, involving expenditures, is needed to respond to a release of any Hazardous Materials into the environment; and (c) the related Obligor does not have any material contingent liability in connection with any release of any Hazardous Materials into the environment. As of the applicable Cut-Off Date for the Loan Asset related to such Underlying Collateral, none of the Borrower, the Transferor nor the Servicer has received any written or verbal notice of, or inquiry from any Governmental Authority regarding, any violation, alleged violation, non-compliance, liability or potential liability regarding environmental matters or compliance with Environmental Laws with regard to any of the Underlying Collateral, nor does any such Person have knowledge or reason to believe that any such notice will be received or is being threatened.

(s) No Injunctions. No injunction, writ, restraining order or other order of any nature adversely affects the Servicer's performance of its obligations under this Agreement or any Transaction Document to which the Servicer is a party.

(t) Instructions to Obligors. The Collection Account is the only account to which Obligors have been instructed by the Servicer on the Borrower's behalf to send Principal Collections and Interest Collections on the Collateral Portfolio. The Servicer has not granted any Person other than the Collateral Agent, on behalf of the Secured Parties, an interest in the Collection Account

(u) Allocation of Charges. There is no agreement or understanding between the Servicer and the Borrower (other than as expressly set forth herein or as consented to by the Administrative Agent), providing for the allocation or sharing of obligations to make payments or otherwise in respect of any taxes, fees, assessments or other governmental charges; *provided* that it is understood and acknowledged that the Borrower will be consolidated with the Servicer for tax purposes.

(v) Servicer Termination Event. No event has occurred which constitutes a Servicer Termination Event (other than any Servicer Termination Event which has previously been disclosed to the Administrative Agent as such).

(w) Broker-Dealer. The Servicer is not a broker-dealer or subject to the Securities Investor Protection Act of 1970, as amended.

(x) Compliance with Applicable Law. The Servicer has complied in all material respects with all Applicable Law to which it may be subject, and no item in the Collateral Portfolio contravenes in any respect any Applicable Law (including, without limitation, all applicable predatory and abusive lending laws, laws, rules and regulations relating to licensing, truth in lending, fair credit billing, fair credit reporting, equal credit opportunity, fair debt collection practices and privacy).

(y) Liquidity. At all times following the earlier of (x) the date that is 10 Business Days after the occurrence of the Commitment Termination Date or (y) the commencement of the Amortization Period, the Servicer maintains (i) Unrestricted Cash *plus* (ii) Unpledged Capital Commitments in an aggregate amount equal to or greater than the amount of the Unfunded Revolving Commitments, if any, then in effect.

SECTION 4.04 Representations and Warranties of each Lender. Each Lender hereby individually represents and warrants, as to itself, that it, acting for its own account, in the aggregate owns and invests on a discretionary basis, not less than $25,000,000 in investments. Notwithstanding any provision herein to the contrary, the parties hereto intend that the Advances made hereunder shall constitute a "loan" and not a "security" for purposes of Section 8-102(15) of the UCC.

SECTION 4.05 Representations and Warranties of the Collateral Custodian. The Collateral Custodian in its individual capacity and as the Collateral Custodian represents and warrants as follows:

(a) Organization; Power and Authority. It is a duly organized and validly existing national banking association in good standing under the laws of the United States. It has full corporate power, authority and legal right to execute, deliver and perform its obligations as Collateral Custodian under this Agreement.

(b) Due Authorization. The execution and delivery of this Agreement and the consummation of the transactions provided for herein have been duly authorized by all necessary association action on its part, either in its individual capacity or as Collateral Custodian, as the case may be.

(c) No Conflict. The execution and delivery of this Agreement, the performance of the transactions contemplated hereby and the fulfillment of the terms hereof will not conflict with, result in any breach of its articles of incorporation or bylaws or any of the terms and provisions of, or constitute (with or without notice or lapse of time or both) a default under any indenture, contract, agreement, mortgage, deed of trust, or other instrument to which the Collateral Custodian is a party or by which it or any of its property is bound.

(d) No Violation. The execution and delivery of this Agreement, the performance of the transactions contemplated hereby and the fulfillment of the terms hereof will not conflict with or violate, in any respect, any Applicable Law.

(e) All Consents Required. All approvals, authorizations, consents, orders or other actions of any Person or Governmental Authority applicable to the Collateral Custodian, required in connection with the execution and delivery of this Agreement, the performance by the Collateral Custodian of the transactions contemplated hereby and the fulfillment by the Collateral Custodian of the terms hereof have been obtained.

(f) Validity, Etc. The Agreement constitutes the legal, valid and binding obligation of the Collateral Custodian, enforceable against the Collateral Custodian in accordance with its terms, except as such enforceability may be limited by applicable Bankruptcy Laws and general principles of equity.

SECTION 4.06 Representations and Warranties of the Backup Servicer. The Backup Servicer in its individual capacity and as Collateral Custodian represents and warrants as follows:

(a) Organization; Power and Authority. It is a duly organized and validly existing national banking association in good standing under the laws of the United States. It has full corporate power, authority and legal right to execute, deliver and perform its obligations as Backup Servicer under this Agreement.

(b) Due Authorization. The execution and delivery of this Agreement and the consummation of the transactions provided for herein have been duly authorized by all necessary association action on its part, either in its individual capacity or as Backup Servicer, as the case may be.

(c) No Conflict. The execution and delivery of this Agreement, the performance of the transactions contemplated hereby and the fulfillment of the terms hereof will not conflict with, result in any breach of its articles of incorporation or bylaws or any of the terms and provisions of, or constitute (with or without notice or lapse of time or both) a default under any indenture, contract, agreement, mortgage, deed of trust, or other instrument to which the Backup Servicer is a party or by which it or any of its property is bound.

(d) No Violation. The execution and delivery of this Agreement, the performance of the transactions contemplated hereby and the fulfillment of the terms hereof will not conflict with or violate, in any respect, any Applicable Law.

(e) All Consents Required. All approvals, authorizations, consents, orders or other actions of any Person or Governmental Authority applicable to the Backup Servicer, required in connection with the execution and delivery of this Agreement, the performance by the Backup Servicer of the transactions contemplated hereby and the fulfillment by the Backup Servicer of the terms hereof have been obtained.

(f) Validity, Etc. The Agreement constitutes the legal, valid and binding obligation of the Collateral Custodian, enforceable against the Backup Servicer in accordance with its terms, except as such enforceability may be limited by applicable Bankruptcy Laws and general principles of equity (whether considered in a suit at law or in equity).

ARTICLE V.
GENERAL COVENANTS

SECTION 5.01 Affirmative Covenants of the Borrower.

From the Closing Date until the Collection Date:

(a) Organizational Procedures and Scope of Business. The Borrower will observe all organizational procedures required by its certificate of formation, limited liability company agreement and the laws of its jurisdiction of formation. Without limiting the foregoing, the Borrower will limit the scope of its business to: (i) the acquisition of Eligible Loan Assets and the ownership and management of the Portfolio Assets and the related assets in the Collateral Portfolio; (ii) the sale, transfer or other disposition of Loan Assets as and when permitted under the Transaction Documents; (iii) entering into and performing under the Transaction Documents; (iv) consenting or withholding consent as to proposed amendments, waivers and other modifications of the Loan Agreements to the extent not in conflict with the terms of this Agreement or any other Transaction Document; (v) exercising any rights (including but not limited to voting rights and rights arising in connection with a Bankruptcy Event with respect to an Obligor or the consensual or non-judicial restructuring of the debt or equity of an Obligor) or remedies in connection with the Loan Assets and participating in the committees (official or otherwise) or other groups formed by creditors of an Obligor to the extent not in conflict with the terms of this Agreement or any other Transaction Document; and (vi) to engage in any activity and to exercise any powers permitted to limited liability companies under the laws of the State of Delaware that are related to the foregoing and necessary, convenient or advisable to accomplish the foregoing.

(b) Special Purpose Entity Requirements. The Borrower will at all times: (i) maintain at least one Independent Director; (ii) maintain its own separate books and records and bank accounts; (iii) hold itself out to the public and all other Persons as a legal entity separate from the Transferor and any other Person (although, in connection with certain advertising, filings and marketing, the Borrower may be identified as a Subsidiary of CGMS); (iv) have a Board of Directors separate from that of the Transferor and any other Person; (v) file its own tax returns, if any, as may be required under Applicable Law, to the extent it is (1) not part of a consolidated group filing a consolidated return or returns or (2) not treated as a division or disregarded entity for Tax purposes of another taxpayer, and pay any Taxes so required to be paid under Applicable Law in accordance with the terms of this Agreement; (vi) not commingle its assets with assets of any other Person; (vii) conduct its business in its own name

and strictly comply with all organizational formalities to maintain its separate existence (although, in connection with certain advertising, filings and marketing, the Borrower may be identified as a Subsidiary of CGMS); (viii) maintain separate financial statements, except to the extent that the Borrower's financial and operating results are consolidated with those of CGMS in consolidated financial statements; (ix) pay its own liabilities only out of its own funds; (x) maintain an arm's-length relationship with its Affiliates and the Transferor; (xi) pay the salaries of its own employees, if any; (xii) not hold out its credit or assets as being available to satisfy the obligations of others; (xiii) allocate fairly and reasonably any overhead for shared office space; (xiv) to the extent used, use separate stationery, invoices and checks (although, in connection with certain advertising and marketing, the Borrower may be identified as a Subsidiary of CGMS); (xv) except as expressly permitted by this Agreement, not pledge its assets as security for the obligations of any other Person; (xvi) correct any known misunderstanding regarding its separate identity; (xvii) maintain adequate capital in light of its contemplated business purpose, transactions and liabilities and pay its operating expenses and liabilities from its own assets; (xviii) cause its Board of Directors to meet at least annually or act pursuant to written consent and keep minutes of such meetings and actions and observe in all material respects all other Delaware limited liability company formalities; (xix) not acquire the obligations or any securities of its Affiliates; and (xx) cause the directors, officers, agents and other representatives of the Borrower to act at all times with respect to the Borrower consistently and in furtherance of the foregoing and in the best interests of the Borrower. Where necessary, the Borrower will obtain proper authorization from its members for limited liability company action.

(c) Preservation of Company Existence. The Borrower will preserve and maintain its limited liability company existence, rights, franchises and privileges in the jurisdiction of its formation, and qualify and remain in good standing as a limited liability company under the laws of its jurisdiction of formation, and will promptly obtain and thereafter maintain qualifications to do business as a foreign limited liability company in any other state in which it does business and in which it is required to so qualify under Applicable Law.

(d) Compliance with Legal Opinions. The Borrower shall take all other actions necessary to maintain the accuracy of the factual assumptions set forth in the legal opinions of Latham & Watkins LLP and Richards, Layton & Finger, P.A., each as special counsel to the Borrower and issued in connection with the Transaction Documents and relating to the issues of substantive consolidation and "true contribution" of the Loan Assets.

(e) Deposit of Collections. The Borrower shall promptly (but in no event later than two Business Days after receipt) deposit or cause to be deposited into the Collection Account any and all Available Collections received by the Borrower, the Servicer or any of their Affiliates.

(f) Disclosure of Purchase Price. The Borrower shall disclose to the Administrative Agent the purchase price for each Loan Asset proposed to be transferred to the Borrower pursuant to the terms of the Contribution Agreement.

(g) Compliance With Loan Agreements. The Borrower will act in conformity with all material terms and conditions of the Loan Agreements and Required Loan Documents.

(h) Obligor Defaults and Bankruptcy Events. The Borrower shall give, or shall cause the Servicer to give, notice to the Administrative Agent within five Business Days of the Borrower's, the Transferor's or the Servicer's actual knowledge of the occurrence of any default by an Obligor under any Loan Asset, including any payment default or Bankruptcy Event with respect to any Obligor under any Loan Asset.

(i) Required Loan Documents. The Borrower shall deliver to the Collateral Custodian and the Backup Servicer a copy of the Required Loan Documents and the Loan Asset Checklist pertaining to each Loan Asset within five Business Days of the Cut-Off Date pertaining to such Loan Asset.

(j) Taxes. The Borrower will file or cause to be filed its tax returns and pay any and all Taxes imposed on it or its property as required by the Transaction Documents (except as contemplated in Section 4.01(o)).

(k) Notice of Event of Default. The Borrower shall notify the Administrative Agent (with a copy to the Collateral Agent and each Lender Agent) with prompt (and in any event within two Business Days) written notice of the occurrence of each Event of Default of which the Borrower has knowledge or has received notice. In addition, no later than two Business Days following the Borrower's knowledge or notice of the occurrence of any Event of Default, the Borrower will provide to the Administrative Agent (with a copy to the Collateral Agent and each Lender Agent) a written statement of a Responsible Officer of the Borrower setting forth the details of such event and the action that the Borrower proposes to take with respect thereto.

(l) Notice of Material Events. The Borrower shall promptly notify the Administrative Agent (with a copy to the Collateral Agent and each Lender Agent) of any event or other circumstance that is reasonably likely to have a Material Adverse Effect.

(m) Notice of Income Tax Liability. The Borrower shall furnish to the Administrative Agent telephonic or facsimile notice within 10 Business Days (confirmed in writing within five Business Days thereafter) of the receipt of revenue agent reports or other written proposals, determinations or assessments of the Internal Revenue Service or any other taxing authority which propose, determine or otherwise set forth positive adjustments (i) to the Tax liability of CGMS or any "affiliated group" (within the meaning of Section 1504(a)(1) of the Code) of which CGMS is a member in an amount equal to or greater than $10,000,000 in the aggregate, or (ii) to the Tax liability of the Borrower itself in an amount equal to or greater than $500,000 in the aggregate. Any such notice shall specify the nature of the items giving rise to such adjustments and the amounts thereof.

(n) Notice of Auditors' Management Letters. The Borrower shall promptly notify the Administrative Agent (with a copy to the Collateral Agent and each Lender Agent) after the receipt of any auditors' management letters received by the Borrower or by its accountants.

(o) Notice of Breaches of Representations and Warranties under this Agreement. The Borrower shall, upon receipt of notice or discovery thereof, promptly notify the Administrative Agent (with a copy to the Collateral Agent and each Lender Agent) if any representation or warranty set forth in Section 4.01 or Section 4.02 was incorrect at the time it was given or deemed to have been given and at the same time deliver to the Administrative Agent (with a copy to the Collateral Agent and each Lender Agent) a written notice setting forth in reasonable detail the nature of such facts and circumstances. In particular, but without limiting the foregoing, the Borrower shall notify the Administrative Agent (with a copy to the Collateral Agent and each Lender Agent) in the manner set forth in the preceding sentence before any Cut-Off Date of any facts or circumstances within the knowledge of the Borrower which would render any of the said representations and warranties untrue at the date when such representations and warranties were made or deemed to have been made.

(p) Notice of Breaches of Representations and Warranties under the Contribution Agreement. The Borrower confirms and agrees that the Borrower will, upon receipt of notice or discovery thereof, promptly send to the Administrative Agent (with a copy to the Collateral Agent and each Lender Agent) a notice of (i) any breach of any representation, warranty, agreement or covenant under the Contribution Agreement or (ii) any event or occurrence that, upon notice, or upon the passage of time or both, would constitute such a breach.

(q) Notice of Proceedings. The Borrower shall notify the Administrative Agent (with a copy to the Collateral Agent and each Lender Agent), as soon as possible and in any event within three Business Days, after the Borrower receives notice or obtains knowledge thereof, of any settlement of, material judgment (including a material judgment with respect to the liability phase of a bifurcated trial) in or commencement of any material labor controversy, material litigation, material action, material suit or material proceeding before any court or governmental department, commission, board, bureau, agency or instrumentality, domestic or foreign, affecting the Collateral Portfolio, the Transaction Documents, the Collateral Agent's, for the benefit of the Secured Parties, interest in the Collateral Portfolio, or the Borrower, the Servicer, the Transferor or any of their Affiliates. For purposes of this Section 5.01(p), (i) any settlement, judgment, labor controversy, litigation, action, suit or proceeding affecting the Collateral Portfolio, the Transaction Documents, the Collateral Agent's, for the benefit of the Secured Parties, interest in the Collateral Portfolio, or the Borrower in excess of $500,000 shall be deemed to be material and (ii) any settlement, judgment, labor controversy, litigation, action, suit or proceeding affecting the Servicer, the Transferor or any of their Affiliates (other than the Borrower) in excess of $25,000,000 shall be deemed to be material.

(r) Notice of ERISA Reportable Events. The Borrower shall promptly notify the Administrative Agent after receiving notice of the occurrence of any Reportable Event with respect to any Pension Plan (except as would not reasonably be expected to result in a Material Adverse Effect) and provide the Administrative Agent with a copy of such notice.

(s) Notice of Accounting Changes. As soon as possible and in any event within three Business Days after the effective date thereof, the Borrower will provide to the Administrative Agent notice of any change in the accounting policies of the Borrower (other than changes that have an immaterial impact on the financial statements of the Borrower).

(t) Additional Documents. The Borrower shall provide the Administrative Agent with copies of such documents as the Administrative Agent may reasonably request evidencing the truthfulness of the representations set forth in this Agreement.

(u) Protection of Security Interest. With respect to the Collateral Portfolio acquired by the Borrower, the Borrower will (i) acquire such Collateral Portfolio pursuant to and in accordance with the terms of the Contribution Agreement, (ii) at the expense of the Servicer, on behalf of the Borrower take all action necessary to perfect, protect and more fully evidence the Borrower's ownership of such Collateral Portfolio free and clear of any Lien other than the Lien created hereunder and Permitted Liens, including, without limitation, (a) with respect to the Loan Assets and that portion of the Collateral Portfolio in which a security interest may be perfected by filing, filing and maintaining (at the expense of the Servicer, on behalf of the Borrower) effective financing statements against the Transferor in all necessary or appropriate filing offices, (including any amendments thereto or assignments thereof) and filing continuation statements, amendments or assignments with respect thereto in such filing offices, (including any amendments thereto or assignments thereof) and (b) executing or causing to be executed

such other instruments or notices as may be necessary or appropriate, (iii) at the expense of the Servicer, on behalf of the Borrower, take all action necessary to cause a valid, subsisting and enforceable first priority perfected security interest, subject only to Permitted Liens, to exist in favor of the Collateral Agent (for the benefit of the Secured Parties) in the Borrower's interests in all of the Collateral Portfolio being Pledged hereunder including the filing of a UCC financing statement in the applicable jurisdiction adequately describing the Collateral Portfolio (which may include an "all asset" filing), and naming the Borrower as debtor and the Collateral Agent as the secured party, and filing continuation statements, amendments or assignments with respect thereto in such filing offices (including any amendments thereto or assignments thereof), (iv) permit the Administrative Agent or its agents or representatives to visit the offices of the Borrower during normal office hours and, unless a Servicer Termination Event, Default or Event of Default has occurred and is continuing, upon reasonable advance notice, examine and make copies of all documents, books, records and other information concerning the Collateral Portfolio and discuss matters related thereto with any of the officers or employees of the Borrower having knowledge of such matters, and (v) take all additional action that the Administrative Agent or the Collateral Agent may reasonably request to perfect, protect and more fully evidence the respective first priority perfected security interests of the parties to this Agreement in the Collateral Portfolio, or to enable the Administrative Agent or the Collateral Agent to exercise or enforce any of their respective rights hereunder.

(v) Liens. The Borrower will promptly notify the Administrative Agent (with a copy to the Collateral Agent and each Lender Agent) of the existence of any Lien on the Collateral Portfolio (other than Permitted Liens) and the Borrower shall defend the right, title and interest of the Collateral Agent, for the benefit of the Secured Parties, in, to and under the Collateral Portfolio against all claims of third parties.

(w) Other Documents. At any time from time to time upon prior written request of the Administrative Agent, at the sole expense of the Borrower, the Borrower will promptly and duly execute and deliver such further instruments and documents and take such further actions as the Administrative Agent may reasonably request for the purposes of obtaining or preserving the full benefits of this Agreement including the first priority security interest (subject only to Permitted Liens) granted hereunder and of the rights and powers herein granted (including, among other things, authorizing the filing of such UCC financing statements as the Administrative Agent may reasonably request).

(x) Compliance with Applicable Law. The Borrower shall at all times (i) comply in all material respects with all Applicable Law applicable to Borrower or any of its assets (including, without limitation, Environmental Laws, and all federal securities laws), (ii) do or cause to be done all things necessary to preserve and maintain in full force and effect its legal existence, and all licenses material to its business, and (iii) maintain in effect and enforce policies and procedures designed to ensure compliance in all material respects by the Borrower and its directors, officers, employees and agents with Anti-Corruption Laws and applicable Sanctions.

(y) Proper Records. The Borrower shall at all times keep proper books of records and accounts in which full, true and correct entries shall be made of its transactions in accordance with GAAP and, if applicable, set aside on its books from its earning for each fiscal year all such proper reserves in accordance with GAAP. The Borrower shall account for transfers to it from the Transfer of Loan Assets under the Contribution Agreement as contributions of such Loan Assets in its books, records and financial statements (although the financial statements of the Borrower and CGMS may be consolidated), in each case consistent with GAAP.

(z) Satisfaction of Obligations. The Borrower shall pay, discharge or otherwise satisfy at or before maturity or before they become delinquent, as the case may be, all its obligations of whatever nature, except where the amount or validity thereof is currently being contested in good faith by appropriate proceedings and reserves with respect thereto have been provided on the books of the Borrower.

(aa) Performance of Covenants. The Borrower shall observe, perform and satisfy all the material terms, provisions, covenants and conditions required to be observed, performed or satisfied by it, and shall pay when due all costs, fees and expenses required to be paid by it, under the Transaction Documents. The Borrower shall pay and discharge all Taxes, levies, liens and other charges on it or its assets and on the Collateral Portfolio that, in each case, in any manner would create any lien or charge upon the Collateral Portfolio, except for any such Taxes as are being appropriately contested in good faith by appropriate proceedings diligently conducted and with respect to which adequate reserves have been provided in accordance with GAAP.

(bb) Tax Treatment. The Borrower, the Transferor and the Lenders shall treat the Advances advanced hereunder as indebtedness of the Borrower (or, so long as the Borrower is treated as a disregarded entity for U.S. federal income tax purposes, as indebtedness of the entity of which it is considered to be a part) for U.S. federal income tax purposes and to file any and all tax forms in a manner consistent therewith.

(cc) Maintenance of Records. The Borrower will maintain records with respect to the Collateral Portfolio and the conduct and operation of its business with no less a degree of prudence than if the Collateral Portfolio were held by the Borrower for its own account and will furnish the Administrative Agent, upon the reasonable request by the Administrative Agent, information with respect to the Collateral Portfolio and the conduct and operation of its business.

(dd) Obligor Notification Forms. The Borrower shall furnish the Collateral Agent and the Administrative Agent with an appropriate power of attorney to send (at the Administrative Agent's discretion on the Collateral Agent's behalf, after the occurrence and during the continuance of an Event of Default or the Facility Maturity Date) Obligor notification forms to give notice to the Obligors of the Collateral Agent's interest in the Collateral Portfolio and the obligation to make payments as directed by the Administrative Agent on the Collateral Agent's behalf.

(ee) Officer's Certificate. On each anniversary of the date of this Agreement, the Borrower shall deliver an Officer's Certificate, in form and substance acceptable to the Administrative Agent, providing (i) a certification, based upon a review and summary of UCC search results, that there is no other interest in the Collateral Portfolio perfected by filing of a UCC financing statement other than in favor of the Collateral Agent and (ii) a certification, based upon a review and summary of tax and judgment lien searches satisfactory to the Administrative Agent, that there is no other interest in the Collateral Portfolio based on any tax or judgment lien.

(ff) Continuation Statements. The Borrower shall, not earlier than six months and not later than three months prior to the fifth anniversary of the date of filing of the financing statement referred to in Schedule I hereto or any other financing statement filed pursuant to this Agreement or in connection with any Advance hereunder, unless the Collection Date shall have occurred:

(i) authorize and deliver and file or cause to be filed an appropriate continuation statement with respect to such financing statements (and, to the extent that it does not make such a filing, the Collateral Agent hereby authorizes the Borrower to file such continuation statements); and

(ii) deliver or cause to be delivered to the Collateral Agent and the Administrative Agent an opinion of the counsel for the Borrower, in form and substance reasonably satisfactory to the Administrative Agent, confirming and updating the opinion delivered pursuant to Schedule I with respect to perfection and otherwise to the effect that the security interest hereunder continues to be an enforceable and perfected security interest, subject to no other Liens of record except as provided herein or otherwise permitted hereunder, which opinion may contain usual and customary assumptions, limitations and exceptions.

(gg) Disregarded Entity. The Borrower will be disregarded as an entity separate from its owner pursuant to Treasury Regulation Section 301.7701-3(b), and neither the Borrower nor any other Person on its behalf shall make an election to be, or take any other action that is reasonably likely to result in the Borrower being, treated as other than an entity disregarded from its owner under Treasury Regulation Section 301.7701-3(c).

(hh) Audits. Subject to the proviso hereto, annually (or more frequently as the Administrative Agent, for itself and as agent for the Lenders may require after the occurrence of and during the continuance of an Event of Default) and at the sole cost and expense of the Borrower, during normal office hours and, so long as there exists no Event of Default, upon reasonable prior notice, (i) cause an independent nationally recognized accounting firm or an independent audit and consulting firm specializing in securitization transactions reasonably satisfactory to the Administrative Agent, to enter the premises of the Borrower and any Person to whom the Borrower delegates all or any portion of its duties under any Transaction Document to which it is a party and examine and audit the books, records and accounts of the Borrower and such other Person relating to its business, financial condition and operations (in each case, relating to or impacting the transactions contemplated under the Transaction Documents) and the Borrower's and such other Person's performance under the Transaction Documents to which it is a party, (ii) permit such firm to discuss the Borrower's and such other Person's affairs and finances (in each case, relating to or impacting the transactions contemplated under the Transaction Documents) with the officers, partners, employees and accountants of any of them, (iii) cause such firm to provide to the Administrative Agent and each Lender Agent, with a report in respect of the foregoing, which shall be in form and scope reasonably satisfactory to the Administrative Agent, and (iv) authorize such firm to discuss such affairs, finances and performance with representatives of the Administrative Agent and Lender Agent and their designees; *provided* that (x) so long as the Borrower's financial and operating results are consolidated with those of CGMS in consolidated financial statements, (y) the Administrative Agent, each Lender Agent, any Liquidity Bank, the Backup Servicer and the Collateral Agent have received all audited consolidated financial statements required to be delivered pursuant to Section 6.08(d) that consolidate the Borrower's financial and operating results with those of CGMS, and (z) there exists no Event of Default, the Administrative Agent and each Lender Agent agree that they will not request, commence or cause an audit and examination of the Borrower pursuant to this Section 5.01(hh).

(ii) Access to Records. Annually (or more frequently as the Administrative Agent, for itself and as agent for the Lenders may require after the occurrence of and during the continuance of a Default or an Event of Default) permit the Administrative Agent, the Lender Agents or any Person designated by the Administrative Agent or the Lender Agents, and at the sole cost and expense of the Borrower, to, during normal hours and unless a Servicer Termination Event, Default or Event of Default

has occurred and is continuing upon reasonable advance notice, visit and inspect at reasonable intervals its and any Person to which it delegates any of its duties under the Transaction Documents to which it is a party books, records and accounts relating to its business, financial condition, operations and assets (in each case, relating to or impacting the transactions contemplated under the Transaction Documents) and its performance under the Transaction Documents to which it is a party and to discuss the foregoing with its and such Person's officers, partners, employees and accountants, all as often as the Administrative Agent or the Lender Agents, as the case may be, may reasonably request; *provided, that*, the Administrative Agent and the Lender Agents shall use all reasonable efforts to coordinate their inspections; *provided, however*, that if under the terms of any agreement with any Person which is not an Affiliate of the Borrower or the Transferor to whom the Borrower has delegated any of its duties under any Transaction Document, only the Borrower or the Transferor, as the case may be, is permitted to visit and inspect such Person's books, records and accounts, it shall at the request of the Administrative Agent or any Lender Agent, exercise or cause the Transferor or the Borrower, as the case may be, to exercise the rights specified in this Section 5.01(ii) on behalf of such requesting parties, as frequently as the terms of any such agreement permit, but in no event less frequently than annually.

SECTION 5.02 Negative Covenants of the Borrower.

From the Closing Date until the Collection Date:

(a) Special Purpose Requirements. Except as otherwise permitted by this Agreement, the Borrower shall not (i) guarantee any obligation of any Person, including any Affiliate; (ii) engage, directly or indirectly, in any business, other than the actions to be performed under the Transaction Documents or with respect to the Loan Assets or, in each case, as may be necessary or appropriate in connection therewith; (iii) incur, create or assume any Indebtedness, other than Indebtedness incurred under the Transaction Documents; (iv) make or permit to remain outstanding any loan or advance to, or own or acquire any stock or securities of, any Person, except that the Borrower may invest in those Loan Assets and other investments permitted under the Transaction Documents; (v) become insolvent or fail to pay its debts and liabilities from its assets when due; (vi) create, form or otherwise acquire any Subsidiaries or (vii) release, sell, transfer, convey or assign any Loan Asset unless in accordance with the Transaction Documents.

(b) Requirements for Material Actions. The Borrower shall at all times maintain at least one Independent Director, shall not fail to provide (and at all times the Borrower's organizational documents shall reflect) that the unanimous consent of all members (including the consent of the Independent Director) is required for the Borrower to (i) dissolve or liquidate, in whole or part, or institute proceedings to be adjudicated bankrupt or insolvent, (ii) institute or consent to the institution of bankruptcy or insolvency proceedings against it, (iii) file a petition seeking or consent to reorganization or relief under any applicable federal or state law relating to bankruptcy or insolvency, (iv) seek or consent to the appointment of a receiver, liquidator, assignee, trustee, sequestrator, custodian or any similar official for the Borrower, (v) make any assignment for the benefit of the Borrower's creditors, (vi) admit in writing its inability to pay its debts generally as they become due, or (vii) take any action in furtherance of any of the foregoing.

(c) Protection of Title. The Borrower shall not take any action which would directly or indirectly impair or adversely affect Borrower's title to the Collateral Portfolio.

(d) Transfer Limitations. The Borrower shall not transfer, assign, convey, grant, bargain, sell, set over, deliver or otherwise dispose of, or pledge or hypothecate, directly or indirectly, any interest in the Collateral Portfolio to any person other than the Collateral Agent for the benefit of the Secured Parties, or engage in financing transactions or similar transactions with respect to the Collateral Portfolio with any person other than the Administrative Agent and the Lender Agents, in each case, except as otherwise expressly permitted by the terms of this Agreement.

(e) Liens. The Borrower shall not create, incur or permit to exist any Lien in or on any of the Collateral Portfolio subject to the Lien granted by the Borrower pursuant to this Agreement, other than Permitted Liens.

(f) Organizational Documents. The Borrower shall not modify or terminate any of the organizational or operational documents of the Borrower without the prior written consent of the Administrative Agent.

(g) Merger, Acquisitions, Sales, etc. The Borrower shall not amend its certificate of formation or operating agreement, change its organizational structure, enter into any transaction of merger or consolidation or amalgamation, or asset sale (other than pursuant to Section 2.07), or liquidate, wind up or dissolve itself (or suffer any liquidation, winding up or dissolution) without the prior written consent of the Administrative Agent and the Majority Lenders.

(h) Use of Proceeds. The Borrower shall not use the proceeds of any Advance other than (x) to finance the acquisition by the Borrower of Collateral Portfolio, or (y) to distribute such proceeds to CGMS (so long as such distribution is permitted pursuant to Section 5.02(m)).

(i) Limited Assets. The Borrower shall not hold or own any assets that are not part of the Collateral Portfolio or powers and rights incidental to the Transaction Documents other than cash, Permitted Investments (made in accordance with this Agreement) and Loan Assets sold, substituted, distributed or repurchased in accordance with the requirements of Sections 2.07.

(j) Tax Treatment. The Borrower shall not elect to be, or take any other action that is reasonably likely to result in the Borrower being, treated as a corporation for U.S. federal income tax purposes and shall take all steps necessary to avoid being treated as a corporation for U. S. federal income tax purposes.

(k) Extension or Amendment of Collateral Portfolio. The Borrower will not, except as otherwise permitted in Section 6.04(a) of this Agreement and in accordance with the Risk and Collection Policies and the Servicing Standard, extend, amend or otherwise modify the terms of any Loan Asset (including the Underlying Collateral).

(l) Contribution Agreement. The Borrower will not amend, modify, waive or terminate any provision of the Contribution Agreement without the prior written consent of the Administrative Agent.

(m) Restricted Junior Payments. Neither the Borrower nor the Servicer shall make any Restricted Junior Payment, except that, (i) so long as no Event of Default or Unmatured Event of Default has occurred or would result therefrom, the Borrower may declare and make distributions to its member on its membership interests that comply with the terms of its operating agreement and Applicable Law; *provided*, that, without the prior consent of the Administrative Agent in its sole discretion, the Borrower may not make distributions of Loan Assets except as expressly contemplated

under Section 2.07, and (ii) following the Commitment Termination Date, the Servicer may withdraw amounts from the Interest Collection Subaccount for the express purpose of declaring and making distributions to its shareholders on their capital stock in an amount certified in writing by the Servicer to the Administrative Agent as being advised by its outside legal counsel or outside accounting firm for CGMS as being necessary to continue to qualify as a regulated investment company under the 1940 Act and not become subject to income or excise tax under Sections 851 and 855 of the Code.

(n) ERISA Matters. Except as would not reasonably be expected to result in a Material Adverse Effect, the Borrower will not (a) engage, and will exercise its best efforts not to permit any ERISA Affiliate of the Borrower to engage, in any prohibited transaction (within the meaning of ERISA Section 406(a) or (b) or Code Section 4975) for which an exemption is not available or has not previously been obtained from the United States Department of Labor, (b) fail to meet the minimum funding standard set forth in Section 302(a) of ERISA and Section 412(a) of the Code with respect to any Pension Plan, (c) fail to make any payments to a Multiemployer Plan that the Borrower may be required to make under the agreement relating to such Multiemployer Plan or any law pertaining thereto, (d) terminate any Pension Plan so as to result, directly or indirectly in any liability to the Borrower, or (e) permit to exist any occurrence of any Reportable Event with respect to any Pension Plan.

(o) Instructions to Obligors. The Borrower will not make any change, or permit the Servicer to make any change, in its instructions to Obligors regarding payments to be made with respect to the Collateral Portfolio to the Collection Account, unless the Administrative Agent has consented to such change.

(p) Change of Jurisdiction, Location, Names or Location of Loan Asset Files. The Borrower shall not change the jurisdiction of its formation, make any change to its name or use any tradenames, fictitious names, assumed names, "doing business as" names or other names (other than those listed on Schedule II hereto, as such schedule may be revised from time to time to reflect name changes and name usage permitted under the terms of this Section 5.02(p) after compliance with all terms and conditions of this Section 5.02(p) related thereto) unless, prior to the effective date of any such change in the jurisdiction of its formation, name change or use, the Borrower has provided 30 days' prior written notice to the Administrative Agent of such change and the Borrower has delivered to the Administrative Agent such financing statements as the Administrative Agent may request to reflect such name change or use, together with such Opinions of Counsel and other documents and instruments as the Administrative Agent may request in connection therewith. The Borrower shall not change the location of its principal place of business and chief executive office unless prior to the effective date of any such change of location, the Borrower notifies the Administrative Agent of such change of location in writing. The Borrower shall not move, or consent to the Collateral Custodian or the Servicer moving, the Required Loan Documents and Loan Asset Files from the location thereof on the Closing Date, unless the Borrower has provided 30 days' prior written notice to the Administrative Agent of such change and the Servicer has provided the Administrative Agent with such Opinions of Counsel and other documents and instruments as the Administrative Agent may request in connection therewith, and the Servicer has provided a certificate to the Administrative Agent together with evidence demonstrating that it has taken all actions required under the UCC of each relevant jurisdiction in order to continue the first priority perfected security interest of the Collateral Agent, for the benefit of the Secured Parties, in the Collateral Portfolio.

(q) Sanctions, Etc. The Borrower shall not directly or, to the knowledge of the Borrower, indirectly use the proceeds of the Advances, or lend, contribute or otherwise make available such proceeds to any subsidiary, joint venture partner or other Person, (i) in furtherance of an offer, payment, promise to pay, or authorization of the payment or giving of money, or anything else of value, to any Person in violation of any Anti-Corruption Laws, (ii) to fund any activities or business of or with any Person, or in any country or territory that, at the time of such funding, is, or whose government is, the subject of Sanctions, or (iii) in any other manner that would result in a violation of Sanctions by any Person (including any Person participating in the Advances, whether as underwriter, advisor, investor or otherwise).

(r) Allocation of Charges. There will not be any agreement or understanding between the Servicer and the Borrower (other than as expressly set forth herein or as consented to by the Administrative Agent), providing for the allocation or sharing of obligations to make payments or otherwise in respect of any Taxes, fees, assessments or other governmental charges; *provided* that it is understood and acknowledged that the Borrower will be consolidated with or treated as a disregarded entity of the Servicer for tax purposes.

SECTION 5.03 Financial Covenants of the Borrower.

(a) Interest Coverage Ratio. At all times, the Interest Coverage Ratio (as set forth in the latest Servicing Report) shall not be less than 125%.

(b) Charged-Off Ratio. At all times following the Ramp-Up Period, the Charged-Off Ratio (as set forth in the latest Servicing Report) shall not exceed 2.75%.

(c) Delinquency Ratio. At all times following the Ramp-Up Period, the Delinquency Ratio (as set forth in the latest Servicing Report) shall not exceed 7.5%.

(d) WARR Test. At all times during the Ramp-Up Period, WARR shall not be less than 44%.

SECTION 5.04 Affirmative Covenants of the Servicer.

From the Closing Date until the Collection Date:

(a) Compliance with Applicable Law. The Servicer will at all times (i) comply in all material respects with all Applicable Law, including those with respect to servicing the Collateral Portfolio or any part thereof, and (ii) maintain in effect and enforce policies and procedures designed to ensure compliance in all material respects by the Servicer and its directors, officers, employees and agents with Anti-Corruption Laws and applicable Sanctions.

(b) Preservation of Company Existence. The Servicer will preserve and maintain its corporate existence, rights, franchises and privileges in the jurisdiction of its incorporation, and qualify and remain qualified in good standing as a corporation in each jurisdiction where the failure to preserve and maintain such existence, rights, franchises, privileges and qualification could reasonably be expected to have a Material Adverse Effect.

(c) Obligations and Compliance with Collateral Portfolio. The Servicer will duly fulfill and comply with all obligations on the part of the Borrower to be fulfilled or complied with under or in connection with the administration of each item of Collateral Portfolio and will do nothing to impair the rights of the Collateral Agent, for the benefit of the Secured Parties, or of the Secured Parties in, to and under the Collateral Portfolio. It is understood and agreed that the Servicer does not hereby assume

any obligations of the Borrower in respect of any Advances or assume any responsibility for the performance by the Borrower of any of its obligations hereunder or under any other agreement executed in connection herewith that would be inconsistent with the limited recourse undertaking of the Servicer, in its capacity as seller, under Section 2.1(e) of the Contribution Agreement.

(d) Keeping of Records and Books of Account.

(i) The Servicer will maintain and implement administrative and operating procedures (including, without limitation, an ability to recreate records evidencing Collateral Portfolio in the event of the destruction of the originals thereof), and keep and maintain all documents, books, records and other information reasonably necessary or advisable for the collection of all Collateral Portfolio and the identification of the Collateral Portfolio.

(ii) Subject to the proviso of Section 5.04(u), the Servicer shall permit the Administrative Agent or its agents or representatives to visit the offices of the Servicer during normal hours and unless a Servicer Termination Event, Default or Event of Default has occurred and is continuing upon reasonable advance notice, and examine and make copies of all documents, books, records and other information concerning the Collateral Portfolio and the Servicer's servicing thereof and discuss matters related thereto with any of the officers or employees of the Servicer having knowledge of such matters.

(iii) The Servicer will on or prior to the date hereof, mark its master data processing records and other books and records relating to the Collateral Portfolio with a legend, acceptable to the Administrative Agent describing (i) the contribution of the Collateral Portfolio from the Transferor to the Borrower and (ii) the Pledge from the Borrower to the Collateral Agent, for the benefit of the Secured Parties.

(iv) The Servicer agrees (subject to any applicable confidentiality provisions) to use commercially reasonable efforts to promptly provide the Administrative Agent and each Lender any and all additional information and financial reporting reasonably available to it and reasonably requested by Administrative Agent or any Lender with respect to each Obligor of each Loan Asset that is required for compliance with the requests, rules, guidelines or directives promulgated by the Bank of International Settlements, the Basel Committee on Banking Supervision (or any successor or similar authority) or the United States or foreign regulatory authorities, in each case pursuant to Basel II or Basel III.

(e) Preservation of Security Interest. The Servicer (at its own expense, on behalf of the Borrower) will file such financing and continuation statements and any other documents that may be required by any law or regulation of any Governmental Authority to preserve and protect fully the first priority perfected security interest of the Collateral Agent, for the benefit of the Secured Parties, in, to and under the Loan Assets and that portion of the Collateral Portfolio in which a security interest may be perfected by filing.

(f) Risk and Collection Policies. The Servicer will (i) comply in all material respects with the Risk and Collection Policies and the Servicing Standard in regard to the Collateral Portfolio, and (ii) furnish to the Administrative Agent (with a copy to the Collateral Agent and each Lender Agent), prior to its effective date, prompt written notice of any changes in the Risk and Collection Policies. The Servicer will not agree to or otherwise permit to occur any material change in the Risk and Collection Policies that is adverse to the interests and rights and remedies of the Collateral Agent, the Collateral

Custodian, the Backup Servicer, the Account Bank, the Administrative Agent, any Lender, any Lender Agent and the Secured Parties without the prior written consent of the Administrative Agent; *provided* that, so long as prior written notice thereof is provided to the Administrative Agent, no consent shall be required from the Administrative Agent in connection with (i) any change certified by the Servicer to the Administrative Agent as being not adverse to the interests of any Lender Group (except in an immaterial manner), or (ii) any change mandated by Applicable Law or a Governmental Authority and, if requested by the Administrative Agent at the direction of the Majority Lenders, as evidenced by an Opinion of Counsel to that effect delivered to the Administrative Agent.

(g) Compliance With Loan Agreements. The Servicer will act in conformity with all material terms and conditions of the Loan Agreements and Required Loan Documents.

(h) Notice of Events of Default. The Servicer shall notify the Administrative Agent (with a copy to the Collateral Agent and each Lender Agent) with prompt (and in any event within two Business Days) written notice of the occurrence of each Event of Default of which a Responsible Officer of the Servicer has knowledge or has received notice. In addition, no later than two Business Days following the Servicer's knowledge or notice of the occurrence of any Event of Default, the Servicer will provide to the Administrative Agent (with a copy to the Collateral Agent and each Lender Agent) a written statement of the chief financial officer or chief accounting officer of the Servicer setting forth the details of such event and the action that the Servicer proposes to take with respect thereto.

(i) Taxes. The Servicer will file its tax returns and pay any and all Taxes imposed on it or its property as required under the Transaction Documents (except as contemplated by Section 4.03(m)).

(j) Other. The Servicer will promptly furnish to the Collateral Agent and the Administrative Agent (with a copy to each Lender Agent) such other information, documents, records or reports respecting the Collateral Portfolio or the condition or operations, financial or otherwise, of the Borrower or the Servicer as the Collateral Agent or the Administrative Agent may from time to time reasonably request in order to protect the interests of the Administrative Agent, the Collateral Agent or Secured Parties under or as contemplated by this Agreement.

(k) Proceedings Related to the Borrower, the Transferor and the Servicer and the Transaction Documents. The Servicer shall notify the Administrative Agent (with a copy to the Collateral Agent and each Lender Agent) as soon as possible and in any event within three Business Days after any executive officer of the Servicer receives notice or obtains knowledge thereof of any settlement of, judgment (including a judgment with respect to the liability phase of a bifurcated trial) in or commencement of any labor controversy, litigation, action, suit or proceeding before any court or governmental department, commission, board, bureau, agency or instrumentality, domestic or foreign, that could reasonably be expected to have a Material Adverse Effect on the Borrower, the Transferor or the Servicer (or any of their Affiliates) or the Transaction Documents. For purposes of this Section 5.04(k), (i) any settlement, judgment, labor controversy, litigation, action, suit or proceeding affecting the Transaction Documents or the Borrower in excess of $500,000 shall be deemed to be expected to have such a Material Adverse Effect and (ii) any settlement, judgment, labor controversy, litigation, action, suit or proceeding affecting the Servicer, the Transferor or any of their Affiliates (other than the Borrower) in excess of $25,000,000 shall be deemed to be expected to have such a Material Adverse Effect.

(l) Deposit of Misdirected Collections. The Servicer shall promptly (but in no event later than two Business Days after receipt) deposit or cause to be deposited into the Collection Account any and all Available Collections received by the Borrower, the Servicer or any of their Affiliates.

(m) Loan Asset Register.

(i) The Servicer shall maintain, or cause to be maintained, with respect to each Noteless Loan Asset a register (which may be in physical or electronic form and readily identifiable as the loan asset register) (each, a "Loan Asset Register") in which it will record, or cause to be recorded, (w) the original principal amount of such Noteless Loan Asset, (x) the current principal amount of such Noteless Loan Asset, (y) the date of origination of such Noteless Loan Asset, and (z) the maturity date of such Noteless Loan Asset.

(ii) At any time a Noteless Loan Asset is included as part of the Collateral Portfolio pursuant to this Agreement, the Servicer shall deliver to the Administrative Agent, the Collateral Agent and the Collateral Custodian a copy of the related Loan Asset Register, together with a certificate of a Responsible Officer of the Servicer (in the form of Exhibit Q) certifying to the accuracy of such Loan Asset Register as of the applicable Cut-Off Date.

(n) Special Purpose Entity Requirements. The Servicer shall take such actions as are necessary to cause the Borrower to be in compliance with the special purpose entity requirements set forth in Sections 5.01(a) and (b) and 5.02(a) and (b).

(o) Notice of Accounting Changes. As soon as possible and in any event within three Business Days after the effective date thereof, the Servicer will provide to the Administrative Agent notice of any material change in the accounting policies of the Servicer.

(p) Proceedings Related to the Collateral Portfolio. The Servicer shall notify the Administrative Agent as soon as possible and in any event within three Business Days after any Responsible Officer of the Servicer receives notice or has actual knowledge of any settlement of, judgment (including a judgment with respect to the liability phase of a bifurcated trial) in or commencement of any labor controversy, litigation, action, suit or proceeding before any court or governmental department, commission, board, bureau, agency or instrumentality, domestic or foreign, that could reasonably be expected to have a Material Adverse Effect on the interests of the Collateral Agent or the Secured Parties in, to and under the Collateral Portfolio. For purposes of this Section 5.04(p), any adverse settlement, judgment, labor controversy, litigation, action, suit or proceeding affecting the Collateral Portfolio or the Collateral Agent's or the Secured Parties' interest in the Collateral Portfolio in excess of $1,000,000 or more shall be deemed to be expected to have such a Material Adverse Effect.

(q) Compliance with Legal Opinions. The Servicer shall take all other actions necessary to maintain the accuracy of the factual assumptions set forth in the legal opinions of Latham & Watkins LLP and Richards, Layton & Finger, P.A., each as special counsel to the Servicer, issued in connection with the Transaction Documents and relating to the issues of substantive consolidation and "true contributions" of the Loan Assets.

(r) Instructions to Agents and Obligors. The Servicer shall direct, or shall cause the Transferor to direct, any agent or administrative agent for any Loan Asset to remit all Collections with respect to such Loan Asset, and, if applicable, to direct the Obligor with respect to such Loan Asset to remit all such Collections with respect to such Loan Asset directly to the Collection Account. The Borrower and the Servicer shall take commercially reasonable steps to ensure, and shall cause the Transferor to take commercially reasonable steps to ensure, that only funds constituting Collections relating to Loan Assets shall be deposited into the Collection Account.

(s) Capacity as Servicer. The Servicer will ensure that, at all times when it is dealing with or in connection with the Loan Assets in its capacity as Servicer, it holds itself out as Servicer, and not in any other capacity.

(t) Notice of Breaches of Representations and Warranties under the Contribution Agreement. The Servicer confirms and agrees that the Servicer will, upon receipt of notice or discovery thereof, promptly send to the Administrative Agent (with a copy to the Collateral Agent and each Lender Agent) a notice of (i) any breach of any representation, warranty, agreement or covenant under the Contribution Agreement or (ii) any event or occurrence that, upon notice, or upon the passage of time or both, would constitute such a breach, in each case, promptly upon learning thereof.

(u) Audits. Prior to the Closing Date and periodically thereafter, the Servicer, at its sole cost and expense, shall allow the Administrative Agent and the Lender Agents, or their respective agents or representatives (during normal office hours and upon reasonable advance notice) to (i) review the Servicer's books and records relating to, and collection and administration of, the Collateral Portfolio in order to assess compliance by the Servicer with the Servicing Standard, as well as with the Transaction Documents and to conduct an audit of the Collateral Portfolio and Required Loan Documents in conjunction with such a review, (ii) to examine and make copies of and abstracts from all books, records and documents (including, without limitation, computer tapes and disks) in the possession or under the control of the Borrower or Servicer, as the case may be, and relating to the Collateral Portfolio, and (iii) to visit the offices and properties of the Borrower or Servicer, as the case may be, during normal hours and unless a Servicer Termination Event, Default or Event of Default has occurred and is continuing upon reasonable advance notice for the purpose of examining such materials described in clause (ii) above, and to discuss matters relating to the Collateral Portfolio and Required Loan Documents or the Borrowers or Servicers performance under the Transaction Documents with any of the officers or employees of the Borrower or Servicer, as the case may be, having knowledge of such matters; *provided*, that so long as no Servicer Termination Event or Event of Default has occurred and is continuing, (i) the Administrative Agent and the Lender Agents shall use all reasonable efforts to (A) coordinate their inspections as a single group, (B) coordinate any inspection under this Section 5.04(u) with any audit and examination of the Borrower undertaken pursuant to Section 5.01(hh) and (C) if the Servicer provides reasonable advance notice in writing to the Administrative Agent and each Lender Agent of the details of the annual audit of the Servicer being undertaken for the purposes of the Servicer's preparation of its consolidated audited financial statements required to be delivered pursuant to Section 6.08(d), coordinate their inspections under this Section 5.04(u) with such annual audit, and (ii) the Servicer shall be responsible for the costs and expenses of no more than one on-site visit in any 12-month period. The rights of the Administrative Agent and the Lender Agents pursuant to this Section 5.04(u) and the inspections referenced herein are in addition to, and not in replacement of, any audit and examination pursuant to Section 5.01(hh). Nothing herein shall be read to limit the Borrower's obligation to comply with the inspection requirements set forth in Section 5.01(ii).

(v) Notice of Breaches of Representations and Warranties under this Agreement. The Servicer shall, upon receipt of notice or discovery thereof, promptly notify the Administrative Agent (with a copy to the Collateral Agent and each Lender Agent) if any representation or warranty set forth in Section 4.03 was incorrect at the time it was given or deemed to have been given and at the same time deliver to the Collateral Agent and the Administrative Agent (with a copy to each Lender Agent) a written notice setting forth in reasonable detail the nature of such facts and circumstances. In particular, but without limiting the foregoing, the Servicer shall notify the Administrative Agent (with a copy to the Collateral Agent and each Lender Agent) in the manner set forth in the preceding sentence before any Cut-Off Date of any facts or circumstances within the knowledge of the Servicer which would render any of the said representations and warranties untrue at the date when such representations and warranties were made or deemed to have been made.

(w) Insurance Policies. The Servicer has caused, and will cause, to be performed any and all acts reasonably required to be performed to preserve the rights and remedies of the Collateral Agent and the Secured Parties in any Insurance Policies applicable to Loan Assets (to the extent the Servicer or an Affiliate of the Servicer is the agent or servicer under the applicable Loan Agreement) including, without limitation, in each case, any necessary notifications of insurers, assignments of policies or interests therein, and establishments of co-insured, joint loss payee and mortgagee rights in favor of the Collateral Agent and the Secured Parties; *provided* that, unless the Borrower is the sole lender under such Loan Agreement, the Servicer shall only take such actions that are customarily taken by or on behalf of a lender in a syndicated loan facility to preserve the rights of such lender.

(x) Disregarded Entity. The Servicer shall cause the Borrower to be disregarded as an entity separate from its owner pursuant to Treasury Regulation Section 301.7701-3(b) and shall cause that neither the Borrower nor any other Person on its behalf shall make an election to be, or take any other action that is reasonably likely to result in the Borrower being, treated as other than an entity disregarded from its owner under Treasury Regulation Section 301.7701-3(c).

SECTION 5.05 Negative Covenants of the Servicer.

From the Closing Date until the Collection Date:

(a) Mergers, Acquisition, Sales, etc. The Servicer will not consolidate with or merge into any other Person or convey or transfer its properties and assets substantially as an entirety to any Person, unless the Servicer is the surviving entity and unless:

(i) the Servicer has delivered to the Administrative Agent an Officer's Certificate and an Opinion of Counsel each stating that any such consolidation, merger, conveyance or transfer and any supplemental agreement executed in connection therewith comply with this Section 5.05 and that all conditions precedent herein provided for relating to such transaction have been complied with and, in the case of the Opinion of Counsel, that such supplemental agreement is legal, valid and binding with respect to the Servicer and such other matters as the Administrative Agent may reasonably request;

(ii) the Servicer shall have delivered notice of such consolidation, merger, conveyance or transfer to the Administrative Agent; and

(iii) after giving effect thereto, no Event of Default or Servicer Termination Event or event that with notice or lapse of time would constitute either an Event of Default or a Servicer Termination Event shall have occurred.

(b) Change of Jurisdiction, Location, Names or Location of Loan Asset Files. The Servicer shall not change the jurisdiction of its incorporation, make any change to its corporate name, change the location of its principal place of business and chief executive office unless prior to the effective date of any such change of location, the Servicer shall have provided not less than 30 days' prior written notice to the Administrative Agent of such change of location. The Servicer shall not change the offices where it keeps records concerning the Collateral Portfolio from the address set forth under its name in Section 12.02, or move, or consent to the Collateral Custodian moving, the Required Loan Documents and Loan Asset Files from the location thereof on the Closing Date, unless the Servicer shall have provided not less than 30 days' prior written notice to the Administrative Agent of such change of location and the Servicer shall have provided the Administrative Agent with such Opinions of Counsel and other documents and instruments as the Administrative Agent may request in connection therewith, and the Servicer has provided a certificate to the Administrative Agent together with evidence demonstrating that it has taken all actions required under the UCC of each relevant jurisdiction in order to continue the first priority perfected security interest of the Collateral Agent, for the benefit of the Secured Parties, in the Collateral Portfolio.

(c) Change in Payment Instructions to Obligors. The Servicer will not make any change in its instructions to Obligors regarding payments to be made with respect to the Collateral Portfolio exclusively to the Collection Account (other than new direction letters in connection with any change to the Collateral Account), except to another account subject to the "control" (as such term is defined under Section 9-102 of the UCC) of the Collateral Agent and the Administrative Agent has consented to such change.

(d) Liens. The Servicer shall not pledge, create, incur or permit to exist any Lien in or on any unfunded capital commitments of shareholders of CGMS, including without limitation, any pledge of a shareholder's note or similar instrument relating thereto, except for (i) Liens expressly consented to by the Administrative Agent in its sole reasonable discretion, (ii) tax-related Permitted Liens, and (iii) a pledge by CGMS of the capital commitments of its shareholders to a lender to secure the obligations of CGMS under a subscription line working capital credit facility in form and substance reasonably satisfactory to the Administrative Agent, where the maximum indebtedness possible under such credit facility does not exceed an amount equal to 3.33% of the undrawn capital commitments pledged as collateral therefor.

(e) Extension or Amendment of Loan Assets. The Servicer will not, except as otherwise permitted in Section 6.04(a), extend, amend or otherwise modify the terms of any Loan Asset (including the Underlying Collateral).

(f) Allocation of Charges. There will not be any agreement or understanding between the Servicer and the Borrower (other than as expressly set forth herein or as consented to by the Administrative Agent), providing for the allocation or sharing of obligations to make payments or otherwise in respect of any Taxes, fees, assessments or other governmental charges; *provided* that it is understood and acknowledged that the Borrower will be consolidated with or treated as a disregarded entity of the Servicer for tax purposes.

SECTION 5.06 Affirmative Covenants of the Collateral Custodian.

From the Closing Date until the Collection Date:

(a) Compliance with Applicable Law. The Collateral Custodian will comply in all material respects with all Applicable Law.

(b) Preservation of Existence. The Collateral Custodian will preserve and maintain its existence, rights, franchises and privileges in the jurisdiction of its formation and qualify and remain qualified in good standing in each jurisdiction where failure to preserve and maintain such existence, rights, franchises, privileges and qualification could reasonably be expected to have a Material Adverse Effect.

(c) Location of Required Loan Documents. Subject to Article XIII of this Agreement, the Required Loan Documents shall remain at all times in the possession of the Collateral Custodian at the address set forth under its name in Section 12.02 unless notice of a different address is given in accordance with the terms hereof or unless the Administrative Agent agrees to allow certain Required Loan Documents to be released to the Servicer on a temporary basis in accordance with the terms hereof, except as such Required Loan Documents may be released pursuant to the terms of this Agreement.

SECTION 5.07 Negative Covenants of the Collateral Custodian.

From the Closing Date until the Collection Date:

(a) Required Loan Documents. The Collateral Custodian will not dispose of any documents constituting the Required Loan Documents in any manner that is inconsistent with the performance of its obligations as the Collateral Custodian pursuant to this Agreement and will not dispose of any Collateral Portfolio except as contemplated by this Agreement.

SECTION 5.08 Affirmative Covenants of the Backup Servicer.

From the Closing Date until the Collection Date:

(a) Compliance with Applicable Law. The Backup Servicer will comply in all material respects with all Applicable Law.

(b) Preservation of Existence. The Backup Servicer will preserve and maintain its existence, rights, franchises and privileges in the jurisdiction of its formation and qualify and remain qualified in good standing in each jurisdiction where failure to preserve and maintain such existence, rights, franchises, privileges and qualification could reasonably be expected to have a Material Adverse Effect.

SECTION 5.09 Negative Covenants of the Backup Servicer.

From the Closing Date until the Collection Date:

(a) Required Loan Documents. The Backup Servicer will not dispose of any documents constituting the Required Loan Documents in any manner that is inconsistent with the performance of its obligations as the Backup Servicer pursuant to this Agreement and will not dispose of any Collateral Portfolio except as contemplated by this Agreement.

(b) No Changes in Backup Servicer Fees. The Backup Servicer will not make any changes to the Backup Servicer Fees without the prior written approval of the Administrative Agent and the Borrower.

SECTION 5.10 Affirmative Covenants of the Account Bank.

From the Closing Date until the Collection Date:

(a) Compliance with Applicable Law. The Account Bank will comply in all material respects with all Applicable Law.

(b) Preservation of Existence. The Account Bank will preserve and maintain its existence, rights, franchises and privileges in the jurisdiction of its formation and qualify and remain qualified in good standing in each jurisdiction where failure to preserve and maintain such existence, rights, franchises, privileges and qualification could reasonably be expected to have a Material Adverse Effect.

SECTION 5.11 Affirmative Covenants of the Collateral Administrator.

From the Closing Date until the Collection Date:

(a) Compliance with Applicable Law. The Collateral Administrator will comply in all material respects with all Applicable Law.

(b) Preservation of Existence. The Collateral Administrator will preserve and maintain its existence, rights, franchises and privileges in the jurisdiction of its formation and qualify and remain qualified in good standing in each jurisdiction where failure to preserve and maintain such existence, rights, franchises, privileges and qualification could reasonably be expected to have a Material Adverse Effect.

ARTICLE VI.
ADMINISTRATION AND SERVICING OF CONTRACTS

SECTION 6.01 Appointment and Designation of the Servicer.

(a) Initial Servicer. The Borrower, each Lender Agent and the Administrative Agent hereby appoint CGMS, pursuant to the terms and conditions of this Agreement, as Servicer, with the authority to service, administer and exercise rights and remedies, on behalf of the Borrower, in respect of the Collateral Portfolio. CGMS hereby accepts such appointment and agrees to perform the duties and responsibilities of the Servicer pursuant to the terms hereof until such time as it receives a Servicer Termination Notice from the Administrative Agent. The Servicer and the Borrower hereby acknowledge that the Administrative Agent and the Secured Parties are third party beneficiaries of the obligations undertaken by the Servicer hereunder.

(b) Servicer Termination Notice. The Borrower, the Servicer, each Lender Agent, and the Administrative Agent hereby agree that, upon the occurrence of a Servicer Termination Event, the Administrative Agent, by written notice to the Servicer (with a copy to the Collateral Agent and the Backup Servicer) (a "Servicer Termination Notice"), may (and shall, upon the direction of the Majority Lenders) terminate all of the rights, obligations, power and authority of the Servicer under this Agreement. On and after the receipt by the Servicer of a Servicer Termination Notice pursuant to this Section 6.01(b), the Servicer shall continue to perform all servicing functions under this Agreement until the date specified in the Servicer Termination Notice or otherwise specified by the Administrative Agent in writing or, if no such date is specified in such Servicer Termination Notice or otherwise specified by the Administrative Agent, until a date mutually agreed upon by the Servicer and the Administrative Agent and shall be entitled to receive, to the extent of funds available therefor pursuant to Section 2.04, the Servicing Fees therefor accrued until such date. After such date, the Servicer agrees that it will terminate its activities as Servicer hereunder in a manner that the Administrative Agent believes will facilitate the transition of the performance of such activities to a successor Servicer, and the successor Servicer shall assume each and all of the Servicer's obligations to service and administer the Collateral Portfolio, on the terms and subject to the conditions herein set forth, and the Servicer shall use its best efforts to assist the successor Servicer in assuming such obligations.

(c) Appointment of Replacement Servicer. At any time following the delivery of a Servicer Termination Notice, the Administrative Agent may, at its discretion (and shall, upon the direction of the Majority Lenders), (i) appoint the Backup Servicer as Servicer under this Agreement and, in such case, all authority, power, rights and obligations of the Servicer shall pass to and be vested in the Backup Servicer or (ii) appoint a new Servicer (the "Replacement Servicer"), with the consent of the Backup Servicer (which consent shall not be unreasonably withheld), which appointment shall take effect upon the Replacement Servicer accepting such appointment by a written assumption in a form satisfactory to the Administrative Agent in its sole discretion; *provided* that so long as no Event of Default is then continuing, the Administrative Agent may not propose a Competitor as a Replacement Servicer. Any Replacement Servicer shall be an established financial institution, having a net worth of not less than $50,000,000 and whose regular business includes the servicing of assets similar to the Collateral Portfolio.

(d) Liabilities and Obligations of Replacement Servicer. Upon its appointment, the Backup Servicer (or any Replacement Servicer) shall be the successor in all respects to the Servicer with respect to servicing functions under this Agreement and shall be subject to all the responsibilities, duties and liabilities relating thereto placed on the Servicer by the terms and provisions hereof, and all references in this Agreement to the Servicer shall be deemed to refer to the Backup Servicer (or the Replacement Servicer); *provided* that the Backup Servicer (or any Replacement Servicer) shall have (i) no liability with respect to any action performed by the terminated Servicer prior to the date that the Backup Servicer (or the Replacement Servicer) becomes the successor to the Servicer or any claim of a third party based on any alleged action or inaction of the terminated Servicer, (ii) no obligation to perform any advancing obligations, if any, of the Servicer unless it elects to in its sole discretion, (iii) no obligation to pay any Taxes required to be paid by the Servicer (*provided* that the Backup Servicer shall pay any income Taxes for which it is liable), (iv) no obligation to pay any of the fees and expenses of any other party to the transactions contemplated hereby, and (v) no liability or obligation with respect to any Servicer indemnification obligations of any prior Servicer, including the original Servicer. The indemnification obligations of the Backup Servicer or Replacement Servicer upon becoming a Servicer, are expressly limited to those arising on account of its gross negligence or willful misconduct, or the failure to perform materially in accordance with its duties and obligations set forth in this Agreement. In addition, the Backup Servicer or Replacement Servicer shall have no liability relating to the representations and warranties of the Servicer contained in Section 4.03.

(e) Authority and Power. All authority and power granted to the Servicer under this Agreement shall automatically cease and terminate upon termination of this Agreement and shall pass to and be vested in the Borrower and, without limitation, the Borrower is hereby authorized and empowered to execute and deliver, on behalf of the Servicer, as attorney-in-fact or otherwise, all documents and other instruments, and to do and accomplish all other acts or things necessary or appropriate to effect the purposes of such transfer of servicing rights. The Servicer agrees to cooperate with the Borrower in effecting the termination of the responsibilities and rights of the Servicer to conduct servicing of the Collateral Portfolio.

(f) Subcontracts. The Servicer may, with the prior written consent of the Administrative Agent, subcontract with any other Person for servicing, administering or collecting the Collateral Portfolio; *provided* that (i) the Servicer shall select any such Person with reasonable care and shall be solely responsible for the fees and expenses payable to any such Person, (ii) the Servicer shall not be relieved of, and shall remain liable for, the performance of the duties and obligations of the Servicer pursuant to the terms hereof without regard to any subcontracting arrangement and (iii) any such subcontract shall be terminable upon the occurrence of a Servicer Termination Event.

(g) Waiver. The Borrower acknowledges that the Administrative Agent or any of its Affiliates may act as the Collateral Agent or the Servicer, and the Borrower waives any and all claims against the Administrative Agent, each Lender Agent, each Lender or any of their respective Affiliates, the Collateral Agent and the Servicer (other than claims relating to such party's gross negligence or willful misconduct as determined in a final decision by a court of competent jurisdiction) relating in any way to the custodial or collateral administration functions having been performed by the Administrative Agent or any of its Affiliates in accordance with the terms and provisions (including the standard of care) set forth in the Transaction Documents.

SECTION 6.02 Duties of the Servicer.

(a) Duties. The Servicer shall take or cause to be taken all such actions as may be necessary or advisable to service, administer and collect on the Collateral Portfolio from time to time, all in accordance with Applicable Law, the Risk and Collection Policies (if CGMS is the Servicer) and the Servicing Standard. Prior to the occurrence of a Servicer Termination Event, but subject to the terms of this Agreement (including, without limitation, Section 6.04), the Servicer has the sole and exclusive authority to make any and all decisions with respect to the Collateral Portfolio and take or refrain from taking any and all actions with respect to the Collateral Portfolio. Without limiting the foregoing, the duties of the Servicer shall include the following:

(i) supervising the Collateral Portfolio, including communicating with Obligors, negotiating and executing amendments, restatements, supplements and other modifications (including, without limitation, in respect of restructuring agreements, prepackaged plans and other documents related to restructuring arrangements), negotiating and providing consents and waivers, enforcing and collecting on the Collateral Portfolio and otherwise managing the Collateral Portfolio on behalf of the Borrower;

(ii) maintaining all necessary servicing records with respect to the Collateral Portfolio and providing such reports to the Administrative Agent and each Lender Agent (with a copy to the Collateral Agent and the Collateral Custodian and the Backup Servicer) in respect of the servicing of the Collateral Portfolio (including information relating to its performance under this Agreement) as may be required hereunder or as the Administrative Agent, the Backup Servicer or any Lender Agent may reasonably request;

(iii) maintaining and implementing administrative and operating procedures (including, without limitation, an ability to recreate servicing records evidencing the Collateral Portfolio in the event of the destruction of the originals thereof) and keeping and maintaining all documents, books, records and other information reasonably necessary or advisable for the collection of the Collateral Portfolio;

(iv) promptly delivering to the Administrative Agent, each Lender Agent, the Collateral Agent, the Account Bank, the Backup Servicer, the Collateral Administrator or the Collateral Custodian, from time to time, such information and servicing records (including information relating to its performance under this Agreement) as the Administrative Agent, each Lender Agent, the Account Bank, the Collateral Custodian, the Backup Servicer, the Collateral Administrator or the Collateral Agent may from time to time reasonably request;

(v) identifying each Loan Asset clearly and unambiguously in its servicing records to reflect that such Loan Asset is owned by the Borrower and that the Borrower is Pledging a security interest therein to the Secured Parties pursuant to this Agreement;

(vi) notifying the Administrative Agent, the Backup Servicer and each Lender Agent of any material action, suit, proceeding, dispute, offset, deduction, defense or counterclaim (1) that is or is threatened to be asserted by an Obligor with respect to any Loan Asset (or portion thereof) of which it has knowledge or has received notice; or (2) that could reasonably be expected to have a Material Adverse Effect;

(vii) notifying the Administrative Agent and each Lender Agent of any change to the Risk and Collection Policies;

(viii) maintaining the perfected first priority security interest of the Collateral Agent, for the benefit of the Secured Parties, in the Collateral Portfolio;

(ix) maintaining the Loan Asset File with respect to Loan Assets included as part of the Collateral Portfolio; *provided* that, so long as the Servicer is in possession of any Required Loan Documents, the Servicer will hold such Required Loan Documents in a fireproof safe or fireproof file cabinet;

(x) directing the Collateral Agent to make payments pursuant to the terms of the Servicing Report in accordance with Section 2.04;

(xi) directing the sale or substitution of Collateral Portfolio in accordance with Section 2.07;

(xii) providing assistance to the Borrower with respect to the Contribution of and payment for the Loan Assets;

(xiii) instructing the Obligors and the administrative agents on the Loan Assets to make payments directly into the Collection Account established and maintained with the Collateral Agent;

(xiv) delivering the Loan Asset Files and the Loan Asset Schedule to the Collateral Custodian;

(xv) taking all actions necessary in establishing the Advance Date Assigned Value, Updated Assigned Value, and Value Adjusted Assigned Value, including, without limitation, taking all actions necessary (including paying the compensation of the Nationally Recognized Valuation Firms) in establishing and maintaining the Scheduled Valuation Process in accordance with Section 6.02(d) below; and

(xvi) complying with such other duties and responsibilities as may be required of the Servicer by this Agreement.

It is acknowledged and agreed that in circumstances in which a Person other than the Borrower, the Transferor (so long as the Transferor is also the Servicer) or the Servicer acts as lead agent with respect to any Loan Asset, the Servicer shall perform its servicing duties hereunder only to the extent a lender under the related loan syndication Loan Agreements has the right to do so. Notwithstanding anything to the contrary contained herein, it is acknowledged and agreed that the performance by the Servicer of its duties hereunder shall be limited insofar as such performance would conflict with or result in a breach of any of the express terms of the related Loan Agreements; *provided* that the Servicer shall (a) provide prompt written notice to the Administrative Agent and the Backup Servicer upon becoming aware of such conflict or breach, (b) have determined that there is no other commercially reasonable performance that it could render consistent with the express terms of the Loan Agreements which would result in all or a portion of the servicing duties being performed in accordance with this Agreement, and (c) undertake all commercially reasonable efforts to mitigate the effects of such non-performance including performing as much of the servicing duties as possible and performing such other commercially reasonable or similar duties consistent with the terms of the Loan Agreements.

(b) Notwithstanding anything to the contrary contained herein, the exercise by the Administrative Agent, the Collateral Agent, the Backup Servicer, each Lender Agent and the Secured Parties of their rights hereunder shall not release the Servicer, the Transferor or the Borrower from any of their duties or responsibilities with respect to the Collateral Portfolio. The Secured Parties, the Administrative Agent, the Backup Servicer, each Lender Agent and the Collateral Agent shall not have any obligation or liability with respect to any Collateral Portfolio, nor shall any of them be obligated to perform any of the obligations of the Servicer hereunder.

(c) Any payment by an Obligor in respect of any indebtedness owed by it to the Transferor or the Borrower shall, except as otherwise specified by such Obligor or otherwise required by contract or law and unless otherwise instructed by the Administrative Agent, be applied as a collection of a payment by such Obligor (starting with the oldest such outstanding payment due) to the extent of any amounts then due and payable thereunder before being applied to any other receivable or other obligation of such Obligor.

(d) The Servicer shall establish and maintain an internal valuation protocol as set forth in the template attached hereto as Annex F and obtain valuations for quoted securities and third party valuations for unquoted investments (the "Scheduled Valuation Process") under which (i) Loan Assets representing approximately 25% of AOLB will be reviewed and an updated Quoted Price will be obtained at the end of each fiscal quarter of the Borrower, and (ii) each Loan Asset will be reviewed and an updated Quoted Price will be obtained at least once annually, all effectuated in a manner consistent

with Financial Accounting Standard 157 and consistent with the standards of a publicly traded business development company. The Servicer shall be responsible for all costs and expenses (including the fees and expenses of the Nationally Recognized Valuation Firms) in connection with the Scheduled Valuation Process.

(e) The Servicer may engage subservicers in the performance of its duties and responsibilities set forth in this Agreement, including this Section 6.02; *provided*, that any such engagement shall not release the Servicer from any of its duties or responsibilities as Servicer set forth hereunder.

SECTION 6.03 Authorization of the Servicer.

(a) Each of the Borrower, the Administrative Agent, each Lender Agent and each Lender hereby authorizes the Servicer (including any successor thereto) to take any and all reasonable steps in its name and on its behalf necessary or desirable in the determination of the Servicer and not inconsistent with the contribution of the Collateral Portfolio by the Transferor to the Borrower under the Contribution Agreement and, thereafter, the Pledge by the Borrower to the Collateral Agent on behalf of the Secured Parties hereunder, to collect all amounts due under any and all Collateral Portfolio, including, without limitation, endorsing any of their names on checks and other instruments representing Interest Collections and Principal Collections, executing and delivering any and all instruments of satisfaction or cancellation, or of partial or full release or discharge, and all other comparable instruments, with respect to the Collateral Portfolio and, after the delinquency of any Collateral Portfolio and to the extent permitted under and in compliance with Applicable Law, to commence proceedings with respect to enforcing payment thereof, to the same extent as the Transferor could have done if it had continued to own such Collateral Portfolio. The Transferor, the Borrower and the Collateral Agent on behalf of the Secured Parties shall furnish the Servicer (and any successors thereto) with any powers of attorney and other documents necessary or appropriate to enable the Servicer to carry out its servicing and administrative duties hereunder, and shall cooperate with the Servicer to the fullest extent in order to ensure the collectability of the Collateral Portfolio. In no event shall the Servicer be entitled to make the Secured Parties, the Administrative Agent, the Backup Servicer, the Collateral Agent, any Lender or any Lender Agent a party to any litigation without such party's express prior written consent, or to make the Borrower a party to any litigation (other than any routine foreclosure or similar collection procedure) without the Administrative Agent's, the Backup Servicer's and each Lender Agent's consent.

(b) After the declaration of the Final Maturity Date, at the direction of the Administrative Agent, the Servicer shall take such action as the Administrative Agent may deem necessary or advisable to enforce collection of the Collateral Portfolio; *provided* that the Administrative Agent may, at any time that an Event of Default has occurred and is continuing, notify any Obligor with respect to any Collateral Portfolio of the assignment of such Collateral Portfolio to the Collateral Agent on behalf of the Secured Parties and direct that payments of all amounts due or to become due be made directly to the Administrative Agent or any servicer, collection agent or account designated by the Administrative Agent and, upon such notification and at the expense of the Borrower, the Administrative Agent may enforce collection of any such Collateral Portfolio, and adjust, settle or compromise the amount or payment thereof.

SECTION 6.04 Collection of Payments; Accounts.

(a) Collection Efforts, Modification of Collateral Portfolio. The Servicer will use its reasonable best efforts to collect or cause to be collected, all payments called for under the terms and provisions of the Loan Assets included in the Collateral Portfolio as and when the same become due, all in accordance with the Risk and Collection Policies and the Servicing Standard. The Servicer may not waive, modify or otherwise vary any provision of an item of Collateral Portfolio in a manner that would impair the collectability of the Collateral Portfolio or in any manner contrary to the Servicing Standard.

(b) Acceleration. If consistent with the Risk and Collection Policies and the Servicing Standard, the Servicer shall accelerate or vote to accelerate, as applicable, the maturity of all or any Scheduled Payments and other amounts due under any Loan Asset promptly after such Loan Asset becomes defaulted.

(c) Taxes and other Amounts. The Servicer will use its best efforts to collect all payments with respect to amounts due for Taxes, assessments and insurance premiums relating to each Loan Asset to the extent required to be paid to the Borrower for such application under the applicable Loan Agreement and remit such amounts to the appropriate Governmental Authority or insurer as required by the Loan Agreements.

(d) Payments to Collection Account. On or before the applicable Cut-Off Date, the Servicer shall have instructed all Obligors to make all payments in respect of the Collateral Portfolio directly to the Collection Account; *provided* that the Servicer is not required to so instruct any Obligor which is solely a guarantor or other surety (or an Obligor that is not designated as the "lead borrower" or another such similar term) unless and until the Servicer calls on the related guaranty or secondary obligation.

(e) Collection Account. Each of the parties hereto hereby agrees that (i) the Collection Account is intended to be a "securities account" within the meaning of the UCC and (ii) except as otherwise expressly provided herein and in the Collection Account Agreement, prior to the delivery of a Notice of Exclusive Control, the Borrower (or the Servicer) shall be entitled to exercise the rights that comprise each Financial Asset held in the Collection Account and have the right to direct the disposition of funds in the Collection Account; *provided* that after the delivery of a Notice of Exclusive Control, such rights shall be exclusively held by the Collateral Agent (acting at the direction of the Administrative Agent). Each of the parties hereto hereby agrees to cause the Account Bank (or other securities intermediary) that holds any money or other property for the Borrower in the Collection Account to agree with the parties hereto that (A) the Collection Account is a "securities account" within the meaning of the UCC, the cash and other property credited thereto is to be treated as a Financial Asset under Article 8 of the UCC, (B) regardless of any provision in any other agreement, for purposes of the UCC, with respect to the Collection Account, New York shall be deemed to be the Account Bank's (or other securities intermediary's) jurisdiction (within the meaning of Section 8-110 of the UCC), and (C) it shall comply with all entitlement orders and all directions to dispose of funds in the Collection Account in each case without further consent of the Borrower. To the extent that the Collection Account is re-characterized as a "deposit account" (within the meaning of Section 9-102(a)(29) of the UCC), New York shall be deemed to be the "bank's jurisdiction" (within the meaning of Section 9-304(b) of the UCC), the Account Bank shall be the "bank" and the Collateral Agent shall be the bank's "customer" (within the meaning of Section 9-104 of the UCC). All securities or other property underlying any Financial Assets credited to the Collection Account in the form of securities or instruments shall be registered in the

name of the Account Bank or if in the name of the Borrower or the Collateral Agent, Indorsed to the Account Bank, Indorsed in blank, or credited to another securities account maintained in the name of the Account Bank, and in no case will any Financial Asset credited to the Collection Account be registered in the name of the Borrower, payable to the order of the Borrower or specially Indorsed to the Borrower, except to the extent the foregoing have been specially Indorsed to the Account Bank or Indorsed in blank.

(f) Loan Agreements. 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 Collateral Agent, the Account Bank, the Collateral Custodian nor any securities intermediary shall be under any duty or obligation in connection with the acquisition by the Borrower, or the grant by the Borrower to the Collateral Agent, of any Loan Asset in the nature of a loan or a participation in a loan to examine or evaluate the sufficiency of the documents or instruments delivered to it by or on behalf of the Borrower under the related Loan Agreements, or otherwise to examine the Loan Agreements, in order to determine or compel compliance with any applicable requirements of or restrictions on transfer (including without limitation any necessary consents). The Collateral Custodian shall hold any Instrument delivered to it evidencing any Loan Asset granted to the Collateral Agent hereunder as custodial agent for the Collateral Agent in accordance with the terms of this Agreement.

(g) Adjustments. If (i) the Servicer makes a deposit into the Collection Account in respect of an Interest Collection or Principal Collection of a Loan Asset and such Interest Collection or Principal Collection was received by the Servicer in the form of a check that is not honored for any reason or (ii) the Servicer makes a mistake with respect to the amount of any Interest Collection or Principal Collection and deposits an amount that is less than or more than the actual amount of such Interest Collection or Principal Collection, the Servicer shall appropriately adjust the amount subsequently deposited into the Collection Account to reflect such dishonored check or mistake. Any Scheduled Payment in respect of which a dishonored check is received shall be deemed not to have been paid.

SECTION 6.05 Realization Upon Loan Assets. The Servicer will use reasonable efforts consistent with the Risk and Collection Policies and the Servicing Standard to foreclose upon or repossess, as applicable, or otherwise comparably convert the ownership of any Underlying Collateral relating to a defaulted Loan Asset as to which no satisfactory arrangements can be made for collection of delinquent payments, and may, consistent with the Risk and Collection Policies and the Servicing Standard and exercising its reasonably good faith judgment to maximize value, hold for value, sell or transfer any equity or other securities the Borrower or the Servicer (on behalf of the Borrower) shall have received in connection with a default, workout, restructuring or plan of reorganization with respect to a Loan Asset. The Servicer will comply with the Risk and Collection Policies and the Servicing Standard and Applicable Law in realizing upon such Underlying Collateral, and employ practices and procedures including reasonable efforts consistent with the Risk and Collection Policies and the Servicing Standard to enforce all obligations of Obligors foreclosing upon, repossessing and causing the sale of such Underlying Collateral at public or private sale in circumstances other than those described in the preceding sentence. Without limiting the generality of the foregoing, unless the Administrative Agent has specifically given instruction to the contrary, the Servicer may cause the sale of any such Underlying Collateral to the Servicer or its Affiliates for a purchase price equal to the then fair value thereof, any such sale to be evidenced by a certificate of a Responsible Officer of the Servicer delivered to the Administrative Agent setting forth the Loan Asset, the Underlying Collateral, the sale price of the Underlying Collateral and certifying that such sale price is the fair value of such Underlying Collateral. In any case in which any such Underlying Collateral has suffered damage, the Servicer will have no obligation to expend funds in

connection with any repair or toward the foreclosure or repossession of such Underlying Collateral unless it reasonably determines that such repair or foreclosure or repossession will increase the Recoveries by an amount greater than the amount of such expenses. The Servicer will remit to the Collection Account the Recoveries received in connection with the sale or disposition of Underlying Collateral relating to a defaulted Loan Asset.

SECTION 6.06 Servicing Compensation. As compensation for its activities hereunder and reimbursement for its expenses, the Servicer shall be entitled to be paid the Servicing Fees and reimbursed its reasonable out-of-pocket expenses as provided in Section 2.04; *provided,* that the Servicer acknowledges and agrees that Subordinate Servicing Fees not paid under Section 2.04 on any Payment Date shall accrue and shall not constitute a default or basis to terminate the Servicer duties under this Article VI.

SECTION 6.07 Payment of Certain Expenses by Servicer. The Servicer will be required to pay all expenses incurred by it in connection with its activities under this Agreement, including fees and disbursements of its independent accountants, Taxes imposed on the Servicer, expenses incurred by the Servicer in connection with payments and reports pursuant to this Agreement, and all other fees and expenses not expressly stated under this Agreement for the account of the Borrower. The Servicer, on behalf of the Borrower, will be required to pay all reasonable fees and expenses owing to any bank in connection with the maintenance of the Collection Account. The Servicer may be reimbursed for any reasonable out-of-pocket expenses incurred hereunder (including out-of-pocket expenses paid by the Servicer on behalf of the Borrower), subject to the availability of funds pursuant to Section 2.04; *provided* that, to the extent funds are not so available on any Payment Date to reimburse such expenses incurred during the immediately ended Remittance Period, such reimbursement amount shall be deferred and payable on the next Payment Date on which funds are available therefor pursuant to Section 2.04.

SECTION 6.08 Reports to the Administrative Agent; Account Statements; Servicing Information.

(a) Notice of Borrowing. On or before each Advance Date and on each reduction of Advances Outstanding pursuant to Section 2.18, the Borrower (and the Servicer on its behalf) will provide a Notice of Borrowing or a Notice of Reduction, as applicable, and a Borrowing Base Certificate, each updated as of such date, to the Administrative Agent and each Lender Agent (with a copy to the Collateral Agent). On each date the Assigned Value for any Loan Asset is modified, the Borrower (or the Servicer on its behalf) will deliver an updated Borrowing Base Certificate to the Administrative Agent and each Lender Agent.

(b) Servicing Report.

(i) On each Reporting Date (other than any Reporting Date that includes a Payment Date in the same month), the Servicer will provide to the Borrower, each Lender Agent, the Administrative Agent, the Collateral Agent, the Account Bank, the Backup Servicer, the Collateral Administrator and any Liquidity Bank, a monthly statement including (A) a Borrowing Base Certificate calculated as of the most recent Determination Date, and (B) a summary prepared with respect to each Obligor and with respect to each Loan Asset for such Obligor prepared as of the most recent Determination Date setting forth (x) calculations of the Charge-Off Ratio and the Delinquency Ratio as of such Reporting Date, and (y) whether or not each such Loan Asset shall have become subject to an amendment, restatement, supplement, waiver or other modification and whether such amendment, restatement, supplement, waiver or other modification is a Material Modification, signed by a Responsible Officer of the Servicer and the Borrower and substantially in the form of Exhibit K (such monthly statement, a "Servicing Report").

(ii) On each Payment Date, the Servicer will provide to the Borrower, each Lender Agent, the Administrative Agent, the Collateral Agent, the Account Bank, the Backup Servicer, the Collateral Administrator and any Liquidity Bank, a Servicing Report containing all of the information required to be included in a Servicing Report under clause (i) above, and, in addition, the Servicer will include in such Servicing Report (A) a summary prepared with respect to each Obligor and with respect to each Loan Asset for such Obligor prepared as of the most recent Determination Date setting forth calculations of the Financial Covenants as of the Reporting Date immediately preceding such Payment Date, (B) the updated valuations received pursuant to the Scheduled Valuation Process since the immediately prior Payment Date, and (C) the amounts to be remitted pursuant to Section 2.04 to the applicable parties (which shall include any applicable wiring instructions of the parties receiving payment) with respect to such Payment Date.

(c) Servicer's Certificate. Together with each Servicing Report, the Servicer shall submit to the Administrative Agent, each Lender Agent, the Collateral Agent, the Backup Servicer and any Liquidity Bank a certificate substantially in the form of Exhibit L (a "Servicer's Certificate"), signed by a Responsible Officer of the Servicer, which shall include a certification by such Responsible Officer that no Event of Default or Unmatured Event of Default has occurred (or describing in detail any such Event of Default or Unmatured Event of Default) and is continuing.

(d) Financial Statements. The Servicer will submit to the Administrative Agent, each Lender Agent, any Liquidity Bank, the Backup Servicer and the Collateral Agent, (i) within 45 days after the end of each of its first three fiscal quarters (excluding the fiscal quarter ending on the date specified in clause (ii)), commencing for the fiscal quarter ending June 30, 2013, consolidated unaudited financial statements of the Servicer for the most recent fiscal quarter, and (ii) within 90 days after the end of each fiscal year, commencing with the fiscal year ended December 31, 2013, consolidated audited financial statements of the Servicer, audited by a firm of nationally recognized independent public accountants, as of the end of such fiscal year.

(e) Tax Returns. Upon demand by the Administrative Agent, each Lender Agent or any Liquidity Bank, the Servicer shall deliver, copies of all federal, state and local tax returns and reports filed by the Borrower, or in which the Borrower was included on a consolidated or combined basis (excluding sales, use and similar Taxes).

(f) Obligor Financial Statements; Valuation Reports; Other Reports. The Servicer will deliver to the Administrative Agent, the Lender Agents, the Backup Servicer and the Collateral Agent, with respect to each Obligor, (i) prior to making an Advance with respect thereto, three years' historical audited or unaudited financial statements and related information and a copy of the Underwriting Memoranda utilized by the Transferor or the Borrower, as applicable, in evaluating and approving such Loan Asset for investment, (ii) to the extent received by the Borrower or the Servicer pursuant to the Loan Agreement, the complete financial reporting package with respect to such Obligor and with respect to each Loan Asset for such Obligor provided to the Borrower or the Servicer either monthly or quarterly, as the case may be, by such Obligor, which delivery shall be made prior to the later of (x) 45

days after of the end of each quarter end (or such longer period provided therein with respect to the end of an Obligor's fiscal quarter or fiscal year), and (y) 10 Business Days after receipt by the Borrower or Servicer thereof, which reporting package shall include any covenant compliance certificates under the related Loan Agreement, (iii) asset and portfolio level monitoring reports prepared by the Servicer with respect to the Loan Assets, which delivery shall be made within 45 days of the end of each quarter end (or such longer period provided therein with respect to the end of an Obligor's fiscal quarter or fiscal year) which would include, at a minimum, covenant and financial covenant testing as required hereunder, and (iv) the loan amortization schedule of each Loan Asset within 15 days of the end of each Month (which may be included in the Borrowing Base Model that is delivered on each Reporting Date). The Servicer will promptly deliver to the Administrative Agent, the Backup Servicer and any Lender Agent, upon reasonable request and to the extent received by the Borrower or the Servicer, all other documents and information required to be delivered by the Obligors to the Borrower with respect to any Loan Asset included in the Collateral Portfolio.

(g) Amendments to Loan Assets. The Servicer will deliver to the Administrative Agent, the Lender Agents, the Backup Servicer and the Collateral Custodian a copy of any amendment, restatement, supplement, waiver or other modification to the Loan Agreement of any Loan Asset (along with any internal documents prepared by the Servicer and provided to its investment committee in connection with such amendment, restatement, supplement, waiver or other modification) (i) with respect to any Material Modification, promptly and in any event within 10 Business Days of request of the Administrative Agent thereof and (ii) with respect to any amendment, restatement, supplement, waiver or other modification which is not a Material Modification, within 45 days after the end of each quarter end.

(h) Website Access to Information. Notwithstanding anything to the contrary contained herein, information required to be delivered or submitted to any Secured Party pursuant to Section 5.02(i) and this Article VI shall be deemed to have been delivered on the date upon which such information is received through e-mail (with confirmation of receipt) or another delivery method acceptable to the Administrative Agent.

(i) Required Asset Coverage Ratio. On or prior to the RAC Reporting Date with respect to the immediately prior fiscal quarter, the Servicer shall deliver to the Administrative Agent written certificate that demonstrates CGMS's compliance or non-compliance with the Required Asset Coverage Ratio substantially in the form of Exhibit S.

SECTION 6.09 Annual Statement as to Compliance. The Servicer will provide to the Administrative Agent, each Lender Agent, the Backup Servicer and the Collateral Agent within 90 days following the end of each fiscal year of the Servicer, commencing with the fiscal year ending on December 31, 2013, a fiscal report signed by a Responsible Officer of the Servicer certifying that (a) a review of the activities of the Servicer, and the Servicer's performance pursuant to this Agreement, for the fiscal period ending on the last day of such fiscal year has been made under such Person's supervision and (b) either that the Servicer has performed or has caused to be performed in all material respects all of its obligations under this Agreement throughout such year and no Servicer Termination Event has occurred and is continuing, or specifying in what respect the foregoing is not true.

SECTION 6.10 Annual Independent Public Accountant's Servicing Reports. The Servicer will cause a firm of nationally recognized independent public accountants (who may also render other services to the Servicer) to furnish to the Administrative Agent, each Lender Agent, the Backup Servicer and the Collateral Agent within 90 days following the end of each fiscal year of the Servicer, commencing with the fiscal year ending on December 31, 2013, a report covering such fiscal year to the effect that such accountants
have applied certain agreed-upon procedures to be structured by and agreed-upon between the Servicer and the Administrative Agent to certain documents and records relating to the Collateral Portfolio under any Transaction Document, compared the information contained in the Servicing Reports and the Servicer's Certificates delivered during the period covered by such report with such documents and records and that no matters came to the attention of such accountants that caused them to believe that such servicing was not conducted in compliance with this Article VI, except for such exceptions as such accountants shall believe to be immaterial and such other exceptions as shall be set forth in such statement.

SECTION 6.11 The Servicer Not to Resign. The Servicer shall not resign from the obligations and duties hereby imposed on it except upon the Servicer's determination that (i) the performance of its duties hereunder is or becomes impermissible under Applicable Law and (ii) there is no reasonable action that the Servicer could take to make the performance of its duties hereunder permissible under Applicable Law. Any such determination permitting the resignation of the Servicer shall be evidenced as to clause (i) above by an Opinion of Counsel to such effect delivered to the Administrative Agent and each Lender Agent. No such resignation shall become effective until a Replacement Servicer shall have assumed the responsibilities and obligations of the Servicer in accordance with Section 6.02.

ARTICLE VII.
THE BACKUP SERVICER

SECTION 7.01 Designation of the Backup Servicer.

(a) Initial Backup Servicer. The backup servicing role with respect to the Collateral shall be conducted by the Person designated as Backup Servicer hereunder from time to time in accordance with this Section 7.01. Until the Administrative Agent shall give to Wells Fargo Bank, National Association a Backup Servicer Termination Notice, Wells Fargo Bank, National Association is hereby designated as, and hereby agrees to perform the duties and obligations of, a Backup Servicer pursuant to the terms hereof.

(b) Successor Backup Servicer. Upon the Backup Servicer's receipt of Backup Servicer Termination Notice from the Administrative Agent of the designation of a replacement Backup Servicer pursuant to the provisions of Section 7.05, the Backup Servicer agrees that it will terminate its activities as Backup Servicer hereunder.

SECTION 7.02 Duties of the Backup Servicer.

(a) Appointment. The Borrower and the Administrative Agent, as agent for the Secured Parties, each hereby appoints Wells Fargo Bank, National Association to act as Backup Servicer, for the benefit of the Administrative Agent and the Secured Parties, as from time to time designated pursuant to Section 7.01. The Backup Servicer hereby accepts such appointment and agrees to perform the duties and obligations with respect thereto set forth herein.

(b) Duties. On or before the Initial Advance, and until its removal pursuant to Section 7.05, the Backup Servicer shall perform, on behalf of the Administrative Agent and the Secured Parties, the following duties and obligations:

(i) On or before the Closing Date, the Backup Servicer shall accept from the Servicer delivery of the information required to be set forth in the Servicing Report referred to in Section 6.08(b)(i) of this Agreement (if any) on an excel spreadsheet or other format to be agreed upon by the Backup Servicer and the Servicer on or prior to closing.

(ii) Not later than 12:00 noon (New York City, New York time) on each Reporting Date, the Servicer shall deliver to the Backup Servicer the loan asset spreadsheet, which shall include but not be limited to the following information: (x) for each Loan Asset, the name of the related Obligor, the collection status, the loan status, the date of each Scheduled Payment, the Outstanding Principal Balance, the initial Assigned Value, and the Outstanding Loan Balance, (y) the Borrowing Base and (z) the Aggregate Outstanding Loan Balance (the "Spreadsheet"). The Backup Servicer shall accept delivery of the Spreadsheet.

(c) Reliance on Spreadsheet. With respect to the duties described in Section 7.02(b), the Backup Servicer is entitled to rely conclusively, and shall be fully protected in so relying, on the contents of each Spreadsheet, including, but not limited to, the completeness and accuracy thereof, provided by the Servicer.

SECTION 7.03 Merger or Consolidation.

Any Person (i) into which the Backup Servicer may be merged or consolidated, (ii) that may result from any merger or consolidation to which the Backup Servicer shall be a party, or (iii) that may succeed to the properties and assets of the Backup Servicer substantially as a whole, which Person in any of the foregoing cases executes an agreement of assumption to perform every obligation of the Backup Servicer hereunder, shall be the successor to the Backup Servicer under this Agreement without further act on the part of any of the parties to this Agreement provided such Person is organized under the laws of the United States of America or any one of the States thereof or the District of Columbia (or any domestic branch of a foreign bank), (i) (a) that has either (1) a long-term unsecured debt rating of "A" or better by S&P and "A2" or better by Moody's or (2) a short-term unsecured debt rating or certificate of deposit rating of "A-1" or better by S&P or "P-1" or better by Moody's, (b) the parent corporation which has either (1) a long-term unsecured debt rating of "A" or better by S&P and "A2" or better by Moody's or (2) a short-term unsecured debt rating or certificate of deposit rating of "A-1" or better by S&P and "P-1" or better by Moody's or (c) is otherwise acceptable to the Administrative Agent.

SECTION 7.04 Backup Servicing Compensation.

As compensation for its back-up servicing activities hereunder, the Backup Servicer shall be entitled to receive the Backup Servicing Fee from the Servicer. To the extent that such Backup Servicing Fee is not paid by the Servicer, the Backup Servicer shall be entitled to receive the unpaid balance of its Backup Servicing Fee to the extent of funds available therefor pursuant to Section 2.04(a)(i) and Section 2.04(b)(iv), as applicable. The Backup Servicer's entitlement to receive the Backup Servicing Fee shall cease (excluding any unpaid outstanding amounts as of that date) on the earliest to occur of: (i) it becoming the Successor Servicer, (ii) its removal as Backup Servicer pursuant to Section 7.05, or (iii) the termination of this Agreement. Upon becoming Successor Servicer pursuant to Section 6.01, the Backup Servicer shall be entitled to the Servicing Fee.

SECTION 7.05 Backup Servicer Removal.

The Backup Servicer may be removed, with or without cause, by the Administrative Agent by notice given in writing to the Backup Servicer (the "Backup Servicer Termination Notice"). In the event of any such removal, a replacement Backup Servicer shall be appointed by the Administrative Agent (acting upon the direction of the Majority Lenders).

SECTION 7.06 Limitation on Liability.

(a) The Backup Servicer undertakes to perform only such duties and obligations as are specifically set forth in this Agreement, it being expressly understood by all parties hereto that there are no implied duties or obligations of the Backup Servicer hereunder. Without limiting the generality of the foregoing, the Backup Servicer, except as expressly set forth herein, shall have no obligation to supervise, verify, monitor or administer the performance of the Servicer. The Backup Servicer may act through its agents, nominees, attorneys and custodians in performing any of its duties and obligations under this Agreement, it being understood by the parties hereto that the Backup Servicer will be responsible for any willfull misconduct or gross negligence on the part of such agents, attorneys or custodians acting on the routine and ordinary day-to-day operations for and on behalf of the Backup Servicer. Neither the Backup Servicer nor any of its officers, directors, employees or agents shall be liable, directly or indirectly, for any damages or expenses arising out of the services performed under this Agreement other than damages or expenses that result from the gross negligence or willful misconduct of it or them or the failure to perform materially in accordance with this Agreement.

(b) The Backup Servicer shall not be liable for any obligation of the Servicer contained in this Agreement or for any errors of the Servicer contained in any computer tape, certificate or other data or document delivered to the Backup Servicer hereunder or on which the Backup Servicer must rely in order to perform its obligations hereunder, and the Secured Parties, the Administrative Agent, the Backup Servicer and the Collateral Custodian each agree to look only to the Servicer to perform such obligations. The Backup Servicer shall have no responsibility and shall not be in default hereunder or incur any liability for any failure, error, malfunction or any delay in carrying out any of its duties under this Agreement if such failure or delay results from the Backup Servicer acting in accordance with information prepared or supplied by a Person other than the Backup Servicer or the failure of any such other Person to prepare or provide such information. The Backup Servicer shall have no responsibility, shall not be in default and shall incur no liability for (i) any act or failure to act of any third party, including the Servicer, (ii) any inaccuracy or omission in a notice or communication received by the Backup Servicer from any third party, (iii) the invalidity or unenforceability of any Collateral under Applicable Law, (iv) the breach or inaccuracy of any representation or warranty made with respect to any Collateral, or (v) the acts or omissions of any successor Backup Servicer.

SECTION 7.07 The Backup Servicer Not to Resign.

The Backup Servicer shall not resign (except with prior consent of the Administrative Agent which consent shall not be unreasonably withheld) from the obligations and duties hereby imposed on it except upon the Backup Servicer's determination that (i) the performance of its duties hereunder is or becomes impermissible under Applicable Law and (ii) there is no reasonable action that the Backup Servicer could take to make the performance of its duties hereunder permissible under Applicable Law. Any such determination permitting the resignation of the Backup Servicer shall be evidenced as to clause (i) above by an Opinion of Counsel to such effect delivered to the Administrative Agent. No such resignation shall become effective until a successor Backup Servicer shall have assumed the responsibilities and obligations of the Backup Servicer hereunder.

ARTICLE VIII.
EVENTS OF DEFAULT

SECTION 8.01 Events of Default. If any of the following events (each, an "Event of Default") shall occur:

(a) the Borrower fails to:

(i) to make any payment of principal when due hereunder;

(ii) eliminate any Borrowing Base Deficiency within three Business Days of the occurrence thereof, *provided*, if during such three Business Day period the Servicer provides the Administrative Agent with a certified copy of a Demand in an amount at least equal to the Borrowing Base Deficiency, and the Servicer certifies the proceeds thereof shall be utilized to cure such Event of Default under Section 8.01(a)(ii), then the three Business Day grace period shall be extended an additional 10 Business Days from the date of such Borrowing Base Deficiency;

(iii) make payment of outstanding principal of all outstanding Advances, if any, and all Yield and all Fees accrued and unpaid thereon together with all other Obligations on the Final Maturity Date; or

(iv) make payment of any other Obligation when due hereunder, whether of Yield on each Payment Date, fees or payment of any other Obligations under any other Transaction Document when due, and such failure continues unremedied for two Business Days; or

(b) the Borrower or the Transferor defaults in making any payment required to be made under one or more agreements for borrowed money to which it is a party (x) in any amount for the Borrower, or (y) in an aggregate principal amount in excess of $25,000,000 for the Transferor, or an event of default is declared under any such facility (without regard to waivers granted thereunder), and, in each case, such default is not cured or remedied within the applicable cure period, if any, provided for under such agreement; or

(c) any failure on the part of the Borrower or the Transferor duly to observe or perform any covenants or agreements of the Borrower or the Transferor set forth in this Agreement or the other Transaction Documents to which the Borrower or the Transferor is a party (other than (x) covenants or agreements with respect to which another clause of this Section 8.01 expressly relates, and (y) failure to meet any of the Concentration Limits or any Collateral Quality Test) and the same continues unremedied for a period of 30 days (if such failure can be remedied) after the earlier to occur of (i) the date on which written notice of such failure requiring the same to be remedied shall have been given to the Borrower or the Transferor by the Administrative Agent or Collateral Agent, and (ii) the date on which the Borrower or the Transferor acquires knowledge thereof;

(d) the occurrence of a Bankruptcy Event relating to CGMS or the Borrower; or

(e) the Financial Covenants have been breached; or

(f) the occurrence of a Servicer Termination Event (*provided* that CGMS or an Affiliate of the Borrower is the Servicer) past any applicable notice or cure period provided in the definition thereof; or

(g) (1) the rendering of one or more final judgments, decrees or orders by a court or arbitrator of competent jurisdiction for the payment of money in excess individually or in the aggregate of $500,000, against the Borrower, and the Borrower shall not have either (i) discharged or provided for the discharge of any such judgment, decree or order in accordance with its terms or (ii) perfected a timely appeal of such judgment, decree or order and caused the execution of same to be stayed during the pendency of the appeal or (2) the Borrower shall have made payments of amounts in excess of $500,000 in the settlement of any litigation, claim or dispute (excluding payments made from insurance proceeds); or

(h) the breach of the Borrower of the covenants set forth in Section 5.01(b) or Section 5.02(a), or the Borrower shall otherwise fail to qualify as a bankruptcy-remote entity based upon customary criteria such that reputable counsel could no longer render a substantive nonconsolidation opinion with respect to the Borrower and the Transferor; or

(i) (1) any Transaction Document, or any Lien or security interest granted thereunder, shall (except in accordance with its terms), in whole or in part, terminate, cease to be effective or cease to be the legally valid, binding and enforceable obligation of the Borrower, the Transferor or the Servicer,

(2) the Borrower, the Transferor or the Servicer or any Affiliate of any of them shall, directly or indirectly, contest in any manner the effectiveness, validity, binding nature or enforceability of any Transaction Document or any lien or security interest thereunder, or

(3) any security interest securing any obligation under any Transaction Document shall, in whole or in part, cease to be a first priority perfected security interest except as otherwise expressly permitted to be released in accordance with the applicable Transaction Document; or

(j) failure on the part of the Borrower, the Transferor or the Servicer to make any payment or deposit (including, without limitation, with respect to bifurcation and remittance of Interest Collections and Principal Collections or any other payment or deposit required to be made by the terms of the Transaction Documents, including, without limitation, to any Secured Party, Affected Party or Indemnified Party) required by the terms of any Transaction Document (other than any payment set forth in clause (a) above) within two Business Days after the date when such payment is due (unless such failure was due solely to an administrative error by the financial institution holding the applicable account crediting any such payment to the wrong account and the Borrower, the Transferor or Servicer and such financial institution work diligently to resolve as promptly as possible and in any event within two Business Days after such error was discovered); or

(k) either the Borrower or CGMS shall be required to be registered as an "investment company" within the meaning of Section 8 of the 1940 Act (the parties hereto acknowledging that CGMS is regulated as a "business development company" under the 1940 Act) or the arrangements contemplated by the Transaction Documents shall require registration as an "investment company" within the meaning of the 1940 Act, or the business and other activities of the Borrower or CGMS, including but not limited to, the acceptance of the Advances by the Borrower made by the Lenders, violate the 1940 Act or the rules and regulations promulgated thereunder (other than in an immaterial manner); or

(l) the Internal Revenue Service shall file notice of a lien pursuant to Section 6323 of the Code with regard to any assets of the Borrower, the Transferor and such lien shall not have been released within five Business Days, or the Pension Benefit Guaranty Corporation shall file notice of a lien pursuant to Section 4068 of ERISA with regard to any of the assets of the Borrower, or the Transferor and such lien shall not have been released within five Business Days; or

(m) either (A) a Governmental Authority with the authority to determine the permissibility of the Lenders' making Advances hereunder or the appropriateness of the accounting or regulatory capital treatment thereof asserts that (i) the Borrower is (or may be deemed) a "covered fund" under the Volcker Rule, and (ii) the terms of this Agreement create an ownership interest (as defined in the Volcker Rule) in the Borrower or (B) the Administrative Agent has reasonably determined that an event of the type described in the foregoing subclause (A) of this clause (m) will, with notice or lapse of time, occur; or

(n) any Change of Control shall occur; or

(o) any representation, warranty or certification made by the Borrower or the Transferor in any Transaction Document or in any certificate delivered pursuant to any Transaction Document shall prove to have been incorrect when made, such incorrectness can reasonably be expected to result in a Material Adverse Effect, and continues to be unremedied for a period of 30 days after the earlier to occur of (i) the date on which written notice of such incorrectness requiring the same to be remedied shall have been given to the Borrower or the Transferor by the Administrative Agent or the Collateral Agent (which shall be given at the direction of the Administrative Agent) and (ii) the date on which a Responsible Officer of the Borrower or the Transferor acquires knowledge thereof; or

(p) the Borrower ceases to have a valid, perfected first priority ownership interest in all of the Collateral Portfolio (subject to Permitted Liens); or

(q) the Borrower makes any assignment or attempted assignment of their respective rights or obligations under this Agreement or any other Transaction Document without first obtaining the specific written consent of each of the Lender Agents and the Administrative Agent, which consent may be withheld by any Lender Agent or the Administrative Agent in the exercise of its sole and absolute discretion; or

(r) the Borrower, the Servicer or the Transferor fails to observe or perform any covenant, agreement or obligation with respect to the management and distribution of funds received with respect to the Collateral Portfolio, and such failure is not cured within two Business Days; or

(s) (i) the failure of the Borrower to maintain at least one Independent Director, (ii) the removal of any Independent Director of the Borrower without "cause" (as such term is defined in the organizational document of the Borrower) or without giving prior written notice to the Administrative Agent and the Lender Agents, each as required in the organizational documents of the Borrower or (iii) an Independent Director of the Borrower which is not provided by Puglisi & Associates or a nationally recognized service reasonably acceptable to the Administrative Agent shall be appointed without the consent of the Administrative Agent; or

then the Administrative Agent or the Majority Lenders, may, by notice to the Borrower, declare the Final Maturity Date to have occurred; *provided* that, in the case of any events described in Section 8.01(i) (to the extent such Event of Default relates to greater than 7.5% of the Advances Outstanding or 7.5% of the Collateral Portfolio, as applicable) and Section 8.01(d) above, the Final Maturity Date shall be deemed to have occurred automatically upon the occurrence of such event. Upon any such declaration or automatic occurrence, (i) the Borrower shall cease purchasing Loan Assets from the Transferor under the Contribution Agreement, (ii) the Administrative Agent or the Majority Lenders may declare the Revolving Notes to be immediately due and payable in full (without presentment, demand, protest or notice of any kind all of which are hereby waived by the Borrower) and any other Obligations to be immediately due and payable, and (iii) all proceeds and distributions in respect of the Portfolio Assets shall be distributed by the Account Bank, acting at the direction of the Collateral Agent (acting at the direction of the Administrative Agent) as described in Section 2.04(c) (*provided* that the Borrower shall in any event remain liable to pay such Advances and all such amounts and Obligations immediately in accordance with Section 2.04(d) hereof). In addition, upon any such declaration or upon any such automatic occurrence, the Collateral Agent, on behalf of the Secured Parties and at the direction of the Administrative Agent, shall have, in addition to all other rights and remedies under this Agreement or otherwise, all other rights and remedies provided under the UCC of the applicable jurisdiction and other Applicable Law, which rights shall be cumulative. Without limiting any obligation of the Servicer hereunder, the Borrower confirms and agrees that the Collateral Agent, on behalf of the Secured Parties and at the direction of the Administrative Agent, (or any designee thereof, including, without limitation, the Servicer), following an Event of Default, shall, at its option, have the sole right to enforce the Borrower's rights and remedies under each Assigned Document, but without any obligation on the part of the Administrative Agent, the Lenders, the Lender Agents or any of their respective Affiliates to perform any of the obligations of the Borrower under any such Assigned Document. If any Event of Default shall have occurred, the Yield Rate shall be increased pursuant to the increase set forth in the definition of "Applicable Spread", effective as of the date of the occurrence of such Event of Default, and shall apply after the occurrence of such Event of Default; or

(t) the breach or violation by the Borrower of any of the representations, warranties or covenants set forth in set forth in Section 4.01(kk), 5.01(x)(iii) or 5.02(q).

SECTION 8.02 Additional Remedies of the Administrative Agent.

(a) If, (i) upon the Administrative Agent's or the Majority Lenders' declaration that the Advances made to the Borrower hereunder are immediately due and payable pursuant to Section 8.01 upon the occurrence of an Event of Default, or (ii) on the Final Maturity Date, the aggregate outstanding principal amount of the Advances, all accrued and unpaid Fees and Yield and any other Obligations are not immediately paid in full, then the Collateral Agent (acting as directed by the Administrative Agent) or the Administrative Agent (acting as directed by the Majority Lenders), in addition to all other rights specified hereunder, shall have the right, in its own name and as agent for the Lenders and Administrative Agent, to immediately sell (at the Servicer's expense) in a commercially reasonable manner, in a recognized market (if one exists) at such price or prices as the Administrative Agent may reasonably deem satisfactory, any or all of the Collateral Portfolio and apply the proceeds thereof to the Obligations.

(b) The parties recognize that it may not be possible to sell all of the Collateral Portfolio on a particular Business Day, or in a transaction with the same purchaser, or in the same manner because the market for the assets constituting the Collateral Portfolio may not be liquid. Accordingly, the Administrative Agent may elect, in its sole discretion, the time and manner of liquidating any of the Collateral Portfolio, and nothing contained herein shall obligate the Administrative Agent to liquidate any of the Collateral Portfolio on the date the Administrative Agent or the Majority Lenders declare the Advances made to the Borrower hereunder to be immediately due and payable pursuant to Section 8.01 or to liquidate all of the Collateral Portfolio in the same manner or on the same Business Day.

(c) If the Collateral Agent (acting as directed by the Administrative Agent) or the Administrative Agent proposes to sell the Collateral Portfolio or any part thereof in one or more parcels at a public or private sale, at the request of the Collateral Agent or the Administrative Agent, as applicable, the Borrower and the Servicer shall make available to (i) the Administrative Agent, on a timely basis, all information (including any information that the Borrower and the Servicer is required by law or contract to be kept confidential, to the extent such information can be provided without violation of laws or contracts, including through entering into any confidentiality agreements in forms acceptable to the Collateral Agent or the Administrative Agent, as applicable, to the extent required to prevent violation of such laws or contracts) relating to the Collateral Portfolio subject to sale, including, without limitation, copies of any disclosure documents, contracts, financial statements of the applicable Obligors, covenant certificates and any other materials requested by the Administrative Agent, and (ii) each prospective bidder, on a timely basis, all reasonable non-confidential information relating to the Collateral Portfolio subject to sale, including, without limitation, copies of any disclosure documents, contracts, financial statements of the applicable Obligors, covenant certificates and any other materials reasonably requested by each such bidder.

(d) Each of the Borrower and the Servicer agrees, to the full extent that it may lawfully so agree, that neither it nor anyone claiming through or under it will set up, claim or seek to take advantage of any appraisement, valuation, stay, extension or redemption law now or hereafter in force in any locality where any Collateral Portfolio may be situated in order to prevent, hinder or delay the enforcement or foreclosure of this Agreement, or the absolute sale of any of the Collateral Portfolio or any part thereof, or the final and absolute putting into possession thereof, immediately after such sale, of the purchasers thereof, and each of the Borrower and the Servicer, for itself and all who may at any time claim through or under it, hereby waives, to the full extent that it may be lawful so to do, the benefit of all such laws, and any and all right to have any of the properties or assets constituting the Collateral Portfolio marshaled upon any such sale, and agrees that the Collateral Agent, or the Administrative Agent on its behalf, or any court having jurisdiction to foreclose the security interests granted in this Agreement may sell the Collateral Portfolio as an entirety or in such parcels as the Collateral Agent (acting at the direction of the Administrative Agent) or such court may determine.

(e) Any amounts received from any sale or liquidation of the Collateral Portfolio pursuant to this Section 8.02 in excess of the Obligations will be applied by the Collateral Agent (as directed by the Administrative Agent) in accordance with the provisions of Section 2.04(c), or as a court of competent jurisdiction may otherwise direct.

(f) The Administrative Agent, the Lender Agents and the Lenders shall have, in addition to all the rights and remedies provided herein and provided by applicable federal, state, foreign, and local laws (including, without limitation, the rights and remedies of a secured party under the UCC of any applicable state, to the extent that the UCC is applicable, and the right to offset any mutual debt and claim), all rights and remedies available to the Lenders at law, in equity or under any other agreement between any Lender and the Borrower.

(g) Except as otherwise expressly provided in this Agreement, no remedy provided for by this Agreement shall be exclusive of any other remedy, each and every remedy shall be cumulative and in addition to any other remedy, and no delay or omission to exercise any right or remedy shall impair any such right or remedy or shall be deemed to be a waiver of any Event of Default.

(h) Each of the Borrower and the Servicer hereby irrevocably appoints each of the Collateral Agent and the Administrative Agent its true and lawful attorney (with full power of substitution) in its name, place and stead and at its expense, in connection with the enforcement of the rights and remedies after the occurrence and during the continuance of an Event of Default provided for in this Agreement, including without limitation the following powers: (a) to give any necessary receipts or acquittance for amounts collected or received hereunder, (b) to make all necessary transfers of the Collateral Portfolio in connection with any such sale or other disposition made pursuant hereto, (c) to execute and deliver for value all necessary or appropriate bills of sale, assignments and other instruments in connection with any such sale or other disposition, the Borrower and the Servicer hereby ratifying and confirming all that such attorney (or any substitute) shall lawfully do hereunder and pursuant hereto, and (d) to sign any agreements, orders or other documents in connection with or pursuant to any Transaction Document. Nevertheless, if so requested by the Collateral Agent or the Administrative Agent, the Borrower shall ratify and confirm any such sale or other disposition by executing and delivering to the Collateral Agent or the Administrative Agent or all proper bills of sale, assignments, releases and other instruments as may be designated in any such request. Notwithstanding anything to the contrary in any power of attorney furnished hereunder, the Administrative Agent shall not exercise any power of attorney unless an Event of Default has occurred.

(i) (1) If the Collateral Agent (acting as directed by the Administrative Agent) or the Administrative Agent elects to sell the Collateral Portfolio in whole, but not in part, at a public or private sale, the Borrower may exercise its right of first refusal to repurchase the Collateral Portfolio, in whole but not in part, prior to such sale at a purchase price that is not less than the amount of the Obligations as of the date of such proposed sale. The Borrower's right of first refusal shall terminate at 4:00 p.m. on the second Business Day following the Business Day on which the Borrower receives notice of the Collateral Agent's or the Administrative Agent's election to sell such Collateral Portfolio, such notice to attach copies of all Eligible Bids received by the Collateral Agent or the Administrative Agent in respect of such Collateral Portfolio.

(2) If the Collateral Agent (acting as directed by the Administrative Agent) or the Administrative Agent elects to sell less than all of the Collateral Portfolio in one or more parcels at a public or private sale, the Borrower may exercise its right of first refusal to repurchase such portion of the Collateral Portfolio prior to such sale at a purchase price of not less than the highest Eligible Bid received in respect of such portion of the Collateral Portfolio as of the date of such proposed sale, as notified by the Collateral Agent or the Administrative Agent to the Borrower. The Borrower's right of first refusal shall terminate not later than 4:00 p.m. on the Business Day on which the Borrower receives notice of the Collateral Agent's or the Administrative Agent's election to sell such portion of the Collateral Portfolio, if such notice is delivered by 12:00 p.m. on such Business Day; *provided* that if such notice is delivered after 12:00 p.m. on the Business Day on which the Borrower receives such notice, or if the highest Eligible Bid received in respect of such portion of the Collateral Portfolio is greater than $25,000,000, the Borrower's right of first refusal shall terminate not later than 12:00 p.m. on the following Business Day.

(3) If the Borrower elects not to exercise its right of first refusal as provided in clauses (1) or (2) above, the Collateral Agent (acting as directed by the Administrative Agent) or the Administrative Agent shall sell such Collateral Portfolio or portion thereof for a purchase price equal to the highest of the Eligible Bids then received. For the avoidance of doubt, any determination of the highest Eligible Bid shall only consider bids for the same parcels of the Collateral Portfolio.

(4) It is understood that the Borrower may submit its bid for the Collateral Portfolio or any portion thereof as a combined bid with the bids of other members of a group of bidders, and shall have the right to find bidders to bid on the Collateral Portfolio or any portion thereof.

It is understood that the Borrower's right of first refusal shall apply to each proposed sale of the same parcel of the Collateral Portfolio.

SECTION 8.03 Volcker Extension.

(a) If an Event of Default shall have occurred and be continuing pursuant to Section 8.01(m) (any such event, a "Volcker Event"), then, notwithstanding Section 8.02, the Administrative Agent may declare the Final Maturity Date to have occurred pursuant to Section 8.01 (which declaration shall be effective) but shall not, prior to the close of business (New York time) on the 30th day following the date on which the Administrative Agent shall have delivered notice to Borrower of the occurrence of such Volcker Event (such time, the "Volcker Extension Deadline"), exercise any of the other remedies set forth in Section 8.02, if and for so long as:

(i) no Event of Default, other than the Volcker Event, shall have occurred and be continuing;

(ii) the Borrower and its Affiliates shall be actively engaged in soliciting or making arrangements to cause the repayment in full of the Obligations (whether by refinancing or otherwise); and

(iii) on or prior to the fifth Business Day following the date on which the Administrative Agent shall have delivered notice to Borrower of the Event of Default relating to the Volcker Event, the Servicer shall have delivered an Officer's Certificate certifying that the conditions set forth in the foregoing clauses (i) and (ii) have been satisfied.

(b) Section 8.03(a) shall apply only to a Volcker Event and shall not be deemed to limit the rights of the Administrative Agent in respect of any other Event of Default.

(c) If any of the Obligations shall, upon the occurrence of the Volcker Extension Deadline, remain outstanding, then the Administrative Agent shall be entitled to exercise immediately, and without further notice to the Borrower or any other Person, any and all of the remedies set forth in Section 8.02 and elsewhere in this Agreement and the other Transaction Documents.

ARTICLE IX.
INDEMNIFICATION

SECTION 9.01 Indemnities by the Borrower.

(a) Without limiting any other rights which the Affected Parties, the Secured Parties, the Administrative Agent, the Lenders, the Lender Agents, the Collateral Agent, the Account Bank, the Collateral Administrator, the Backup Servicer, the Collateral Custodian or any of their respective Affiliates may have hereunder or under Applicable Law, the Borrower hereby agrees to indemnify the Affected Parties, the Secured Parties, Administrative Agent, the Lenders, the Lender Agents, the Collateral Agent, the Backup Servicer, the Account Bank, the Backup Servicer, the Collateral Administrator, the Collateral Custodian, any Conduit Trustee and each of their respective Affiliates, assigns, officers, directors, employees and agents (each, an "Indemnified Party" for purposes of this Article IX) from and against any and all damages, losses, claims, liabilities and related reasonable and documented out-of-pocket costs and expenses, including attorneys' fees and disbursements of one firm of counsel to the Administrative Agent and the Lenders and, if necessary, one firm of local counsel in each appropriate jurisdiction (all of the foregoing being collectively referred to as "Indemnified Amounts"), awarded against or actually incurred by such Indemnified Party arising out of or as a result of this Agreement or in respect of any of the Collateral Portfolio, excluding, however, Indemnified Amounts to the extent resulting solely from (a) gross negligence, bad faith or willful misconduct on the part of an Indemnified Party as determined in a final decision by a court of competent jurisdiction or (b) Loan Assets which are uncollectible due to the Obligor's financial inability to pay. Without limiting the foregoing, the Borrower shall indemnify each Indemnified Party for Indemnified Amounts relating to or resulting from any of the following (to the extent not resulting from the conditions set forth in (a) or (b) above):

(i) any Loan Asset treated as or represented by the Borrower to be an Eligible Loan Asset which is not at the applicable time an Eligible Loan Asset, or the purchase by any party or origination of any Loan Asset which violates Applicable Law;

(ii) reliance on any representation or warranty made or deemed made by the Borrower, the Servicer (if CGMS or one of its Affiliates is the Servicer) or any of their respective officers under or in connection with this Agreement or any Transaction Document, which shall have been false or incorrect in any material respect when made or deemed made or delivered;

(iii) the failure by the Borrower or the Servicer (if CGMS or one of its Affiliates is the Servicer) to comply with any term, provision or covenant contained in this Agreement or any agreement executed in connection with this Agreement, or with any Applicable Law with respect to any item of Collateral Portfolio, or the nonconformity of any item of Collateral Portfolio with any such Applicable Law;

(iv) the failure to vest and maintain vested in the Collateral Agent, for the benefit of the Secured Parties, a first priority perfected security interest in the Collateral Portfolio, free and clear of any Lien other than Permitted Liens, whether existing at the time of the related Advance or at any time thereafter;

(v) the failure to file, or any delay in filing, financing statements, continuation statements or other similar instruments or documents under the UCC of any applicable jurisdiction or other Applicable Law with respect to any Loan Assets included in the Collateral Portfolio or the other Portfolio Assets related thereto, whether at the time of any Advance or at any subsequent time;

(vi) any dispute, claim, offset or defense (other than the discharge in bankruptcy of an Obligor) to the payment of any Loan Asset included in the Collateral Portfolio (including, without limitation, a defense based on such Loan Asset (or the Loan Agreement evidencing such Loan Asset) not being a legal, valid and binding obligation of such Obligor enforceable against it in accordance with its terms), or any other claim resulting from the sale of the merchandise or services related to such Collateral Portfolio or the furnishing or failure to furnish such merchandise or services;

(vii) any failure of the Borrower or the Servicer (if CGMS or one of its Affiliates is the Servicer) to perform its duties or obligations in accordance with the provisions of the Transaction Documents to which it is a party or any failure by CGMS, the Borrower or any Affiliate thereof to perform its respective duties under any Collateral Portfolio;

(viii) any inability to obtain any judgment in, or utilize the court or other adjudication system of, any state in which an Obligor may be located as a result of the failure of the Borrower or the Transferor to qualify to do business or file any notice or business activity report or any similar report;

(ix) any action taken by the Borrower or the Servicer in the enforcement or collection of the Collateral Portfolio which results in any claim, suit or action of any kind pertaining to the Collateral Portfolio or which reduces or impairs the rights of the Administrative Agent, Lender Agent or Lender with respect to any Loan Asset or the value of any such Loan Asset;

(x) any products liability claim or personal injury or property damage suit or other similar or related claim or action of whatever sort arising out of or in connection with the Underlying Collateral or services that are the subject of any Collateral Portfolio;

(xi) any claim, suit or action of any kind arising out of or in connection with Environmental Laws relating to the Borrower or the Collateral Portfolio, including any vicarious liability;

(xii) the failure by the Borrower to pay when due any Taxes for which the Borrower is liable, including, without limitation, sales, excise or personal property Taxes payable in connection with the Collateral Portfolio;

(xiii) any repayment by the Administrative Agent, the Lender Agents, the Lenders or a Secured Party of any amount previously distributed in payment of Advances or payment of Yield or Fees or any other amount due hereunder, in each case which amount the Administrative Agent, the Lender Agents, the Lenders or a Secured Party believes in good faith is required to be repaid;

(xiv) the commingling by the Borrower or the Servicer of Collections required to be remitted to the Collection Account with other funds;

(xv) any investigation, litigation or proceeding related to this Agreement (or the Transaction Documents), or the use of proceeds of Advances or the Collateral Portfolio, or the administration of the Loan Assets by the Borrower or the Servicer (unless such administration is carried out by the Backup Servicer in the capacity of the Servicer, if applicable);

(xvi) any failure by the Borrower to give reasonably equivalent value to the Transferor in consideration for the transfer by the Transferor to the Borrower of any item of Collateral Portfolio or any attempt by any Person to void or otherwise avoid any such transfer under any statutory provision or common law or equitable action, including, without limitation, any provision of the Bankruptcy Code;

(xvii) the use of the proceeds of any Advance in a manner other than as provided in this Agreement and the Transaction Documents; or

(xviii) any failure of the Borrower, the Servicer or any of their respective agents or representatives to remit to the Collection Account within two Business Days of receipt, Collections with respect to the Collateral Portfolio remitted to the Borrower, the Servicer or any such agent or representative (other than such a failure on the part of the Backup Servicer in the capacity of Servicer, if applicable).

(b) Any amounts subject to the indemnification provisions of this Section 9.01 shall be paid by the Borrower to the Administrative Agent on behalf of the applicable Indemnified Party within five Business Days following receipt by the Borrower of the Administrative Agent's written demand therefor on behalf of the applicable Indemnified Party (and the Administrative Agent shall pay such amounts to the applicable Indemnified Party promptly after the receipt by the Administrative Agent of such amounts). The Administrative Agent, on behalf of any Indemnified Party making a request for indemnification under this Section 9.01, shall submit to the Borrower a certificate setting forth in reasonable detail the basis for and the computations of the Indemnified Amounts with respect to which such indemnification is requested, which certificate shall be conclusive absent demonstrable error.

(c) If for any reason the indemnification provided above in this Section 9.01 is unavailable to the Indemnified Party or is insufficient to hold an Indemnified Party harmless in respect of any losses, claims, damages or liabilities, then the Borrower shall contribute to the amount paid or payable by such Indemnified Party as a result of such losses, claims, damages or liabilities in such proportion as is appropriate to reflect not only the relative benefits received by such Indemnified Party on the one hand and the Borrower on the other hand but also the relative fault of such Indemnified Party as well as any other relevant equitable considerations; *provided* that the Borrower shall not be required to contribute in respect of any Indemnified Amounts excluded in Section 9.01(a).

(d) If the Borrower has made any payments in respect of Indemnified Amounts to the Administrative Agent on behalf of an Indemnified Party pursuant to this Section 9.01 and such Indemnified Party thereafter collects any of such amounts from others, such Indemnified Party will promptly repay such amounts collected to the Borrower in an amount equal to the amount it has collected from others in respect of such Indemnified Amounts, without interest.

(e) The obligations of the Borrower under this Section 9.01 shall survive the resignation or removal of the Administrative Agent, the Lenders, the Lender Agents, the Servicer, the Collateral Agent, the Account Bank, the Backup Servicer, the Collateral Administrator or the Collateral Custodian and the termination of this Agreement.

SECTION 9.02 Indemnities by Servicer.

(a) Without limiting any other rights which any Indemnified Party may have hereunder or under Applicable Law, the Servicer hereby agrees to indemnify each Indemnified Party from and against any and all Indemnified Amounts, awarded against or incurred by any Indemnified Party as a consequence of any of the following, excluding, however, Indemnified Amounts to the extent resulting from gross negligence, bad faith or willful misconduct on the part of any Indemnified Party claiming indemnification hereunder as determined in a final decision by a court of competent jurisdiction:

(i) the inclusion, in any computations made by it in connection with any Borrowing Base Certificate or other report prepared by it hereunder, of any Loan Assets which were not Eligible Loan Assets as of the date of any such computation;

(ii) reliance on any representation or warranty made or deemed made by the Servicer or any of its officers under or in connection with this Agreement or any other Transaction Document, any Servicing Report, Servicer's Certificate or any other information or report delivered by or on behalf of the Servicer pursuant hereto, which shall have been false, incorrect or misleading in any material respect when made or deemed made or delivered;

(iii) the failure by the Servicer to comply with (A) any term, provision or covenant contained in this Agreement or any other Transaction Document, or any other agreement executed in connection with this Agreement, or (B) any Applicable Law applicable to it with respect to any Portfolio Assets;

(iv) any litigation, proceedings or investigation against the Servicer;

(v) any action or inaction by the Servicer that causes the Collateral Agent, for the benefit of the Secured Parties, not to have a first priority perfected security interest in the Collateral Portfolio, free and clear of any Lien other than Permitted Liens, whether existing at the time of the related Advance or any time thereafter;

(vi) the commingling by the Servicer of Collections required to be remitted to the Collection Account with other funds;

(vii) any failure of the Servicer or any of its agents or representatives (including, without limitation, agents, representatives and employees of such Servicer acting pursuant to authority granted under Section 6.01 hereof) to remit to Collection Account, Collections with respect to Loan Assets remitted to the Servicer or any such agent or representative within two Business Days of receipt;

(viii) the Servicer or any of its agents or representatives (including, without limitation, agents, representatives and employees of such Servicer acting pursuant to authority granted under Section 6.01 hereof) permits or causes or authorizes the withdraw from the Collection Account of amounts not expressly authorized for withdrawal hereunder;

(ix) the failure by the Servicer to perform any of its duties or obligations in accordance with the provisions of this Agreement or any other Transaction Document or errors or omissions related to such duties;

(x) failure or delay in assisting a successor Servicer in assuming each and all of the Servicer's obligations to service and administer the Collateral Portfolio, or failure or delay in complying with instructions from the Administrative Agent with respect thereto; or

(xi) any of the events or facts giving rise to a breach of any of the Servicer's representations, warranties, agreements or covenants set forth in Article IV, Article V or Article VI of this Agreement.

(b) Any amounts subject to the indemnification provisions of this Section 9.02 shall be paid by the Servicer to the Administrative Agent on behalf of the applicable Indemnified Party within five Business Days following receipt by the Servicer of the Administrative Agent's written demand therefor on behalf of the applicable Indemnified Party (and the Administrative Agent shall pay such amounts to the applicable Indemnified Party promptly after the receipt by the Administrative Agent of such amounts). The Administrative Agent, on behalf of any Indemnified Party making a request for indemnification under this Section 9.02, shall submit to the Servicer a certificate setting forth in reasonable detail the basis for and the computations of the Indemnified Amounts with respect to which such indemnification is requested, which certificate shall be conclusive absent demonstrable error.

(c) If for any reason the indemnification provided above in this Section 9.02 is unavailable to the Indemnified Party or is insufficient to hold an Indemnified Party harmless in respect of any losses, claims, damages or liabilities, then the Servicer shall contribute to the amount paid or payable by such Indemnified Party as a result of such losses, claims, damages or liabilities in such proportion as is appropriate to reflect not only the relative benefits received by such Indemnified Party on the one hand and the Servicer on the other hand but also the relative fault of such Indemnified Party as well as any other relevant equitable considerations; *provided* that the Servicer shall not be required to contribute in respect of any Indemnified Amounts excluded in Section 9.02(a).

(d) If the Servicer has made any payments in respect of Indemnified Amounts to the Administrative Agent on behalf of an Indemnified Party pursuant to this Section 9.02 and such Indemnified Party thereafter collects any of such amounts from others, such Indemnified Party will promptly repay such amounts collected to the Servicer in an amount equal to the amount it has collected from others in respect of such Indemnified Amounts, without interest.

(e) The Servicer shall have no liability for making indemnification hereunder to the extent any such indemnification constitutes recourse for uncollectible or uncollected Loan Assets.

(f) The obligations of the Servicer under this Section 9.02 shall survive the resignation or removal of the Administrative Agent, the Lenders, the Lender Agents, the Collateral Agent, the Account Bank, the Backup Servicer or the Collateral Custodian and the termination of this Agreement.

(g) Any indemnification pursuant to this Section 9.02 shall not be payable from the Collateral Portfolio.

Each applicable Indemnified Party shall deliver to the Indemnifying Party under Section 9.01 and Section 9.02, within a reasonable time after such Indemnified Party's receipt thereof, copies of all notices and documents (including court papers) received by such Indemnified Party relating to the claim giving rise to the Indemnified Amounts.

SECTION 9.03 Legal Proceedings. In the event an Indemnified Party becomes involved in any action, claim, or legal, governmental or administrative proceeding (an "Action") for which it seeks indemnification hereunder, the Indemnified Party shall promptly notify the other party or parties against whom it seeks indemnification (the "Indemnifying Party") in writing of the nature and particulars of the Action; *provided* that its failure to do so shall not relieve the Indemnifying Party of its obligations hereunder except to the extent such failure has a material adverse effect on the Indemnifying Party. Upon written notice to the Indemnified Party acknowledging in writing that the indemnification provided hereunder applies to the Indemnified Party in connection with the Action (subject to the exclusion in the first sentence of Section 9.01, the first sentence of Section 9.02 or Section 9.02(d), as applicable), the Indemnifying Party may assume the defense of the Action at its expense with counsel reasonably acceptable to the Indemnified Party. The Indemnified Party shall have the right to retain separate counsel in connection with the Action, and the Indemnifying Party shall not be liable for the legal fees and expenses of the Indemnified Party after the Indemnifying Party has done so; *provided* that if the Indemnified Party determines in good faith that there may be a conflict between the positions of the Indemnified Party and the Indemnifying Party in connection with the Action, or that the Indemnifying Party is not conducting the defense of the Action in a manner reasonably protective of the interests of the Indemnified Party, the reasonable legal fees and expenses of the Indemnified Party shall be paid by the Indemnifying Party; *provided*, *further*, that the Indemnifying Party shall not, in connection with any one Action or separate but substantially similar or related Actions in the same jurisdiction arising out of the same general allegations or circumstances, be liable for the fees or expenses of more than one separate firm of attorneys (and any required local counsel) for such Indemnified Party, which firm (and local counsel, if any) shall be designated in writing to the Indemnifying Party by the Indemnified Party. If the Indemnifying Party elects to assume the defense of the Action, it shall have full control over the conduct of such defense; *provided* that the Indemnifying Party and its counsel shall, as reasonably requested by the Indemnified Party or its counsel, consult with and keep them informed with respect to the conduct of such defense. The Indemnifying Party shall not settle an Action without the prior written approval of the Indemnified Party unless such settlement provides for the full and unconditional release of the Indemnified Party from all liability in connection with the Action. The Indemnified Party shall reasonably cooperate with the Indemnifying Party in connection with the defense of the Action.

SECTION 9.04 After-Tax Basis. Indemnification under Section 9.01 and 9.02 shall be in an amount necessary to make the Indemnified Party whole after taking into account any Tax consequences to the Indemnified Party of the receipt of the indemnity provided hereunder, including the effect of such Tax or refund on the amount of Tax measured by net income or profits that is or was payable by the Indemnified Party.

ARTICLE X.
THE ADMINISTRATIVE AGENT AND THE LENDER AGENTS

SECTION 10.01 The Administrative Agent.

(a) Appointment. Each Lender Agent and each Secured Party hereby appoints and authorizes the Administrative Agent as its agent hereunder and hereby further authorizes the Administrative Agent to appoint additional agents to act on its behalf and for the benefit of each Lender Agent and each Secured Party. Each Lender Agent and each Secured Party further authorizes the Administrative Agent to take such action as agent on its behalf and to exercise such powers under this Agreement and the other Transaction Documents as are delegated to the Administrative Agent by the

terms hereof and thereof, together with such powers as are reasonably incidental thereto. Notwithstanding any provision to the contrary contained elsewhere in this Agreement or in any other Transaction Document, the Administrative Agent shall not have any duties or responsibilities, except those expressly set forth in this Agreement, nor shall the Administrative Agent have or be deemed to have any fiduciary relationship with any Lender or Lender Agent, and no implied covenants, functions, responsibilities, duties, obligations or liabilities shall be read into this Agreement or any other Transaction Document or otherwise exist against the Administrative Agent. Without limiting the generality of the foregoing sentence, the use of the term "agent" in this Agreement with reference to the Administrative Agent is not intended to connote any fiduciary or other implied (or express) obligations arising under agency doctrine of any Applicable Law. Instead, such term is used merely as a matter of market custom, and is intended to create or reflect only an administrative relationship between independent contracting parties.

(b) Delegation of Duties. The Administrative Agent may execute any of its duties under this Agreement or any other Transaction Document by or through agents, employees or attorneys in fact and shall be entitled to advice of counsel concerning all matters pertaining to such duties. The Administrative Agent shall not be responsible for the negligence or misconduct of any agent or attorney in fact that it selects with reasonable care.

(c) Administrative Agent's Reliance, Etc. Neither the Administrative Agent nor any of its directors, officers, agents or employees shall be liable for any action taken or omitted to be taken by it or them as Administrative Agent under or in connection with this Agreement or any of the other Transaction Documents, except for its or their own gross negligence or willful misconduct as determined in a final decision by a court of competent jurisdiction. Each Lender, Lender Agent and each Secured Party hereby waives any and all claims against the Administrative Agent or any of its Affiliates for any action taken or omitted to be taken by the Administrative Agent or any of its Affiliates under or in connection with this Agreement or any of the other Transaction Documents, except for its or their own gross negligence or willful misconduct as determined in a final decision by a court of competent jurisdiction. Without limiting the foregoing, the Administrative Agent: (i) may consult with legal counsel (including counsel for the Borrower or the Transferor), independent public accountants and other experts selected by it and shall not be liable for any action taken or omitted to be taken in good faith by it in accordance with the advice of such counsel, accountants or experts; (ii) makes no warranty or representation and shall not be responsible for any statements, warranties or representations made in or in connection with this Agreement; (iii) shall not have any duty to ascertain or to inquire as to the performance or observance of any of the terms, covenants or conditions of this Agreement or any of the other Transaction Documents on the part of the Borrower, the Transferor or the Servicer or to inspect the property (including the books and records) of the Borrower, the Transferor or the Servicer; (iv) shall not be responsible for the due execution, legality, validity, enforceability, genuineness, sufficiency or value of this Agreement, any of the other Transaction Documents or any other instrument or document furnished pursuant hereto or thereto; and (v) shall incur no liability under or in respect of this Agreement or any of the other Transaction Documents by acting upon any notice (including notice by telephone), consent, certificate or other instrument or writing (which may be by facsimile) believed by it to be genuine and signed or sent by the proper party or parties.

(d) Actions by Administrative Agent. The Administrative Agent shall be fully justified in failing or refusing to take any action under this Agreement or any other Transaction Document unless it shall first receive such advice or concurrence of any Lender Agent as it deems appropriate and, if it so requests, it shall first be indemnified to its satisfaction by the Lender Agents and Lenders (other than the

Conduit Lenders) against any and all liability and expense which may be incurred by it by reason of taking or continuing to take any such action. The Administrative Agent shall in all cases be fully protected in acting, or in refraining from acting, under this Agreement or any other Transaction Document in accordance with a request or consent of the Lender Agent or Lenders; *provided* that, notwithstanding anything to the contrary herein, the Administrative Agent shall not be required to take any action hereunder if the taking of such action, in the reasonable determination of the Administrative Agent, shall be in violation of any Applicable Law or contrary to any provision of this Agreement or shall expose the Administrative Agent to liability hereunder or otherwise. In the event the Administrative Agent requests the consent of a Lender Agent or Lender pursuant to the foregoing provisions and the Administrative Agent does not receive a consent (either positive or negative) from such Person within ten Business Days of such Person's receipt of such request, then such Lender or Lender Agent shall be deemed to have declined to consent to the relevant action.

(e) Notice of Event of Default, Unmatured Event of Default or Servicer Termination Event. The Administrative Agent shall not be deemed to have knowledge or notice of the occurrence of an Event of Default, Unmatured Event of Default or Servicer Termination Event, unless the Administrative Agent has received written notice from a Lender, Lender Agent, the Borrower or the Servicer referring to this Agreement, describing such Event of Default, Unmatured Event of Default or Servicer Termination Event and stating that such notice is a "Notice of Event of Default," "Notice of Unmatured Event of Default" or "Notice of Servicer Termination Event," as applicable. The Administrative Agent shall (subject to Section 10.01(c)) take such action with respect to such Event of Default, Unmatured Event of Default or Servicer Termination Event as may be requested by any Lender Agent acting jointly or as the Administrative Agent shall deem advisable or in the best interest of the Administrative Agent.

(f) Credit Decision with Respect to the Administrative Agent. Each Lender Agent and each Secured Party acknowledges that none of the Administrative Agent or any of its Affiliates has made any representation or warranty to it, and that no act by the Administrative Agent hereinafter taken, including any consent to and acceptance of any assignment or review of the affairs of the Borrower, the Servicer, the Transferor or any of their respective Affiliates or review or approval of any of the Collateral Portfolio, shall be deemed to constitute any representation or warranty by any of the Administrative Agent or its Affiliates to any Lender Agent as to any matter, including whether the Administrative Agent has disclosed material information in its possession. Each Lender Agent and each Secured Party acknowledges that it has, independently and without reliance upon the Administrative Agent, or any of the Administrative Agent's Affiliates, and based upon such documents and information as it has deemed appropriate, made its own evaluation and decision to enter into this Agreement and the other Transaction Documents to which it is a party. Each Lender Agent and each Secured Party also acknowledges that it will, independently and without reliance upon the Administrative Agent, or any of the Administrative Agent's Affiliates, and based on such documents and information as it shall deem appropriate at the time, continue to make its own decisions in taking or not taking action under this Agreement and the other Transaction Documents to which it is a party. Each Lender Agent and each Secured Party hereby agrees that the Administrative Agent shall not have any duty or responsibility to provide any Lender Agent with any credit or other information concerning the business, prospects, operations, property, financial and other condition or creditworthiness of the Borrower, the Servicer, the Transferor or their respective Affiliates which may come into the possession of the Administrative Agent or any of its Affiliates.

(g) Indemnification of the Administrative Agent. Each Lender and Lender Agent (other than the Conduit Lenders) agrees to indemnify the Administrative Agent (to the extent not reimbursed by the Borrower or the Servicer), ratably in accordance with its Pro Rata Share, from and against any and all liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements of any kind or nature whatsoever which may be imposed on, incurred by, or asserted against the Administrative Agent in any way relating to or arising out of this Agreement or any of the other Transaction Documents, or any action taken or omitted by the Administrative Agent hereunder or thereunder; *provided* that the Lender Agents and Lender shall not be liable for any portion of such liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements resulting from the Administrative Agent's gross negligence or willful misconduct as determined in a final decision by a court of competent jurisdiction; *provided*, *further*, that no action taken in accordance with the directions of any Lender or Lender Agent shall be deemed to constitute gross negligence or willful misconduct for purposes of this Article X. Without limitation of the foregoing, each Lender (other than the Conduit Lenders) agrees to reimburse the Administrative Agent, ratably in accordance with its Pro Rata Share, promptly upon demand for any out-of-pocket expenses (including counsel fees) incurred by the Administrative Agent in connection with the administration, modification, amendment or enforcement (whether through negotiations, legal proceedings or otherwise) of, or legal advice in respect of rights or responsibilities under, this Agreement and the other Transaction Documents, to the extent that such expenses are incurred in the interests of or otherwise in respect of the Administrative Agent, the Lender Agents or Lenders hereunder or thereunder and to the extent that the Administrative Agent is not reimbursed for such expenses by the Borrower or the Servicer.

(h) Successor Administrative Agent. The Administrative Agent may resign at any time, effective upon the appointment and acceptance of a successor Administrative Agent as provided below, by giving at least five days' written notice thereof to each Lender Agent and the Borrower and may be removed at any time with cause by the Lender Agents and the Borrower acting jointly. Upon any such resignation or removal, the Lender Agents acting jointly shall appoint a successor Administrative Agent (which, so long as no Event of Default is then continuing, shall not be a Competitor and shall otherwise be subject to the consent of the Borrower, such consent not to be unreasonably withheld with respect to a proposed successor that is not a Competitor). Each Lender Agent agrees that it shall not unreasonably withhold or delay its approval of the appointment of a successor Administrative Agent. If no such successor Administrative Agent shall have been so appointed, and shall have accepted such appointment, within 30 days after the retiring Administrative Agent's giving of notice of resignation or the removal of the retiring Administrative Agent, then the retiring Administrative Agent may, on behalf of the Secured Parties, appoint a successor Administrative Agent which successor Administrative Agent shall be either (i) a commercial bank organized under the laws of the United States or of any state thereof and have a combined capital and surplus of at least $50,000,000 or (ii) an Affiliate of such a bank, and (iii) so long as no Event of Default is continuing, shall not be a Competitor. Upon the acceptance of any appointment as Administrative Agent hereunder by a successor Administrative Agent, such successor Administrative Agent shall thereupon succeed to and become vested with all the rights, powers, privileges and duties of the retiring Administrative Agent, and the retiring Administrative Agent shall be discharged from its duties and obligations under this Agreement. After any retiring Administrative Agent's resignation or removal hereunder as Administrative Agent, the provisions of this Article X shall continue to inure to its benefit as to any actions taken or omitted to be taken by it while it was Administrative Agent under this Agreement.

(i) Payments by the Administrative Agent. Unless specifically allocated to a specific Lender Agent pursuant to the terms of this Agreement, all amounts received by the Administrative Agent on behalf of the Lenders shall be allocated in accordance with their related Lender's respective Pro Rata Share on the Business Day received by the Administrative Agent, unless such amounts are received after 1:00 p.m. on such Business Day, in which case the Administrative Agent shall use its reasonable efforts to pay such amounts to each Lender Agent on such Business Day, but, in any event, shall pay such amounts to such Lender Agent not later than the following Business Day.

SECTION 10.02 The Lender Agents.

(a) Authorization and Action. Each Lender, respectively, hereby designates and appoints its applicable Lender Agent to act as its agent hereunder and under each other Transaction Document, and authorizes such Lender Agent to take such actions as agent on its behalf and to exercise such powers as are delegated to such Lender Agent by the terms of this Agreement and the other Transaction Documents, together with such powers as are reasonably incidental thereto. No Lender Agent shall have any duties or responsibilities, except those expressly set forth herein or in any other Transaction Document, or any fiduciary relationship with its related Lender, and no implied covenants, functions, responsibilities, duties, obligations or liabilities on the part of such Lender Agent shall be read into this Agreement or any other Transaction Document or otherwise exist for such Lender Agent. In performing its functions and duties hereunder and under the other Transaction Documents, each Lender Agent shall act solely as agent for its related Lender and does not assume nor shall be deemed to have assumed any obligation or relationship of trust or agency with or for the Borrower or the Servicer or any of the Borrower's or the Servicer's successors or assigns. No Lender Agent shall be required to take any action that exposes such Lender Agent to personal liability or that is contrary to this Agreement, any other Transaction Document or Applicable Law. The appointment and authority of each Lender Agent hereunder shall terminate upon the indefeasible payment in full of all Obligations. Each Lender Agent hereby authorizes the Administrative Agent to file any UCC financing statement deemed necessary by the Administrative Agent on behalf of such Lender Agent (the terms of which shall be binding on such Lender Agent).

(b) Delegation of Duties. Each Lender Agent may execute any of its duties under this Agreement and each other Transaction Document by or through agents or attorneys-in-fact and shall be entitled to advice of counsel concerning all matters pertaining to such duties. No Lender Agent shall be responsible for the negligence or misconduct of any agents or attorneys-in-fact selected by it with reasonable care.

(c) Exculpatory Provisions. Neither any Lender Agent nor any of its directors, officers, agents or employees shall be (i) liable for any action lawfully taken or omitted to be taken by it or them under or in connection with this Agreement or any other Transaction Document (except for its, their or such Person's own gross negligence or willful misconduct as determined in a final decision by a court of competent jurisdiction), or (ii) responsible in any manner to its related Lender for any recitals, statements, representations or warranties made by the Borrower or the Servicer contained in Article IV, any other Transaction Document or any certificate, report, statement or other document referred to or provided for in, or received under or in connection with, this Agreement or any other Transaction Document, or for the value, validity, effectiveness, genuineness, enforceability or sufficiency of this Agreement, any other Transaction Document or any other document furnished in connection herewith or therewith, or for any failure of the Borrower or the Servicer to perform its obligations hereunder or thereunder, or for the satisfaction of any condition specified in this Agreement, or for the perfection, priority, condition, value or sufficiency of any collateral pledged in connection herewith. No Lender Agent shall be under any obligation to its related Lender to ascertain or to inquire as to the observance or performance of any of the agreements or covenants contained in, or conditions of, this Agreement or any other Transaction Document, or to inspect the properties, books or records of the Borrower or the Servicer. No Lender Agent shall be deemed to have knowledge of any Event of Default or Unmatured Event of Default unless such Lender Agent has received notice from the Borrower or its related Lender.

(d) Reliance by Lender Agent. Each Lender Agent shall in all cases be entitled to rely, and shall be fully protected in relying, upon any document or conversation believed by it to be genuine and correct and to have been signed, sent or made by the proper Person or Persons and upon advice and statements of legal counsel (including, without limitation, counsel to the Borrower), independent accountants and other experts selected by such Lender Agent. Each Lender Agent shall in all cases be fully justified in failing or refusing to take any action under this Agreement or any other Transaction Document unless it shall first receive such advice or concurrence of its related Lender as it deems appropriate and it shall first be indemnified to its satisfaction by its related Lenders (other than the Conduit Lenders); *provided* that, unless and until such Lender Agent shall have received such advice, such Lender Agent may take or refrain from taking any action, as the Lender Agent shall deem advisable and in the best interests of its related Lender. Each Lender Agent shall in all cases be fully protected in acting, or in refraining from acting, in accordance with a request of its related Lender, and such request and any action taken or failure to act pursuant thereto shall be binding upon its related Lender.

(e) Non-Reliance on Lender Agent. Each Lender expressly acknowledges that neither its related Lender Agent, nor any of its officers, directors, employees, agents, attorneys-in-fact or affiliates has made any representations or warranties to it and that no act by such Lender Agent hereafter taken, including, without limitation, any review of the affairs of the Borrower or the Servicer, shall be deemed to constitute any representation or warranty by such Lender Agent. Each Lender represents and warrants to its related Lender Agent that it has and will, independently and without reliance upon its related Lender Agent, and based on such documents and information as it has deemed appropriate, made its own appraisal of and investigation into the business, operations, property, prospects, financial and other conditions and creditworthiness of the Borrower and made its own decision to enter into this Agreement, the other Transaction Documents and all other documents related hereto or thereto.

(f) The Lender Agents are in their Respective Individual Capacities. Each Lender Agent and its Affiliates may make loans to, accept deposits from and generally engage in any kind of business with the Borrower or any Affiliate of the Borrower as though such Lender Agent were not a Lender Agent hereunder. With respect to Advances pursuant to this Agreement, each Lender Agent shall have the same rights and powers under this Agreement in its individual capacity as any Lender and may exercise the same as though it were not a Lender Agent, and the terms "Lender," and "Lenders," shall include the Lender Agent in its individual capacity.

(g) Successor Lender Agent. Each Lender Agent may, upon five days' notice to the Borrower and its related Lender, and such Lender Agent will, upon the direction of its related Lender resign as the Lender Agent for such Lender. If any Lender Agent shall resign, then its related Lender during such five day period shall appoint a successor agent that, so long as no Event of Default is continuing, shall not be a Competitor. If for any reason no successor agent is appointed by such Lender during such five day period, then effective upon the termination of such five day period, and the Borrower shall make all payments in respect of the Obligations due to such Lender directly to such Lender, and for all purposes shall deal directly with such Lender. After any retiring Lender Agent's resignation hereunder as a Lender Agent, the provisions of Articles IX and X shall inure to its benefit with respect to any actions taken or omitted to be taken by it while it was a Lender Agent under this Agreement.

ARTICLE XI.
COLLATERAL AGENT

SECTION 11.01 Designation of Collateral Agent.

(a) Initial Collateral Agent. Each of the Borrower, the Administrative Agent and the Lender Agents hereby designate and appoint the Collateral Agent to act as its agent for the purposes of perfection of a security interest in the Collateral Portfolio and hereby authorizes the Collateral Agent to take such actions on its behalf and on behalf of each of the Secured Parties and to exercise such powers and perform such duties as are expressly granted to the Collateral Agent by this Agreement. The Collateral Agent hereby accepts such agency appointment to act as Collateral Agent pursuant to the terms of this Agreement, until its resignation or removal as Collateral Agent pursuant to the terms hereof.

(b) Successor Collateral Agent. Upon the Collateral Agent's receipt of a Collateral Agent Termination Notice from the Administrative Agent of the designation of a successor Collateral Agent pursuant to the provisions of Section 11.05, the Collateral Agent agrees that it will terminate its activities as Collateral Agent hereunder.

(c) Secured Party. The Administrative Agent, the Lender Agents and the Lenders hereby appoint Citibank, in its capacity as Collateral Agent hereunder, as their agent for the purposes of perfection of a security interest in the Collateral Portfolio. Citibank, in its capacity as Collateral Agent hereunder, hereby accepts such appointment and agrees to perform the duties set forth in Section 11.02(b).

SECTION 11.02 Duties of Collateral Agent.

(a) Appointment. The Borrower, the Administrative Agent and the Lender Agents each hereby appoints Citibank to act as Collateral Agent, for the benefit of the Secured Parties. The Collateral Agent hereby accepts such appointment and agrees to perform the duties and obligations with respect thereto set forth herein.

(b) Duties. On or before the initial Advance Date, and until its removal pursuant to Section 11.05, the Collateral Agent shall perform, on behalf of the Secured Parties, the following duties and obligations:

(i) The Collateral Agent shall calculate amounts to be remitted pursuant to Section 2.04 to the applicable parties and notify the Servicer and the Administrative Agent in the event of any discrepancy between the Collateral Agent's calculations and the Servicing Report (such dispute to be resolved in accordance with Section 2.05);

(ii) The Collateral Agent shall instruct the Account Bank to make payments pursuant to the terms of the Servicing Report or as otherwise directed in accordance with Sections 2.04 or 2.05 (the "Payment Duties").

(iii) The Collateral Agent shall provide to the Servicer a copy of all written notices and communications identified as being sent to it in connection with the Loan Assets and the other Collateral Portfolio held hereunder which it receives from the related Obligor, participating bank or agent bank. In no instance shall the Collateral Agent be under any duty or

obligation to take any action on behalf of the Servicer in respect of the exercise of any voting or consent rights, or similar actions, unless it receives specific written instructions from the Servicer, prior to the occurrence of an Event of Default or the Administrative Agent, after the occurrence of Event of Default, in which event the Collateral Agent shall vote, consent or take such other action in accordance with such instructions.

(c) (i) The Administrative Agent, each Lender Agent and each Secured Party further authorizes the Collateral Agent to take such action as agent on its behalf and to exercise such powers under this Agreement and the other Transaction Documents as are expressly delegated to the Collateral Agent by the terms hereof and thereof, together with such powers as are reasonably incidental thereto. In furtherance, and without limiting the generality of the foregoing, each Secured Party hereby appoints the Collateral Agent (acting at the direction of the Administrative Agent) as its agent to execute and deliver all further instruments and documents, and take all further action that the Administrative Agent deems necessary or desirable in order to perfect, protect or more fully evidence the security interests granted by the Borrower hereunder, or to enable any of them to exercise or enforce any of their respective rights hereunder, including, without limitation, the execution by the Collateral Agent as secured party/assignee of such financing or continuation statements, or amendments thereto or assignments thereof, relative to all or any of the Loan Assets now existing or hereafter arising, and such other instruments or notices, as may be necessary or appropriate for the purposes stated hereinabove. Nothing in this Section 11.02(c) shall be deemed to relieve the Borrower or the Servicer of their respective obligations to protect the interest of the Collateral Agent (for the benefit of the Secured Parties) in the Collateral Portfolio, including to file financing and continuation statements in respect of the Collateral Portfolio in accordance with Section 5.01(t).

(ii) The Administrative Agent may direct the Collateral Agent to take any such incidental action hereunder. With respect to other actions which are incidental to the actions specifically delegated to the Collateral Agent hereunder, the Collateral Agent shall not be required to take any such incidental action hereunder, but shall be required to act or to refrain from acting (and shall be fully protected in acting or refraining from acting) upon the direction of the Administrative Agent; *provided* that the Collateral Agent shall not be required to take any action hereunder at the request of the Administrative Agent, any Secured Party or otherwise if the taking of such action, in the reasonable determination of the Collateral Agent, (x) shall be in violation of any Applicable Law or contrary to any provisions of this Agreement or (y) shall expose the Collateral Agent to liability hereunder or otherwise (unless it has received indemnity which it reasonably deems to be satisfactory with respect thereto). In the event the Collateral Agent requests the consent of the Administrative Agent and the Collateral Agent does not receive a consent (either positive or negative) from the Administrative Agent within 10 Business Days of its receipt of such request, then the Administrative Agent shall be deemed to have declined to consent to the relevant action.

(iii) Except as expressly provided herein, the Collateral Agent shall not be under any duty or obligation to take any affirmative action to exercise or enforce any power, right or remedy available to it under this Agreement (x) unless and until (and to the extent) expressly so directed by the Administrative Agent or (y) prior to the Final Maturity Date (and upon such occurrence, the Collateral Agent shall act in accordance with the written instructions of the Administrative Agent pursuant to clause (x)). The Collateral Agent shall not be liable for any action taken, suffered or omitted by it in accordance with the request or direction of any Secured Party, to the extent that this Agreement provides such Secured Party the right to so

direct the Collateral Agent, or the Administrative Agent. The Collateral Agent shall not be deemed to have notice or knowledge of any matter hereunder, including an Event of Default, unless a Responsible Officer of the Collateral Agent has knowledge of such matter or written notice thereof is received by the Collateral Agent.

(d) If, in performing its duties under this Agreement, the Collateral Agent is required to decide between alternative courses of action, the Collateral Agent may request written instructions from the Administrative Agent as to the course of action desired by it. If the Collateral Agent does not receive such instructions within two Business Days after it has requested them, the Collateral Agent may, but shall be under no duty to, take or refrain from taking any such courses of action. The Collateral Agent shall act in accordance with instructions received after such two Business Day period except to the extent it has already, in good faith, taken or committed itself to take, action inconsistent with such instructions. The Collateral Agent shall be entitled to rely on the advice of legal counsel and independent accountants in performing its duties hereunder and shall be deemed to have acted in good faith if it acts in accordance with such advice.

(e) Concurrently herewith, the Administrative Agent directs the Collateral Agent and the Collateral Agent is authorized to enter into the Collection Account Agreement. For the avoidance of doubt, all of the Collateral Agent's rights, protections and immunities provided herein shall apply to the Collateral Agent for any actions taken or omitted to be taken under the Collection Account Agreement in such capacity.

SECTION 11.03 Merger or Consolidation.

Any Person (i) into which the Collateral Agent may be merged or consolidated, (ii) that may result from any merger or consolidation to which the Collateral Agent shall be a party, or (iii) that may succeed to the properties and assets of the Collateral Agent substantially as a whole, which Person in any of the foregoing cases executes an agreement of assumption to perform every obligation of the Collateral Agent hereunder, shall be the successor to the Collateral Agent under this Agreement without further act of any of the parties to this Agreement.

SECTION 11.04 Collateral Agent Compensation.

(a) Compensation. As compensation for its Collateral Agent activities hereunder, the Collateral Agent shall be entitled to the Collateral Agent Fees and Collateral Agent Expenses from the Borrower, payable to the extent of funds available therefor pursuant to the provisions of Section 2.04. The Collateral Agent's entitlement to receive the Collateral Agent Fees shall cease on the earlier to occur of: (i) its removal as Collateral Agent pursuant to Section 11.05, (ii) its resignation as Collateral Agent pursuant to Section 11.07 or (ii) the termination of this Agreement.

(b) Negative Covenant Regarding Compensation. The Collateral Agent will not make any changes to the Collateral Agent Fees without the prior written approval of the Administrative Agent and the Borrower.

SECTION 11.05 Collateral Agent Removal.

The Collateral Agent may be removed, with or without cause, by the Administrative Agent by notice given in writing to the Collateral Agent (the "Collateral Agent Termination Notice"); *provided* that, notwithstanding its receipt of a Collateral Agent Termination Notice, the Collateral Agent shall continue to act in such capacity until a successor Collateral Agent (who, so long as no Event of Default is continuing, shall not be a Competitor) has been appointed and has agreed to act as Collateral Agent hereunder; *provided* that the Collateral Agent shall continue to receive compensation of its fees and expenses in accordance with Section 11.04 above while so serving as the Collateral Agent prior to a successor Collateral Agent being appointed.

SECTION 11.06 Limitation on Liability.

(a) The Collateral Agent may conclusively rely on and shall be fully protected in acting upon any certificate, instrument, opinion, notice, letter, telegram or other document delivered to it and that in good faith it reasonably believes to be genuine and that has been signed by the proper party or parties. The Collateral Agent may rely conclusively on and shall be fully protected in acting upon (a) the written instructions of any designated officer of the Administrative Agent or (b) the verbal instructions of the Administrative Agent.

(b) The Collateral Agent may consult counsel satisfactory to it and the advice or opinion of such counsel shall be full and complete authorization and protection in respect of any action taken, suffered or omitted by it hereunder in good faith and in accordance with the advice or opinion of such counsel.

(c) The Collateral Agent shall not be liable for any error of judgment, or for any act done or step taken or omitted by it, in good faith, or for any mistakes of fact or law, or for anything that it may do or refrain from doing in connection herewith except in the case of its willful misconduct or grossly negligent performance or omission of its duties.

(d) The Collateral Agent makes no warranty or representation and shall have no responsibility (except as expressly set forth in this Agreement) as to the content, enforceability, completeness, validity, sufficiency, value, genuineness, ownership or transferability of the Collateral Portfolio, and will not be required to and will not make any representations as to the validity or value (except as expressly set forth in this Agreement) of any of the Collateral Portfolio. The Collateral Agent shall not be obligated to take any legal action hereunder that might in its judgment involve any expense or liability unless it has been furnished with an indemnity reasonably satisfactory to it.

(e) The Collateral Agent shall have no duties or responsibilities except such duties and responsibilities as are specifically set forth in this Agreement and no covenants or obligations shall be implied in this Agreement against the Collateral Agent. Notwithstanding any provision to the contrary elsewhere in the Transaction Documents, the Collateral Agent shall not have any fiduciary relationship with any party hereto or any Secured Party in its capacity as such, and no implied covenants, functions, obligations or responsibilities shall be read into this Agreement, the other Transaction Documents or otherwise exist against the Collateral Agent. Without limiting the generality of the foregoing, it is hereby expressly agreed and stipulated by the other parties hereto that the Collateral Agent shall not be required to exercise any discretion hereunder and shall have no investment or management responsibility.

(f) The Collateral Agent shall not be required to expend or risk its own funds in the performance of its duties hereunder.

(g) It is expressly agreed and acknowledged that the Collateral Agent is not guaranteeing performance of or assuming any liability for the obligations of the other parties hereto or any parties to the Collateral Portfolio.

(h) Subject in all cases to the last sentence of Section 2.05, in case any reasonable question arises as to its duties hereunder, the Collateral Agent may, prior to the occurrence of an Event of Default or the Final Maturity Date, request instructions from the Servicer and may, after the occurrence of an Event of Default or the Final Maturity Date, request instructions from the Administrative Agent, and shall be entitled at all times to refrain from taking any action unless it has received instructions from the Servicer or the Administrative Agent, as applicable. The Collateral Agent shall in all events have no liability, risk or cost for any action taken pursuant to and in compliance with the instruction of the Administrative Agent. In no event shall the Collateral Agent be liable for special, indirect or consequential loss or damage of any kind whatsoever (including but not limited to lost profits), even if the Collateral Agent has been advised of the likelihood of such loss or damage and regardless of the form of action.

(i) The Collateral Agent shall not be liable for the acts or omissions of the Collateral Custodian under this Agreement and shall not be required to monitor the performance of the Collateral Custodian. Notwithstanding anything herein to the contrary, the Collateral Agent shall have no duty to perform any of the duties of the Collateral Custodian under this Agreement.

SECTION 11.07 Collateral Agent Resignation.

The Collateral Agent may resign at any time by giving not less than 90 days written notice thereof to the Administrative Agent and with the consent of the Administrative Agent, which consent shall not be unreasonably withheld (and, so long as no Event of Event of Default or Unmatured Event of Default is then continuing, with the consent of the Borrower, such consent not to be unreasonably withheld). Upon receiving such notice of resignation, the Administrative Agent (acting at the direction of the Majority Lenders) shall promptly appoint a successor collateral agent or collateral agents by written instrument, in duplicate, executed by the Administrative Agent, 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 the Borrower, Servicer and Collateral Custodian. 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 45 days after the giving of such notice of resignation, the resigning Collateral Agent may petition any court of competent jurisdiction for the appointment of a successor Collateral Agent. Notwithstanding anything herein to the contrary, the Collateral Agent may not resign prior to a successor Collateral Agent being appointed.

ARTICLE XII.
MISCELLANEOUS

SECTION 12.01 Amendments and Waivers.

(a) (i) No amendment or modification of any provision of this Agreement shall be effective without the written agreement of the Borrower, the Servicer, the Majority Lenders and, solely if such amendment or modification would adversely affect the rights and obligations of the Administrative Agent, the Collateral Agent, the Backup Servicer, the Account Bank or the Collateral Custodian, the written agreement of the Administrative Agent, the Collateral Agent, the Account Bank, the Backup Servicer or the Collateral Custodian, as applicable and (ii) no termination or waiver of any provision of

this Agreement or consent to any departure therefrom by the Borrower or the Servicer shall be effective without the written concurrence of the Majority Lenders. Any waiver or consent shall be effective only in the specific instance and for the specific purpose for which given.

(b) Notwithstanding the provisions of Section 12.01(a), (i) the written consent of all of the Lenders holding Commitments shall be required for any amendment, modification or waiver (A) reducing (without payment thereon) the principal amount due and owing under any outstanding Advances or the Yield thereon, or any fees payable to Lenders holding Commitments pursuant to this Agreement, (B) postponing any date for any payment of any Advance, or the Yield thereon, (C) modifying the provisions of this Section 12.01, (D) extending the Scheduled Commitment Termination Date or the Scheduled Maturity Date, (E) of any of the following defined terms (and any defined terms used in and material to calculating any of the following defined terms): Borrowing Base, Collateral Quality Test, Concentration Limits, Eligible Loan Asset, Minimum Credit Enhancement, and Assigned Value Adjustment Event, and (F) of any provision of Section 2.04, and (ii) the written consent of the Required Lenders shall be required for any amendment, modification or waiver not otherwise set forth in clause (i) of this Section 12.01(b) which (A) amends, modifies or waives any Financial Covenant (whether of the Borrower or of CGMS) or (B) amends, modifies or waives any negative covenant of the Borrower or Servicer set forth in Sections 5.02 or 5.05.

(c) The Administrative Agent shall provide S&P with a copy of any amendment, restatement, supplement or other modification of this Agreement or any of the other Transaction Documents as long as the transaction is funded in a Conduit Lender and the commercial paper of which is rated by S&P.

(d) Notwithstanding anything to the contrary contained herein, no Defaulting Lender shall have any right to approve or vote on any amendment, waiver or consent hereunder, except that the Commitment of such Defaulting Lender shall not be increased or extended without the consent of such Defaulting Lender.

SECTION 12.02 Notices, Etc. All notices and other communications hereunder shall, unless otherwise stated herein, be in writing (which shall include facsimile communication and communication by e-mail) and faxed, e-mailed or delivered, to each party hereto, at its address set forth below:

If to the Borrower:	Carlyle GMS Finance SPV LLC 520 Madison Avenue New York, NY 10022 Attention: Orit Mizrachi, Chief Operating Officer Facsimile No.: (212) 813-4508 Phone No.: (212) 813-4939
If to the Servicer:	Carlyle GMS Finance, Inc. 520 Madison Avenue New York, NY 10022 Attention: Orit Mizrachi, Chief Operating Officer Facsimile No.: (212) 813-4508 Phone No.: (212) 813-4939

If to the Transferor:	Carlyle GMS Finance, Inc. 520 Madison Avenue New York, NY 10022 Attention: Orit Mizrachi, Chief Operating Officer Facsimile No.: (212) 813-4508 Phone No.: (212) 813-4939
With a copy to (with respect to the Borrower, the Servicer and the Transferor):	Dominic K.L. Yoong, Esq. Latham & Watkins LLP 355 South Grand Avenue Los Angeles, California 90071 Facsimile No.: (213) 891-8763 Email: dominic.yoong@lw.com
If to the Lender:	Citibank, N.A., 390 Greenwich Street New York, New York 10013 Attention: Mr. Brett Bushinger, Vice President Facsimile No.: (646) 308-6744 Email: brett.bushinger@citi.com
If to the Collateral Agent:	Citibank, N.A., 390 Greenwich Street New York, New York 10013 Attention: Mr. Brett Bushinger, Vice President Facsimile No.: (646) 308-6744 Email: brett.bushinger@citi.com
If to the Administrative Agent	Citibank, N.A., 390 Greenwich Street New York, New York 10013 Attention: Mr. Brett Bushinger, Vice President Facsimile No.: (646) 308-6744 Email: brett.bushinger@citi.com
With a copy to (with respectto the Collateral Agent and Administrative Agent):	Terry D. Novetsky, Esq. Kaye Scholer, LLP 425 Park Avenue New York, New York 10022 Facsimile No.: (212) 836-6490 Email: tnovetsky@kayescholer.com

If to the Account Bank:	Wells Fargo Bank, National Association 9062 Old Annapolis Road Columbia, MD 21045 Attention: Corporate Trust Services Facsimile No.: (410) 715-4513 Email: Carlyle1@wellsfargo.com
If to the Collateral Administrator:	Wells Fargo Bank, National Association 9062 Old Annapolis Road Columbia, MD 21045 Attention: Corporate Trust Services Facsimile No.: (410) 715-4513 Email: Carlyle1@wellsfargo.com
If to the Backup Servicer or Collateral Custodian:	Wells Fargo Bank, National Association Corporate Trust Services, Asset Backed Securities 625 Marquette Avenue, Minneapolis, Minnesota 55402 Attention: Chad Shafer Facsimile No.: (612) 667 3464 Email: chad.d.shafer@wellsfargo.com
With files delivered to:	Wells Fargo Bank, National Association ABS Custody Vault 1055 10th Ave. SE MAC N9401-011 Minneapolis, MN 55414 Attention: Corporate Trust Services – Asset-Backed Securities Vault Facsimile No.: (612) 667-8058 Phone No: (612) 667-1080
With a copy to:	Citibank, N.A., 390 Greenwich Street New York, New York 10013 Attention: Mr. Brett Bushinger, Vice President Facsimile No.: (646) 308-6744 Email: brett.bushinger@citi.com

or at such other address as shall be designated by such party in a written notice to the other parties hereto. Notices and communications by facsimile and e-mail shall be effective when sent, and notices and communications sent by other means shall be effective when received.

SECTION 12.03 No Waiver Remedies. No failure on the part of the Administrative Agent, the Collateral Agent, any Lender or any Lender Agent to exercise, and no delay in exercising, any right hereunder shall operate as a waiver thereof; nor shall any single or partial exercise of any right hereunder preclude any other or further exercise thereof or the exercise of any other right. The remedies herein provided are cumulative and not exclusive of any remedies provided by law.

SECTION 12.04 Binding Effect; Assignability; Multiple Lenders.

(a) This Agreement shall be binding upon and inure to the benefit of the Borrower, the Servicer, the Administrative Agent, each Lender, the Lender Agents, the Collateral Agent, the Account Bank, the Collateral Custodian and their respective successors and permitted assigns. Each Lender and their respective successors and assigns may assign (with the consent of the Administrative Agent, such consent not to be unreasonably withheld), or grant a security interest or sell a participation interest in, (i) this Agreement and such Lender's rights and obligations hereunder and interest herein in whole or in part (including by way of the sale of participation interests therein) or (ii) any Advance (or portion thereof) or any Revolving Note (or any portion thereof) to any Eligible Assignee; *provided* that prior to an Event of Default (unless waived or rescinded), consent of the Borrower (such consent not to be unreasonably withheld) shall be required for (x) a Liquidity Bank to assign to any Eligible Assignee that is not a Liquidity Bank, a Conduit Lender in such Liquidity Bank's Lender Group or an Affiliate of a Liquidity Bank or (y) an Institutional Lender to assign to any Eligible Assignee that is not an Affiliate of such Lender; *provided*, *further*, *that*, a Conduit Lender may at any time pledge or grant a security interest or Lien in all or any portion of its rights under this Agreement to secure any obligations of such Conduit Lender, without notice to or consent of the Borrower, the Servicer or any other Person so long as such pledge or grant of a security interest or Lien shall not release such Conduit Lender from any of its obligations hereunder, or substitute any such pledgee or guarantee for such Conduit Lender as a party hereto. Any such assignee, that is not, immediately prior thereto, a Lender hereunder (which, for the avoidance of doubt, shall not include the purchaser of a participation interest or the grantee of a security interest, but which shall include any such grantee of a security interest at the time of completion, but not before, of any foreclosure on such security interest where such grantee seeks to become a Lender hereunder) shall execute and deliver to the Servicer, the Borrower and the Administrative Agent a fully-executed Transferee Letter substantially in the form of Exhibit N hereto (a "Transferee Letter") and a fully-executed Joinder Supplement. The parties to any such assignment, grant or sale of a participation interest shall execute and deliver to the related Lender Agent for its acceptance and recording in its books and records, such agreement or document as may be satisfactory to such parties and the applicable Lender Agent. None of the Borrower, the Transferor or the Servicer may assign, or permit any Lien to exist upon, any of its rights or obligations hereunder or under any Transaction Document or any interest herein or in any Transaction Document without the prior written consent of each Lender Agent and the Administrative Agent. Nothing in this Agreement, the Transferee Letter or Joinder Supplement shall restrict or delay a Conduit Lender's ability to assign its interests hereunder to its Liquidity Bank or an Affiliate or to any other Conduit Lender in its Lender Group or to grant a security interest in its interests hereunder to a Conduit Trustee.

(b) Notwithstanding any other provision of this Section 12.04, any Lender may at any time pledge or grant a security interest in all or any portion of its rights (including, without limitation, rights to payment of principal and interest) under this Agreement or under a Liquidity Agreement to secure obligations of such Lender to a Federal Reserve Bank, without notice to or consent of the Borrower or the Administrative Agent; *provided* that no such pledge or grant of a security interest shall release such Lender from any of its obligations hereunder or under such Liquidity Agreement, or substitute any such pledgee or grantee for such Lender as a party hereto or to such Liquidity Agreement, as the case may be.

(c) If a Lender (i) is a Defaulting Lender, (ii) fails to give its consent to any amendment, waiver or action for which consent of all Lenders was required and the Majority Lenders consented (whether pursuant to Section 12.01 or otherwise), or (iii) requests that the Administrative Agent deliver a demand for payment by the Borrower of amounts payable pursuant to Section 2.10(a) or (b), then, in addition to any other rights and remedies that any Person may have, the Borrower may, by notice to the applicable Lender Agent within 120 days after such event (with a copy of such notice concurrently delivered to the Administrative Agent), require such Lender Group to assign all of its rights and obligations under the Transaction Documents to one or more Eligible Assignees specified by the Borrower or the Administrative Agent within 20 days after the Borrower's notice. The Administrative Agent is irrevocably appointed as attorney-in-fact to execute any such assignment if any member of the affected Lender Group fails to execute same. The affected Lender Agent on behalf of the Lender Group shall be entitled to receive, in cash, concurrently with such assignment, all amounts owed to it under the Transaction Documents, including all principal, interest and fees through the date of assignment (and including, for the avoidance of doubt, any amounts payable pursuant to Section 2.10(a) or (b) the request for which resulted in the application of this Section 12.04(c)).

(d) Upon the effectuation of any assignment by any Lender of all or any of its rights and obligations under the Transaction Documents pursuant to Section 12.04(a) or Section 12.04(c) and the delivery to the Administrative Agent of all assignment documentation and the Transferee Letter, the Administrative Agent shall revise Annex A to reflect such assignment.

(e) Each Affected Party and each Indemnified Party shall be an express third party beneficiary of this Agreement.

SECTION 12.05 Term of This Agreement. This Agreement, including, without limitation, the Borrower's representations and covenants set forth in Articles IV and V and the Servicer's representations, covenants and duties set forth in Articles IV, V and VI, shall remain in full force and effect until the Collection Date; *provided* that the rights and remedies with respect to any breach of any representation and warranty made or deemed made by the Borrower or the Servicer pursuant to Articles III and IV and the indemnification and payment provisions of Article IX, X and Article XII and the provisions of Section 2.10, Section 2.11, Section 12.07, Section 12.08 and Section 12.09 shall be continuing and shall survive any termination of this Agreement.

SECTION 12.06 **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 12.07 Costs, Expenses and Taxes.

(a) In addition to the rights of indemnification granted to the Collateral Agent, the Account Bank, the Backup Servicer, the Administrative Agent, the Lenders, the Lender Agents, the Collateral Custodian, the Collateral Administrator and their respective Affiliates under Section 9.01 and Section 9.02 hereof, each of the Borrower and the Servicer agrees to pay on demand all reasonable and documented out-of-pocket costs and expenses of the Administrative Agent, the Lenders, the Lender Agents, the Collateral Agent, the Account Bank, the Backup Servicer, the Collateral Administrator and the Collateral Custodian incurred in connection with the pre-closing due diligence, preparation, execution, delivery, administration (including due diligence and periodic auditing and inspections incurred in connection with clauses (hh) and (ii) of Section 5.01 or following an Event of Default or

Servicer Termination Event and all other related fees and expenses), syndication, renewal, amendment or modification of, any waiver or consent issued in connection with, this Agreement, the Transaction Documents and the other documents to be delivered hereunder or in connection herewith, including, without limitation, the reasonable and documented fees, disbursements and other charges of rating agency and accounting costs and fees, the reasonable and documented fees and out-of-pocket expenses of counsel for the Administrative Agent, the Lenders, the Lender Agents, the Collateral Agent, the Account Bank, the Backup Servicer, the Collateral Administrator and the Collateral Custodian with respect thereto and with respect to advising the Administrative Agent, the Lenders, the Lender Agents, the Collateral Agent, the Account Bank, the Collateral Administrator and the Collateral Custodian as to their respective rights and remedies under this Agreement and the other documents to be delivered hereunder or in connection herewith, and all reasonable out-of-pocket costs and expenses, if any (including counsel fees and expenses), incurred by the Administrative Agent, the Lenders, the Lender Agents, the Collateral Agent, the Account Bank, the Backup Servicer, the Collateral Administrator or the Collateral Custodian in connection with the enforcement or potential enforcement of this Agreement or any Transaction Document by such Person and the other documents to be delivered hereunder or in connection herewith.

(b) The Borrower, the Servicer and the Transferor shall pay on demand any and all present and future stamp, sales, excise, property and other similar Taxes and fees ("Other Taxes") payable or determined to be payable to any Governmental Authority in connection with the execution, delivery, enforcement of, filing and recording of this Agreement, the other Transaction Documents or any other document providing liquidity support, credit enhancement or other similar support to the Lenders in connection with this Agreement or the funding or maintenance of Advances hereunder.

(c) The Servicer and the Transferor shall pay on demand all other reasonable and documented out-of-pocket costs, expenses and Taxes (excluding Taxes imposed on or measured by net income or Excluded Taxes) incurred by the Administrative Agent, the Lenders, the Lender Agents, the Collateral Agent, the Collateral Custodian, the Backup Servicer, the Collateral Administrator and the Account Bank, including, without limitation, all costs and expenses incurred by the Administrative Agent, the Lender Agents and the Lenders in connection with periodic audits of the Borrower's, the Transferor's or the Servicer's books and records.

(d) In addition, the Borrower shall pay (i) to the extent not included in the calculation of Yield, any and all commissions of placement agents and dealers in respect of Commercial Paper Notes issued to fund the purchase or maintenance of Advances, and (ii) any and all costs and expenses of any issuing and paying agent or other Person responsible for the administration of the Conduit Lenders' Commercial Paper Notes program in connection with the preparation, completion, issuance, delivery or payment of Commercial Paper Notes issued to fund the purchase or maintenance of Advances.

SECTION 12.08 No Proceedings. Each of the parties hereto (by accepting the benefits of this Agreement) hereby agrees that it will not institute against, or join any other Person in instituting against, any Conduit Lender any Bankruptcy Proceeding so long as any commercial paper or other senior indebtedness issued by such Conduit Lender shall be outstanding and there shall not have elapsed one year and one day since the last day on which any such commercial paper or other senior indebtedness shall have been outstanding.

SECTION 12.09 Recourse Against Certain Parties.

(a) No recourse under or with respect to any obligation, covenant or agreement (including, without limitation, the payment of any fees or any other obligations) of the Administrative Agent, the Lenders, the Lender Agents or any Secured Party as contained in this Agreement or any other agreement, instrument or document entered into by the Administrative Agent, the Lenders, the Lender Agents or any Secured Party pursuant hereto or in connection herewith shall be had against any administrator of the Administrative Agent, the Lenders, the Lender Agents or any Secured Party or any incorporator, affiliate, stockholder, officer, employee or director of the Administrative Agent, the Lenders, the Lender Agents or any Secured Party or of any such administrator, as such, by the enforcement of any assessment or by any legal or equitable proceeding, by virtue of any statute or otherwise; it being expressly agreed and understood that the agreements of each party hereto contained in this Agreement and all of the other agreements, instruments and documents entered into by the Administrative Agent, the Lenders, the Lender Agents or any Secured Party pursuant hereto or in connection herewith are, in each case, solely the corporate obligations of such party (and nothing in this Section 12.09 shall be construed to diminish in any way such corporate obligations of such party), and that no personal liability whatsoever shall attach to or be incurred by any administrator of the Administrative Agent, the Lenders, the Lender Agents or any Secured Party or any incorporator, stockholder, affiliate, officer, employee or director of the Lenders, the Administrative Agent or the Lender Agents or of any such administrator, as such, or any of them, under or by reason of any of the obligations, covenants or agreements of the Administrative Agent, the Lenders, the Lender Agents or any Secured Party contained in this Agreement or in any other such instruments, documents or agreements, or are implied therefrom, and that any and all personal liability of every such administrator of the Administrative Agent, the Lenders, the Lender Agents or any Secured Party and each incorporator, stockholder, affiliate, officer, employee or director of the Administrative Agent, the Lenders, the Lender Agents or any Secured Party or of any such administrator, or any of them, for breaches by the Administrative Agent, the Lenders, the Lender Agents or any Secured Party of any such obligations, covenants or agreements, which liability may arise either at common law or in equity, by statute or constitution, or otherwise, is hereby expressly waived as a condition of and in consideration for the execution of this Agreement.

(b) Notwithstanding any contrary provision set forth herein, no claim may be made by the Borrower, the Transferor or the Servicer or any other Person against the Administrative Agent, the Lender Agents, the Lenders, or any Secured Party or their respective Affiliates, directors, officers, employees, attorneys or agents for any special, indirect, consequential or punitive damages in respect to any claim for breach of contract or any other theory of liability arising out of or related to the transactions contemplated by this Agreement, or any act, omission or event occurring in connection therewith; and the Borrower, the Transferor and the Servicer each hereby waives, releases, and agrees not to sue upon any claim for any such damages, whether or not accrued and whether or not known or suspected.

(c) No obligation or liability to any Obligor under any of the Loan Assets is intended to be assumed by the Administrative Agent, the Lenders, the Lender Agents or any Secured Party under or as a result of this Agreement and the transactions contemplated hereby.

(d) Notwithstanding anything in this Agreement to the contrary, no Conduit Lender shall have any obligation to pay any amount required to be paid by it hereunder in excess of any amount available to such Conduit Lender after paying or making provision for the payment of its Commercial Paper Notes. All payment obligations of each Conduit Lender hereunder are contingent on the availability of funds in excess of the amounts necessary to pay its Commercial Paper Notes; and each of the other parties hereto agrees that it will not have a claim under Section 101(5) of the Bankruptcy Code if and to the extent that any such payment obligation owed to it by a Conduit Lender exceeds the amount available to such Conduit Lender to pay such amount after paying or making provision for the payment of its Commercial Paper Notes.

(e) The provisions of this Section 12.09 shall survive the termination of this Agreement.

SECTION 12.10 Execution in Counterparts; Severability; Integration. This Agreement may be executed in any number of counterparts and by different parties hereto in separate counterparts, each of which when so executed shall be deemed to be an original and all of which when taken together shall constitute one and the same agreement. Delivery of an executed counterpart of a signature page to this Agreement by e-mail in portable document format (.pdf) or facsimile shall be effective as delivery of a manually executed counterpart of this Agreement. In the event that any provision in or obligation under this Agreement shall be invalid, illegal or unenforceable in any jurisdiction, the validity, legality and enforceability of the remaining provisions or obligations, or of such provision or obligation in any other jurisdiction, shall not in any way be affected or impaired thereby. This Agreement and any agreements or letters (including Fee Letters) executed in connection herewith contains the final and complete integration of all prior expressions by the parties hereto with respect to the subject matter hereof and shall constitute the entire agreement among the parties hereto with respect to the subject matter hereof, superseding all prior oral or written understandings other than any Fee Letter delivered by the Servicer to the Administrative Agent and the Lender Agents.

SECTION 12.11 Consent to Jurisdiction; Service of Process.

(a) Each party hereto hereby irrevocably submits to the non-exclusive jurisdiction of any New York State or Federal court sitting in New York City in any action or proceeding arising out of or relating to the Transaction Documents, and each party hereto hereby irrevocably agrees that all claims in respect of such action or proceeding may be heard and determined in such New York State court or, to the extent permitted by law, in such Federal court. The parties hereto hereby irrevocably waive, to the fullest extent they may effectively do so, the defense of an inconvenient forum to the maintenance of such action or proceeding. The parties hereto agree 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.

(b) Each of the Borrower and the Servicer agrees that service of process may be effected by mailing a copy thereof by registered or certified mail, postage prepaid, to the Borrower or the Servicer, as applicable, at its address specified in Section 12.02 or at such other address as the Administrative Agent shall have been notified in accordance herewith. Nothing in this Section 12.11 shall affect the right of the Lenders, the Administrative Agent or the Lender Agents to serve legal process in any other manner permitted by law.

SECTION 12.12 Characterization of Conveyances Pursuant to the Contribution Agreement.

(a) It is the express intent of the parties hereto that the conveyance of the Eligible Loan Assets by the Transferor to the Borrower as contemplated by the Contribution Agreement be, and be treated for all purposes (other than accounting purposes and subject to the tax characterization of the Borrower and the Advances described in Section 5.01(bb) and Section 5.02(j) hereof) as a contribution by the Transferor of such Eligible Loan Assets. It is, further, not the intention of the parties that such contribution be deemed a pledge of the Eligible Loan Assets by the Transferor to the Borrower to secure a debt or other obligation of the Transferor. However, in the event that, notwithstanding the intent of the parties, the Eligible Loan Assets are held to continue to be property of the Transferor, then the parties hereto agree that: (i) the Contribution Agreement shall also be deemed to be a security agreement under Applicable Law; (ii) as set forth in the Contribution Agreement, the transfer of the Eligible Loan Assets provided for in the Contribution Agreement shall be deemed to be a grant by the Transferor to the Borrower of a first priority security interest (subject only to Permitted Liens) in all of the Transferor's right, title and interest in and to the Eligible Loan Assets and all amounts payable to the holders of the Eligible Loan Assets in accordance with the terms thereof and all proceeds of the conversion, voluntary or involuntary, of the foregoing into cash, instruments, securities or other property, including, without limitation, all amounts from time to time held or invested in the Collection Account, whether in the form of cash, instruments, securities or other property; (iii) the possession by the Borrower (or the Collateral Custodian on its behalf) of Loan Assets and such other items of property as constitute instruments, money, negotiable documents or chattel paper shall be, subject to clause (iv), for purposes of perfecting the security interest pursuant to the UCC; and (iv) acknowledgements from Persons holding such property shall be deemed acknowledgements from custodians, bailees or agents (as applicable) of the Borrower for the purpose of perfecting such security interest under Applicable Law. The parties further agree that any assignment of the interest of the Borrower pursuant to any provision hereof shall also be deemed to be an assignment of any security interest created pursuant to the terms of the Contribution Agreement. The Borrower shall, to the extent consistent with this Agreement and the other Transaction Documents, take such actions as may be necessary to ensure that, if the Contribution Agreement was deemed to create a security interest in the Eligible Loan Assets, such security interest would be deemed to be a perfected security interest of first priority (subject only to Permitted Liens) under Applicable Law and will be maintained as such throughout the term of this Agreement.

(b) It is the intention of each of the parties hereto that the Eligible Loan Assets conveyed by the Transferor to the Borrower pursuant to the Contribution Agreement shall constitute assets owned by the Borrower and shall not be part of the Transferor's estate in the event of the filing of a bankruptcy petition by or against the Transferor under any bankruptcy or similar law.

(c) The Borrower agrees to treat, and the Borrower shall cause the Transferor to treat, for all purposes (other than accounting purposes and subject to the tax characterization of the Borrower and the Advances described in Section 5.01(bb) and Section 5.02(j) hereof), the transactions effected by the Contribution Agreement as contribution of assets to the Borrower. The Borrower and the Servicer each hereby agrees to cause the Transferor to reflect in the Transferor's financial records and to include a note in the publicly filed annual and quarterly financial statements of CGMS indicating that: (i) assets related to transactions (including transactions pursuant to the Transaction Documents) that do not meet

SFAS 140 requirements for accounting sale treatment are reflected in the consolidated balance sheet of CGMS within the "investments" line and are disclosed in CGMS' schedule of investments, and (ii) those assets are owned by a special purpose entity that is consolidated in the financial statements of CGMS, and the creditors of that special purpose entity have received ownership or security interests in such assets and such assets are not intended to be available to the creditors of sellers (or any affiliate of the sellers) of such assets to that special purpose entity.

SECTION 12.13 Confidentiality.

(a) Each of the Administrative Agent, the Lenders, the Lender Agents, the Servicer, the Collateral Agent, the Borrower, the Account Bank, the Transferor, the Backup Servicer and the Collateral Custodian shall maintain and shall cause each of its employees and officers to maintain the confidentiality of the Agreement and all information with respect to the other parties, including all information regarding the business of the Borrower and the Servicer hereto and their respective businesses obtained by it or them in connection with the structuring, negotiating and execution of the transactions contemplated herein (including written non-public information relating to an Obligor that is required under the terms of the related Loan Agreement to be maintained as confidential), except that each such party and its officers and employees may (i) disclose such information to its respective Affiliates and to such party's and its respective Affiliates' officers, directors, managers, administrators, trustees, employees, agents, external accountants, investigators, auditors, attorneys or other representatives, in each case, having a need to know the same (including in connection with any potential assignment, sale of a participation interest or other transfer of an interest), and to any Rating Agency or valuation firm engaged by such party in connection with any due diligence or comparable activities with respect to the transactions and Loan Assets contemplated herein and the agents of such Persons ("Excepted Persons"); *provided* that each Excepted Person shall, as a condition to any such disclosure, agree for the benefit of the Administrative Agent, the Lenders, the Lender Agents, the Servicer, the Collateral Agent, the Borrower, the Account Bank, the Backup Servicer, the Transferor and the Collateral Custodian that such information shall be used solely in connection with such Excepted Person's evaluation of, or relationship with, the Borrower and its affiliates, (ii) disclose the existence of the Agreement, but not the financial terms thereof, (iii) disclose such information as is required by Applicable Law and (iv) disclose the Agreement and such information in any suit, action, proceeding or investigation (whether in law or in equity or pursuant to arbitration) involving any of the Transaction Documents for the purpose of defending itself, reducing its liability, or protecting or exercising any of its claims, rights, remedies, or interests under or in connection with any of the Transaction Documents. Notwithstanding the foregoing provisions of this Section 12.13(a), the Servicer may, subject to Applicable Law and the terms of any Loan Agreements, make available copies of the documents in the Servicing Files and such other documents it holds in its capacity as Servicer pursuant to the terms of this Agreement, to any of its creditors. It is understood that the financial terms that may not be disclosed except in compliance with this Section 12.13(a) include, without limitation, all fees and other pricing terms, and all Events of Default, Servicer Termination Events, and priority of payment provisions.

(b) Anything herein to the contrary notwithstanding, the Borrower and the Servicer each hereby consents to the disclosure of any nonpublic information with respect to it (i) to the Administrative Agent, the Lenders, the Lender Agent, the Account Bank, the Backup Servicer, the Collateral Agent or the Collateral Custodian by each other, (ii) by the Administrative Agent, the Lenders, the Lender Agent, the Account Bank, the Collateral Agent, the Backup Servicer and the Collateral Custodian to any prospective or actual assignee or participant of any of them provided such Person would qualify as an assignee or participant under the terms of Section 12.04 and such Person agrees to

hold such information confidential in accordance with the terms hereof, or (iii) by the Administrative Agent, the Lenders, the Lender Agent, the Account Bank, the Collateral Agent, the Backup Servicer and the Collateral Custodian to any commercial paper dealer or provider of a surety, guaranty or credit or liquidity enhancement to any Lender or Conduit Trustee or any Person providing financing to, or holding equity interests in, any Conduit Lender, as applicable, and to any officers, directors, employees, outside accountants and attorneys of any of the foregoing, provided each such Person is informed of the confidential nature of such information. In addition, the Lenders, the Administrative Agent, the Lender Agent, the Collateral Agent, the Account Bank, the Backup Servicer and the Collateral Custodian may disclose any such nonpublic information as required pursuant to any law, rule, regulation, direction, request or order of any judicial, administrative or regulatory authority or proceedings (whether or not having the force or effect of law).

(c) Notwithstanding anything herein to the contrary, the foregoing shall not be construed to prohibit (i) disclosure of any and all information that is or becomes publicly known; (ii) disclosure of any and all information (a) if required to do so by any applicable statute, law, rule or regulation (including, without limitation Rule 17g-5), (b) to any government agency or regulatory body having or claiming authority to regulate or oversee any aspects of the Lenders', the Administrative Agent', the Lender Agents', the Collateral Agent's, the Account Bank's, the Backup Servicer's or the Collateral Custodian's business or that of their affiliates, (c) pursuant to any subpoena, civil investigative demand or similar demand or request of any court, regulatory authority, arbitrator or arbitration to which the Administrative Agent, any Lender, any Lender Agent, the Collateral Agent, the Collateral Custodian, the Backup Servicer or the Account Bank or an officer, director, employer, shareholder or affiliate of any of the foregoing is a party, (d) in any preliminary or final offering circular, registration statement or contract or other document approved in advance by the Borrower, the Servicer or the Transferor, or (e) to any affiliate, independent or internal auditor, agent, employee or attorney of the Collateral Agent, the Backup Servicer or the Collateral Custodian having a need to know the same, *provided* that the disclosing party advises such recipient of the confidential nature of the information being disclosed; or (iii) any other disclosure authorized by the Borrower, Servicer or the Transferor.

SECTION 12.14 Non-Confidentiality of Tax Treatment.

All parties hereto agree that each of them and each of their employees, representatives, and other agents may disclose to any and all Persons, without limitation of any kind, the tax treatment and tax structure of the transaction and all materials of any kind (including, without limitation, opinions or other tax analyses) that are provided to any of them relating to such tax treatment and tax structure. "Tax treatment" and "tax structure" shall have the same meaning as such terms have for purposes of Treasury Regulation Section 1.6011-4; *provided* that with respect to any document or similar item that in either case contains information concerning the tax treatment or tax structure of the transaction as well as other information, the provisions of this Section 12.14 shall only apply to such portions of the document or similar item that relate to the tax treatment or tax structure of the transactions contemplated hereby.

SECTION 12.15 Waiver of Set Off.

Each of the parties hereto hereby waives any right of setoff it may have or to which it may be entitled under this Agreement from time to time against the Administrative Agent, the Lenders, the Lender Agents or their respective assets.

SECTION 12.16 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 12.17 Ratable Payments.

If any Lender, whether by setoff or otherwise, shall obtain any payment (whether voluntary, involuntary, through the exercise of any right of setoff, or otherwise) on account of Advances owing to it (other than pursuant to Breakage Fees, Section 2.10 or Section 2.11) in excess of its ratable share of payments on account of the Advances obtained by all the Lenders, such Lender shall forthwith purchase from the other Lenders such participations in the Advances owing to them as shall be necessary to cause such purchasing Lender to share the excess payment ratably with each of them; *provided* that, if all or any portion of such excess payment is thereafter recovered from such purchasing Lender, such purchase from each Lender shall be rescinded and such Lender shall repay to the purchasing Lender the purchase price to the extent of such recovery together with an amount equal to such Lender's ratable share (according to the proportion of (i) the amount of such Lender's required repayment to (ii) the total amount so recovered from the purchasing Lender) of any interest or other amount paid or payable by the purchasing Lender in respect of the total amount so recovered.

SECTION 12.18 Failure of Borrower or Servicer to Perform Certain Obligations.

If the Borrower or the Servicer, as applicable, fails to perform any of its agreements or obligations under Section 5.01(u), Section 5.02(p) or Section 5.04(e), the Administrative Agent may (but shall not be required to) itself perform, or cause performance of, such agreement or obligation, and the expenses of the Administrative Agent incurred in connection therewith shall be payable by the Borrower or the Servicer (on behalf of the Borrower), as applicable, upon the Administrative Agent's demand therefor.

SECTION 12.19 Power of Attorney.

The Borrower irrevocably authorizes the Administrative Agent and appoints the Administrative Agent as its attorney-in-fact to act on behalf of the Borrower (i) to file financing statements necessary or desirable in the Administrative Agent's sole discretion to perfect and to maintain the perfection and priority of the interest of the Secured Parties in the Collateral Portfolio and (ii) to file a carbon, photographic or other reproduction of this Agreement or any financing statement with respect to the Collateral Portfolio as a financing statement in such offices as the Administrative Agent in its sole discretion deems necessary or desirable to perfect and to maintain the perfection and priority of the interests of the Secured Parties in the Collateral Portfolio. This appointment is coupled with an interest and is irrevocable.

SECTION 12.20 Delivery of Termination Statements, Releases, etc.

Upon payment in full of all of the Obligations (other than unmatured contingent indemnification obligations) and the termination of this Agreement, the Administrative Agent and the Collateral Agent shall deliver to the Borrower termination statements, reconveyances, releases and other documents necessary or appropriate to evidence the termination of the Pledge and other Liens securing the Obligations, all at the expense of the Borrower.

SECTION 12.21 USA PATRIOT Act.

Each of the Lender, the Lead Arranger, the Collateral Agent and the Administrative Agent (for itself and not on behalf of any Lender) hereby notifies the Borrower, the Servicer and the Transferor that pursuant to the requirements of the USA PATRIOT Act, it is required to obtain, verify, and record information that identifies each of the Borrower, the Servicer and the Transferor, which information includes the name of each of the Borrower, the Servicer and the Transferor and other information that will allow each Lender, the Lead Arranger, Collateral Agent or the Administrative Agent, as applicable, to identify the Borrower, the Servicer and the Transferor in accordance with the USA PATRIOT Act, and each of the Borrower, the Servicer and the Transferor agree to provide such information from time to time to each Lender, the Lead Arranger, Collateral Agent and the Administrative Agent, as applicable.

ARTICLE XIII.
COLLATERAL CUSTODIAN

SECTION 13.01 Designation of Collateral Custodian.

(a) Initial Collateral Custodian. The role of Collateral Custodian with respect to the Required Loan Documents shall be conducted by the Person designated as Collateral Custodian hereunder from time to time in accordance with this Section 13.01. Each of the Borrower, the Administrative Agent and the Lender Agent hereby designate and appoint the Collateral Custodian to act as its agent and hereby authorizes the Collateral Custodian to take such actions on its behalf and to exercise such powers and perform such duties as are expressly granted to the Collateral Custodian by this Agreement. The Collateral Custodian hereby accepts such agency appointment to act as Collateral Custodian pursuant to the terms of this Agreement, until its resignation or removal as Collateral Custodian pursuant to the terms hereof.

(b) Successor Collateral Custodian. Upon the Collateral Custodian's receipt of a Collateral Custodian Termination Notice from the Administrative Agent of the designation of a successor Collateral Custodian pursuant to the provisions of Section 13.05, the Collateral Custodian agrees that it will terminate its activities as Collateral Custodian hereunder.

SECTION 13.02 Duties of Collateral Custodian.

(a) Appointment. The Borrower, the Administrative Agent and the Lender Agent each hereby appoints Wells Fargo Bank, National Association to act as Collateral Custodian, for the benefit of the Secured Parties. The Collateral Custodian hereby accepts such appointment and agrees to perform the duties and obligations with respect thereto set forth herein.

(b) Duties. From the Closing Date until its removal pursuant to Section 13.05 or its resignation pursuant to Section 13.07, the Collateral Custodian shall perform, on behalf of the Secured Parties, the following duties and obligations:

(i) The Collateral Custodian shall take and retain custody of the Required Loan Documents delivered by the Borrower pursuant to Section 3.02(a) and Section 3.04(b) hereof in accordance with the terms and conditions of this Agreement, all for the benefit of the Secured Parties. Within five Business Days of its receipt of any Required Loan Documents, the related Loan Asset Schedule and a hard copy of the Loan Asset Checklist, the Collateral Custodian shall review the Required Loan Documents to confirm that (A) such Required Loan Documents have been executed (either an original or a copy, as indicated on the Loan Asset Checklist) and have no mutilated pages, (B) filed stamped copies of the UCC and other filings (identified on the Loan Asset Checklist) are included, (C) if listed on the Loan Asset Checklist, a copy of an Insurance Policy with respect to any real or personal property constituting the Underlying Collateral is included, and (D) the related original balance (based on a comparison to the note or assignment agreement, as applicable), Loan Asset number and Obligor name, as applicable, with respect to such Loan Asset is referenced on the related Loan Asset Schedule (such items (A) through (D) collectively, the "Review Criteria"). In order to facilitate the foregoing review by the Collateral Custodian, in connection with each delivery of Required Loan Documents hereunder to the Collateral Custodian, the Servicer shall provide to the Collateral Custodian a hard copy of the related Loan Asset Checklist which contains the Loan Asset information with respect to the Required Loan Documents being delivered, identification number and the name of the Obligor with respect to such Loan Asset. Notwithstanding anything herein to the contrary, the Collateral Custodian's obligation to review the Required Loan Documents shall be limited to reviewing such Required Loan Documents based on the information provided on the Loan Asset Checklist. If, at the conclusion of such review, the Collateral Custodian shall determine that (i) the original balance of the Loan Asset with respect to which it has received Required Loan Documents is less than as set forth on the Loan Asset Schedule, the Collateral Custodian shall notify the Administrative Agent and the Servicer of such discrepancy within one Business Day, or (ii) any Review Criteria is not satisfied, the Collateral Custodian shall within one Business Day notify the Servicer of such determination and provide the Servicer with a list of the non-complying Loan Assets and the applicable Review Criteria that they fail to satisfy. The Servicer shall have five Business Days after notice or knowledge thereof to correct any non-compliance with any Review Criteria. In addition, if requested in writing (in the form of Exhibit M) by the Servicer and approved by the Administrative Agent within 10 Business Days of the Collateral Custodian's delivery of such report, the Collateral Custodian shall return any Loan Asset which fails to satisfy a Review Criteria to the Borrower. Other than the foregoing, the Collateral Custodian shall not have any responsibility for reviewing any Required Loan Documents.

(ii) In taking and retaining custody of the Required Loan Documents, the Collateral Custodian shall be deemed to be acting as the agent of the Secured Parties; *provided* that the Collateral Custodian makes no representations as to the existence, perfection or priority of any Lien on the Required Loan Documents or the instruments therein; and *provided*, *further*, that, the Collateral Custodian's duties shall be limited to those expressly contemplated herein.

(iii) All Required Loan Documents shall be kept in fire resistant vaults, rooms or cabinets at the locations specified on the address of the Collateral Custodian in Section 12.02, or at such other office as shall be specified to the Administrative Agent and the Servicer by the Collateral Custodian in a written notice delivered at least 30 days prior to such change. All Required Loan Documents shall be placed together with an appropriate identifying label and maintained in such a manner so as to permit retrieval and access. The Collateral Custodian shall segregate the Required Loan Documents on its inventory system and will not commingle the physical Required Loan Documents with any other files of the Collateral Custodian other than those, if any, relating to CGMS and its Affiliates and subsidiaries; *provided*, *however*, the Collateral Custodian shall segregate any commingled files upon written request of the Administrative Agent and the Borrower.

(iv) On the 12th calendar day of every Month (or if such day is not a Business Day, the next succeeding Business Day), the Collateral Custodian shall provide a written report to the Administrative Agent and the Servicer (in a form mutually agreeable to the Administrative Agent and the Collateral Custodian) identifying each Loan Asset for which it holds Required Loan Documents and the applicable Review Criteria that any Loan Asset fails to satisfy.

(v) Notwithstanding any provision to the contrary elsewhere in the Transaction Documents, the Collateral Custodian shall not have any fiduciary relationship with any party hereto or any Secured Party in its capacity as such, and no implied covenants, functions, obligations or responsibilities shall be read into this Agreement, the other Transaction Documents or otherwise exist against the Collateral Custodian. Without limiting the generality of the foregoing, it is hereby expressly agreed and stipulated by the other parties hereto that the Collateral Custodian shall not be required to exercise any discretion hereunder and shall have no investment or management responsibility.

(c) (i) The Collateral Custodian agrees to cooperate with the Administrative Agent and the Collateral Agent and deliver any Required Loan Documents to the Collateral Agent or Administrative Agent (pursuant to a written request in the form of Exhibit M), as applicable, as requested in order to take any action that the Administrative Agent deems necessary or desirable in order to perfect, protect or more fully evidence the security interests granted by the Borrower hereunder, or to enable any of them to exercise or enforce any of their respective rights hereunder, including any rights arising with respect to Article VIII. In the event the Collateral Custodian receives instructions from the Collateral Agent, the Servicer or the Borrower which conflict with any instructions received by the Administrative Agent, the Collateral Custodian shall rely on and follow the instructions given by the Administrative Agent.

(ii) The Administrative Agent may direct the Collateral Custodian to take any such incidental action hereunder. With respect to other actions which are incidental to the actions specifically delegated to the Collateral Custodian hereunder, the Collateral Custodian shall not be required to take any such incidental action hereunder, but shall be required to act or to refrain from acting (and shall be fully protected in acting or refraining from acting) upon the direction of the Administrative Agent; *provided* that the Collateral Custodian shall not be required to take any action hereunder at the request of the Administrative Agent, any Secured Party or otherwise if the taking of such action, in the reasonable determination of the Collateral Custodian, (x) shall be in violation of any Applicable Law or contrary to any provisions of this Agreement or (y) shall expose the Collateral Custodian to liability hereunder or otherwise (unless it has received indemnity which it reasonably deems to be satisfactory with respect thereto). In the event the Collateral Custodian requests the consent of the Administrative Agent and the Collateral Custodian does not receive a consent (either positive or negative) from the Administrative Agent within 10 Business Days of its receipt of such request, then the Administrative Agent shall be deemed to have declined to consent to the relevant action.

(iii) The Collateral Custodian shall not be liable for any action taken, suffered or omitted by it in accordance with the request or direction of any Secured Party, to the extent that this Agreement provides such Secured Party the right to so direct the Collateral Custodian,

or the Administrative Agent. The Collateral Custodian shall not be deemed to have notice or knowledge of any matter hereunder, including an Event of Default, unless a Responsible Officer of the Collateral Custodian has knowledge of such matter or written notice thereof is received by the Collateral Custodian.

SECTION 13.03 Merger or Consolidation.

Any Person (i) into which the Collateral Custodian may be merged or consolidated, (ii) that may result from any merger or consolidation to which the Collateral Custodian shall be a party, or (iii) that may succeed to the properties and assets of the Collateral Custodian substantially as a whole, which Person in any of the foregoing cases executes an agreement of assumption to perform every obligation of the Collateral Custodian hereunder, shall be the successor to the Collateral Custodian under this Agreement without further act of any of the parties to this Agreement.

SECTION 13.04 Collateral Custodian Compensation.

(a) Compensation. As compensation for its Collateral Custodian activities hereunder, the Collateral Custodian shall be entitled to the Collateral Custodian Fees from the Borrower as set forth in the Backup Servicer, Account Bank, Collateral Custodian and Collateral Administrator Fee Letter, payable pursuant to the extent of funds available therefor pursuant to the provisions of Section 2.04. The Collateral Custodian's entitlement to receive the Collateral Custodian Fees shall cease on the earlier to occur of: (i) its removal as Collateral Custodian pursuant to Section 13.05, (ii) its resignation as Collateral Custodian pursuant to Section 13.07 of this Agreement or (iii) the termination of this Agreement.

(b) Negative Covenant Regarding Compensation. The Collateral Custodian will not make any changes to the Collateral Custodian Fees without the prior written approval of the Administrative Agent and the Borrower.

SECTION 13.05 Collateral Custodian Removal.

The Collateral Custodian may be removed, with or without cause, by the Administrative Agent by notice given in writing to the Collateral Custodian (the "Collateral Custodian Termination Notice"); *provided* that, notwithstanding its receipt of a Collateral Custodian Termination Notice, the Collateral Custodian shall continue to act in such capacity until a successor Collateral Custodian has been appointed and has agreed to act as Collateral Custodian hereunder.

SECTION 13.06 Limitation on Liability.

(a) The Collateral Custodian may conclusively rely on and shall be fully protected in acting upon any certificate, instrument, opinion, notice, letter, telegram or other document delivered to it and that in good faith it reasonably believes to be genuine and that has been signed by the proper party or parties. The Collateral Custodian may rely conclusively on and shall be fully protected in acting upon (a) the written instructions of any designated officer of the Administrative Agent or (b) the verbal instructions of the Administrative Agent.

(b) The Collateral Custodian may consult counsel satisfactory to it and the advice or opinion of such counsel shall be full and complete authorization and protection in respect of any action taken, suffered or omitted by it hereunder in good faith and in accordance with the advice or opinion of such counsel.

(c) The Collateral Custodian shall not be liable for any error of judgment, or for any act done or step taken or omitted by it, in good faith, or for any mistakes of fact or law, or for anything that it may do or refrain from doing in connection herewith except in the case of its willful misconduct or grossly negligent performance or omission of its duties.

(d) The Collateral Custodian makes no warranty or representation and shall have no responsibility (except as expressly set forth in this Agreement) as to the content, enforceability, completeness, validity, sufficiency, value, genuineness, ownership or transferability of the Collateral Portfolio, and will not be required to and will not make any representations as to the validity or value (except as expressly set forth in this Agreement) of any of the Collateral Portfolio. The Collateral Custodian shall not be obligated to take any legal action hereunder that might in its judgment involve any expense or liability unless it has been furnished with an indemnity reasonably satisfactory to it.

(e) The Collateral Custodian shall have no duties or responsibilities except such duties and responsibilities as are specifically set forth in this Agreement and no covenants or obligations shall be implied in this Agreement against the Collateral Custodian.

(f) The Collateral Custodian shall not be required to expend or risk its own funds in the performance of its duties hereunder.

(g) It is expressly agreed and acknowledged that the Collateral Custodian is not guaranteeing performance of or assuming any liability for the obligations of the other parties hereto or any parties to the Collateral Portfolio.

(h) Subject in all cases to the last sentence of Section 13.02(c)(i), in case any reasonable question arises as to its duties hereunder, the Collateral Custodian may, prior to the occurrence of an Event of Default or the Final Maturity Date, request instructions from the Servicer and may, after the occurrence of an Event of Default or the Final Maturity Date, request instructions from the Administrative Agent, and shall be entitled at all times to refrain from taking any action unless it has received instructions from the Servicer or the Administrative Agent, as applicable. The Collateral Custodian shall in all events have no liability, risk or cost for any action taken pursuant to and in compliance with the instruction of the Administrative Agent. In no event shall the Collateral Custodian be liable for special, indirect or consequential loss or damage of any kind whatsoever (including but not limited to lost profits), even if the Collateral Custodian has been advised of the likelihood of such loss or damage and regardless of the form of action.

SECTION 13.07 Collateral Custodian Resignation.

Collateral Custodian may resign and be discharged from its duties or obligations hereunder, not earlier than 90 days after delivery to the Administrative Agent of written notice of such resignation specifying a date when such resignation shall take effect. Upon the effective date of such resignation, or if the Administrative Agent gives Collateral Custodian written notice of an earlier termination hereof, Collateral Custodian shall (i) be reimbursed for any costs and expenses Collateral Custodian shall incur in connection with the termination of its duties under this Agreement and (ii) deliver all of the Required Loan Documents in the possession of Collateral Custodian to the Administrative Agent or to such Person as the Administrative Agent may designate to Collateral Custodian in writing upon the receipt of a request in the form of Exhibit M; *provided* that the Borrower shall have consented to any successor Collateral Custodian appointed by the Administrative Agent at the direction of the Majority Lenders (such consent not to be unreasonably withheld). Notwithstanding anything herein to the contrary, the Collateral Custodian may not resign prior to a successor Collateral Custodian being appointed.

SECTION 13.08 Release of Documents.

(a) Release for Servicing. From time to time and as appropriate for the enforcement or servicing of any of the Collateral Portfolio, the Collateral Custodian is hereby authorized (unless and until such authorization is revoked by the Administrative Agent), upon written receipt from the Servicer of a request for release of documents and receipt in the form annexed hereto as Exhibit M, to release to the Servicer within two Business Days of receipt of such request, the related Required Loan Documents or the documents set forth in such request and receipt to the Servicer. All documents so released to the Servicer shall be held by the Servicer in trust for the benefit of the Collateral Agent, on behalf of the Secured Parties in accordance with the terms of this Agreement. The Servicer shall return to the Collateral Custodian the Required Loan Documents or other such documents (i) promptly upon the request of the Administrative Agent, or (ii) when the Servicer's need therefor in connection with such foreclosure or servicing no longer exists, unless the Loan Asset shall be liquidated, in which case, the Servicer shall deliver an additional request for release of documents to the Collateral Custodian and receipt certifying such liquidation from the Servicer to the Collateral Agent, all in the form annexed hereto as Exhibit M.

(b) Limitation on Release. The foregoing provision with respect to the release to the Servicer of the Required Loan Documents and documents by the Collateral Custodian upon request by the Servicer shall be operative only to the extent that the Administrative Agent has consented to such release. Promptly after delivery to the Collateral Custodian of any request for release of documents, the Servicer shall provide notice of the same to the Administrative Agent. Any additional Required Loan Documents or documents requested to be released by the Servicer may be released only upon written authorization of the Administrative Agent. The limitations of this paragraph shall not apply to the release of Required Loan Documents to the Servicer pursuant to the immediately succeeding subsection.

(c) Release for Payment. Upon receipt by the Collateral Custodian of the Servicer's request for release of documents and receipt in the form annexed hereto as Exhibit M (which certification shall include a statement to the effect that all amounts received in connection with such payment or repurchase have been credited to the Collection Account as provided in this Agreement), the Collateral Custodian shall promptly release the related Required Loan Documents to the Servicer.

SECTION 13.09 Return of Required Loan Documents.

The Borrower may, with the prior written consent of the Administrative Agent (such consent not to be unreasonably withheld), require that the Collateral Custodian return each Required Loan Document (a) delivered to the Collateral Custodian in error or (b) released from the Lien of the Collateral Agent hereunder pursuant to Section 2.16, in each case by submitting to the Collateral Custodian and the Administrative Agent a written request in the form of Exhibit M hereto (signed by both the Borrower and the Administrative Agent) specifying the Collateral Portfolio to be so returned and reciting that the conditions to such release have been met (and specifying the Section or Sections of this Agreement being relied upon for such release). The Collateral Custodian shall upon its receipt of each such request for return executed by the Borrower and the Administrative Agent promptly, but in any event within five Business Days, return the Required Loan Documents so requested to the Borrower.

SECTION 13.10 Access to Certain Documentation and Information Regarding the Collateral Portfolio; Audits of Servicer.

The Collateral Custodian shall provide to the Administrative Agent and each Lender Agent access to the Required Loan Documents and all other documentation regarding the Collateral Portfolio including in such cases where the Administrative Agent and each Lender Agent is required in connection with the enforcement of the rights or interests of the Secured Parties, or by applicable statutes or regulations, to review such documentation, such access being afforded without charge but only (i) upon two Business Days prior written request, (ii) during normal business hours and (iii) subject to the Servicer's and the Collateral Custodian's normal security and confidentiality procedures. Prior to the Closing Date and periodically thereafter at the discretion of the Administrative Agent and each Lender Agent, the Administrative Agent and each Lender Agent may review the Servicer's collection and administration of the Collateral Portfolio in order to assess compliance by the Servicer with the Servicing Standard, as well as with this Agreement and may conduct an audit of the Collateral Portfolio, and Required Loan Documents in conjunction with such a review. Such review shall be (subject to Section 5.04(d)(ii)) reasonable in scope and shall be completed in a reasonable period of time. Without limiting the foregoing provisions of this Section 13.10, from time to time (and, in any case, a minimum of three times during each fiscal year of the Servicer) upon reasonable notice to the Administrative Agent, the Collateral Custodian shall permit independent public accountants or other auditors appointed by the Servicer to conduct, at the expense of the Servicer (on behalf of the Borrower), a review of the Required Loan Documents and all other documentation regarding the Collateral Portfolio.

SECTION 13.11 Bailment.

The Collateral Custodian agrees that, with respect to any Required Loan Documents at any time or times in its possession or held in its name, the Collateral Custodian shall be the agent and bailee of the Collateral Agent, for the benefit of the Secured Parties, for purposes of perfecting (to the extent not otherwise perfected) the Collateral Agent's security interest in the Collateral Portfolio and for the purpose of ensuring that such security interest is entitled to first priority status under the UCC.

ARTICLE XIV.
ACCOUNT BANK

SECTION 14.01 Designation of Account Bank.

(a) Initial Account Bank. The role of Account Bank shall be conducted by the Person designated as Account Bank hereunder and under the Collection Account Agreement from time to time in accordance with this Section 14.01 and the Collection Account Agreement. Each of the Borrower, the Administrative Agent and the Lender Agent hereby designate and appoint the Account Bank and hereby authorizes the Account Bank to take such actions and to perform such duties as are expressly set forth in this Agreement and the Collection Account Agreement. The Account Bank hereby accepts such appointment to act as Account Bank pursuant to the terms of this Agreement and the Collection Account Agreement, until its resignation or removal as Account Bank pursuant to the terms hereof.

(b) Successor Account Bank. Upon the Account Bank's receipt of an Account Bank Termination Notice from the Administrative Agent and the designation of a successor Account Bank pursuant to the provisions of Section 14.05, the Account Bank agrees that it will terminate its activities as Account Bank hereunder.

SECTION 14.02 Duties of Account Bank.

From the Closing Date until its removal pursuant to Section 14.05 or its resignation pursuant to Section 14.07, the Account Bank shall perform such duties and obligations as expressly set forth in this Agreement and the Collection Account Agreement.

SECTION 14.03 Merger or Consolidation.

Any Person (i) into which the Account Bank may be merged or consolidated, (ii) that may result from any merger or consolidation to which the Account Bank shall be a party, or (iii) that may succeed to the properties and assets of the Account Bank substantially as a whole, which Person in any of the foregoing cases executes an agreement of assumption to perform every obligation of the Account Bank hereunder, shall be the successor to the Account Bank under this Agreement without further act of any of the parties to this Agreement.

SECTION 14.04 Account Bank Compensation.

(a) Compensation. As compensation for its Account Bank activities hereunder and the Collection Account Agreement, the Account Bank shall be entitled to the Account Bank Fees from the Borrower as set forth in the Backup Servicer, Account Bank, Collateral Custodian and Collateral Administrator Fee Letter, payable pursuant to the extent of funds available therefor pursuant to the provisions of Section 2.04. The Account Bank's entitlement to receive the Account Bank Fees, shall cease on the earlier to occur of (i) its removal as Account Bank pursuant to Section 14.05, (ii) its resignation as Account Bank pursuant to Section 14.07 or (iii) the termination of this Agreement.

(b) Negative Covenant Regarding Compensation. The Account Bank will not make any changes to the Account Bank Fees without the prior written approval of the Administrative Agent and the Borrower.

SECTION 14.05 Account Bank Removal.

The Account Bank may be removed, with or without cause, by the Administrative Agent by notice given in writing to the Account Bank (the "Account Bank Termination Notice"); *provided* that, notwithstanding its receipt of an Account Bank Termination Notice, the Account Bank shall continue to act in such capacity until a successor Account Bank has been appointed and has agreed to act as Account Bank hereunder and under the Collection Account Agreement.

SECTION 14.06 Limitation on Liability.

Each of the rights, protections, benefits, immunities and indemnities afforded to the Collateral Custodian pursuant to Section 13.06 hereof shall also be afforded to the Account Bank acting in such capacity; *provided* that such rights, protections, benefits, immunities and indemnities shall be in addition to, and not in limitation of, any rights, protections, benefits, immunities and indemnities provided in the Collection Account Agreement or any other documents to which the Account Bank in such capacity is a party.

SECTION 14.07 Account Bank Resignation.

The Account Bank may resign and be discharged from its duties or obligations hereunder, not earlier than 90 days after delivery to the Administrative Agent of written notice of such resignation specifying a date when such resignation shall take effect. Upon the effective date of such resignation, or if the Administrative Agent gives the Account Bank written notice of an earlier termination hereof, the Account Bank shall (i) be reimbursed for any reasonable documented out-of-pocket costs and expenses the Account Bank shall incur in connection with the termination of its duties under this Agreement and (ii) transfer all amounts in the Collection Account pursuant to the instructions of the Administrative Agent; *provided* that the Borrower shall have consented to any successor Account Bank appointed by the Administrative Agent at the direction of the Majority Lenders (such consent not to be unreasonably withheld). Notwithstanding anything herein to the contrary, the Account Bank may not resign prior to a successor Account Bank being appointed.

ARTICLE XV.
COLLATERAL ADMINISTRATOR

SECTION 15.01 Designation of Collateral Administrator.

(a) Initial Collateral Administrator. The role of Collateral Administrator shall be conducted by the Person designated as Collateral Administrator hereunder and under the Collection Account Agreement from time to time in accordance with this Section 15.01. Each of the Borrower, the Administrative Agent and the Lender Agent hereby designate and appoint the Collateral Administrator to act as its agent and hereby authorizes the Collateral Administrator to take such actions and to perform such duties as are expressly set forth in this Agreement. The Collateral Administrator hereby accepts such agency appointment to act as Collateral Administrator pursuant to the terms of this Agreement, until its resignation or removal as Collateral Administrator pursuant to the terms hereof.

(b) Successor Collateral Administrator. Upon the Collateral Administrator's receipt of a Collateral Administrator Termination Notice from the Administrative Agent and the designation of a successor Collateral Administrator pursuant to the provisions of Section 15.05, the Collateral Administrator agrees that it will terminate its activities as Collateral Administrator hereunder.

SECTION 15.02 Duties of Collateral Administrator.

(a) Duties. From the Closing Date until its removal pursuant to Section 15.05 or its resignation pursuant to Section 15.07, the Collateral Administrator shall perform, on behalf of the Secured Parties, the following duties and obligations:

(i) On or before the Closing Date, the Collateral Administrator shall accept from the Servicer delivery of the information required to be set forth in the Servicing Report referred to in Section 6.08(b)(i) of this Agreement (if any) on an excel spreadsheet or other format to be agreed upon by the Collateral Administrator and the Servicer on or prior to closing.

(ii) Not later than 12:00 noon (New York City, New York time) on each Reporting Date, the Servicer shall deliver to the Collateral Administrator the loan asset spreadsheet, which shall include but not be limited to the following information: (x) for each Loan Asset, the name of the related Obligor, the collection status, the loan status, the date of each Scheduled Payment, the Outstanding Principal Balance, the initial Assigned Value, and the Outstanding Loan Balance, (y) the Borrowing Base and (z) the Aggregate Outstanding Loan Balance (the "Spreadsheet"). The Collateral Administrator shall accept delivery of the Spreadsheet.

(iii) Provided that it receives the Servicing Report and the loan data pursuant to Section 6.08(b), prior to the related Payment Date, the Collateral Administrator shall review the Servicing Report to ensure that it is complete on its face and that the following items in such Servicing Report have been accurately calculated, if applicable, and reported: (A) the Borrowing Base, (B) the Backup Servicing Fee, (C) the Aggregate Outstanding Loan Balance of the Loan Assets that are current and not past due, (D) the Charged-Off Ratio, (E) the Delinquency Ratio, (F) the Interest Coverage Ratio and (G) the Aggregate Outstanding Loan Balance. The Collateral Administrator by a separate written report shall notify the Administrative Agent, the Servicer and the Backup Servicer of any discrepancies in the Servicing Report based on such review not later than the Business Day preceding such Payment Date to such Persons.

(iv) If the Servicer disagrees with the report provided under paragraph (iii) above by the Collateral Administrator or if the Servicer or any subservicer has not reconciled such discrepancy, the Collateral Administrator agrees to confer with the Servicer to resolve such discrepancies on or prior to the next succeeding Determination Date and shall settle such discrepancy with the Servicer if possible, and notify the Administrative Agent of the resolution thereof. The Servicer hereby agrees to cooperate at its own expense with the Collateral Administrator in reconciling any discrepancies in any Servicing Report. If within 20 days after the delivery of the report provided under paragraph (iii) above by the Collateral Administrator, such discrepancy is not resolved, the Collateral Administrator shall promptly notify the Administrative Agent of the continued existence of such discrepancy. Following receipt of such notice by the Administrative Agent, the Servicer shall deliver to the Administrative Agent, the Secured Parties and the Collateral Administrator no later than the related Payment Date a certificate describing the nature and amount of such discrepancies and the actions the Servicer proposes to take with respect thereto.

(b) Reliance on Spreadsheet. With respect to the duties described in Section 15.02(a), the Collateral Administrator is entitled to rely conclusively, and shall be fully protected in so relying, on the contents of each Spreadsheet, including, but not limited to, the completeness and accuracy thereof, provided by the Servicer.

(c) Collateral Administrator May Request Direction. If, in performing its duties under this Agreement, the Collateral Administrator is required to decide between alternative courses of action, the Collateral Administrator may request written instructions from the Administrative Agent as to the course of action desired by it. If the Collateral Administrator does not receive such instructions within two Business Days after it has requested them, the Collateral Administrator may, but shall be under no duty to, take or refrain from taking any such courses of action. The Collateral Administrator shall act in accordance with instructions received after such two-Business Day period except to the extent it has already taken, or committed itself to take, action inconsistent with such instructions.

SECTION 15.03 Merger or Consolidation.

Any Person (i) into which the Collateral Administrator may be merged or consolidated, (ii) that may result from any merger or consolidation to which the Collateral Administrator shall be a party, or (iii) that may succeed to the properties and assets of the Collateral Administrator substantially as a whole, which Person in any of the foregoing cases executes an agreement of assumption to perform every obligation of the Collateral Administrator hereunder, shall be the successor to the Collateral Administrator under this Agreement without further act of any of the parties to this Agreement.

SECTION 15.04 Collateral Administrator Compensation.

(a) Compensation. As compensation for its Collateral Administrator activities hereunder, the Collateral Administrator shall be entitled to the Collateral Administrator Fees from the Borrower as set forth in the Backup Servicer, Account Bank, Collateral Custodian and Collateral Administrator Fee Letter, payable pursuant to the extent of funds available therefor pursuant to the provisions of Section 2.04. The Collateral Administrator's entitlement to receive the Collateral Administrator Fees, shall cease on the earlier to occur of (i) its removal as Collateral Administrator pursuant to Section 15.05, (ii) its resignation as Collateral Administrator pursuant to Section 15.07 or (iii) the termination of this Agreement.

(b) Negative Covenant Regarding Compensation. The Collateral Administrator will not make any changes to the Collateral Administrator Fees without the prior written approval of the Administrative Agent and the Borrower.

SECTION 15.05 Collateral Administrator Removal.

The Collateral Administrator may be removed, with or without cause, by the Administrative Agent by notice given in writing to the Collateral Administrator (the "Collateral Administrator Termination Notice"); *provided* that, notwithstanding its receipt of a Collateral Administrator Termination Notice, the Collateral Administrator shall continue to act in such capacity until a successor Collateral Administrator has been appointed and has agreed to act as Collateral Administrator hereunder.

SECTION 15.06 Limitation on Liability.

Each of the rights, protections, benefits, immunities and indemnities afforded to the Collateral Custodian pursuant to Section 13.06 hereof shall also be afforded to the Collateral Administrator acting in such capacity; *provided* that such rights, protections, benefits, immunities and indemnities shall be in addition to, and not in limitation of, any rights, protections, benefits, immunities and indemnities provided in this Agreement or any other documents to which the Collateral Administrator in such capacity is a party.

SECTION 15.07 Collateral Administrator Resignation.

The Collateral Administrator may resign and be discharged from its duties or obligations hereunder, not earlier than 90 days after delivery to the Administrative Agent of written notice of such resignation specifying a date when such resignation shall take effect. Upon the effective date of such resignation, or if the Administrative Agent gives the Collateral Administrator written notice of an earlier termination hereof, the Collateral Administrator shall (i) be reimbursed for any reasonable documented out-of-pocket costs and expenses the Collateral Administrator shall incur in connection with the termination of its duties under this Agreement and (ii) transfer all amounts in the Collection Account pursuant to the instructions of the Administrative Agent; *provided* that the Borrower shall have consented to any successor Collateral Administrator appointed by the Administrative Agent at the direction of the Majority Lenders (such consent not to be unreasonably withheld). Notwithstanding anything herein to the contrary, the Collateral Administrator may not resign prior to a successor Collateral Administrator being appointed.

[SIGNATURE PAGES TO FOLLOW]

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed by their respective officers thereunto duly authorized, as of the date first above written.

THE BORROWER:

CARLYLE GMS FINANCE SPV LLC

By: _____
Name:
Title:

[SIGNATURES CONTINUE ON THE FOLLOWING PAGE]

THE SERVICER:

CARLYLE GMS FINANCE, INC.

By: _____
Name:
Title:

[SIGNATURES CONTINUE ON THE FOLLOWING PAGE]

THE TRANSFEROR:

CARLYLE GMS FINANCE, INC.

By: _____
Name:
Title:

[SIGNATURES CONTINUE ON THE FOLLOWING PAGE]

THE ADMINISTRATIVE AGENT:

CITIBANK, N.A.

By: _____
Name:
Title:

[SIGNATURES CONTINUE ON THE FOLLOWING PAGE]

THE COLLATERAL AGENT:

CITIBANK, N.A.

By: _____
Name:
Title:

[SIGNATURES CONTINUE ON THE FOLLOWING PAGE]

THE ACCOUNT BANK, COLLATERAL CUSTODIAN AND, COLLATERAL ADMINISTRATOR:

WELLS FARGO BANK, NATIONAL ASSOCIATION

By: _____
Name:
Title:

[SIGNATURES CONTINUE ON THE FOLLOWING PAGE]

THE BACKUP SERVICER:

WELLS FARGO BANK, NATIONAL ASSOCIATION

By: _____
Name:
Title:

[SIGNATURES CONTINUE ON THE FOLLOWING PAGE]

CONDUIT LENDER:

CRC FUNDING, LLC

By: Citibank, N.A., as Attorney-in-Fact

By: _____
Name:
Title:

CRC Funding, LLC
c/o Citibank, N.A.750
Washington Boulevard
Stamford, CT 06901
Attention: Global Securitization
Tel No.: (203) 975-6417
Fax No.: (914) 274-9027

[SIGNATURES CONTINUE ON THE FOLLOWING PAGE]

LIQUIDITY BANK AND CONDUIT LENDER:

CIESCO, LLC

By: Citibank, N.A., as Attorney-in-Fact

By: _____
Name:
Title:

CIESCO, LLC
c/o Citibank, N.A.
750 Washington Boulevard
Stamford, CT 06901
Attention: Global Securitization
Tel No.: (203) 975-6417
Fax No.: (914) 274-9027

[SIGNATURES CONTINUE ON THE FOLLOWING PAGE]

CONDUIT LENDER:

CHARTA, LLC

By: Citibank, N.A., as Attorney-in-Fact

By: _____
Name:
Title:

CHARTA, LLC
c/o Citibank, N.A.
750 Washington Boulevard
Stamford, CT 06901
Attention: Global Securitization
Tel No.: (203) 975-6417
Fax No.: (914) 274-9027

[SIGNATURES CONTINUE ON THE FOLLOWING PAGE]

CONDUIT LENDER:

CAFCO, LLC

By: Citibank, N.A., as Attorney-in-Fact

By: _____
Name:
Title:

CAFCO, LLC
c/o Citibank, N.A.
750 Washington Boulevard
Stamford, CT 06901
Attention: Global Securitization
Tel No.: (203) 975-6417
Fax No.: (914) 274-9027

[SIGNATURES CONTINUE ON THE FOLLOWING PAGE]

LENDER AGENT:

CITIBANK, N.A.

By: _____
Name:
Title:

[SIGNATURES CONTINUE ON THE FOLLOWING PAGE]

INSTITUTIONAL LENDER:

PNC BANK, NATIONAL ASSOCIATION

By: _____
Name:
Title:

[SIGNATURES CONTINUE ON THE FOLLOWING PAGE]

LENDER AGENT:

PNC BANK, NATIONAL ASSOCIATION

By: _____
Name:
Title:

[SIGNATURES CONTINUE ON THE FOLLOWING PAGE]

INSTITUTIONAL LENDER:

KEY EQUIPMENT FINANCE INC.

By: _____
Name:
Title:

[SIGNATURES CONTINUE ON THE FOLLOWING PAGE]

LENDER AGENT:

KEY EQUIPMENT FINANCE INC.

By: _____
Name:
Title:

[SIGNATURES CONTINUE ON THE FOLLOWING PAGE]

INSTITUTIONAL LENDER:

STATE STREET BANK AND TRUST COMPANY

By: _____
Name:
Title:

[SIGNATURES CONTINUE ON THE FOLLOWING PAGE]

LENDER AGENT:

STATE STREET BANK AND TRUST COMPANY

By: _____
Name:
Title:

[SIGNATURES CONTINUE ON THE FOLLOWING PAGE]

Schedule I

Condition Precedent Documents

As required by Section 3.01 of the Agreement, each of the following items must be delivered to the Administrative Agent prior to the effectiveness of the Agreement:

(a) A copy of this Agreement duly executed by each of the parties hereto;

(b) A certificate of the Secretary, Assistant Secretary or managing member, as applicable, of each of the Borrower and the Servicer, dated the date of this Agreement, certifying (i) the names and true signatures of the incumbent officers of such Person authorized to sign on behalf of such Person the Transaction Documents to which it is a party (on which certificate the Administrative Agent, the Lenders, the Collateral Custodian, the Backup Servicer and the Lender Agents may conclusively rely until such time as the Administrative Agent and the Lender Agents shall receive from the Borrower or CGMS, as applicable, a revised certificate meeting the requirements of this paragraph (b)(i)), (ii) that the copy of the certificate of formation or articles of incorporation of such Person, as applicable, is a complete and correct copy and that such certificate of formation or articles of incorporation have not been amended, modified or supplemented and are in full force and effect, (iii) that the copy of the limited liability company agreement or by-laws, as applicable, of such Person are a complete and correct copy, and that such limited liability company agreement or by-laws have not been amended, modified or supplemented and are in full force and effect, and (iv) the resolutions of the board of directors of such Person or managing member, as applicable, approving and authorizing the execution, delivery and performance by such Person of the Transaction Documents to which it is a party;

(c) A good standing certificate, dated as of a recent date for each of the Borrower and CGMS, issued by the Secretary of State of such Person's State of formation or organization, as applicable;

(d) Duly executed Revolving Notes to the extent requested by a Lender Agent;

(e) Financing statements (the "Facility Financing Statements") describing the Collateral Portfolio, and (i) naming the Borrower as debtor and the Collateral Agent, on behalf of the Secured Parties, as secured party, (ii) naming the Transferor as debtor, the Borrower as assignor and the Collateral Agent, on behalf of the Secured Parties, as secured party/total assignee and (iii) other, similar instruments or documents, as may be necessary or, in the opinion of the Administrative Agent, desirable under the UCC of all appropriate jurisdictions or any comparable law to perfect the Collateral Agent's, on behalf of the Secured Parties, interests in all Collateral Portfolio;

(f) Financing statements, if any, necessary to release all security interests and other rights of any Person in the Collateral Portfolio previously granted by the Transferor;

(g) Copies of tax and judgment lien searches in all jurisdictions reasonably requested by the Administrative Agent and requests for information (or a similar UCC search report certified by a party acceptable to the Administrative Agent), dated a date reasonably near to the Closing Date, and with respect to such requests for information or UCC searches, listing all effective financing statements which name the Borrower (under its present name and any previous name) or CGMS (under its present name and any previous name) as debtor(s) and which are filed in Maryland, together with copies of such financing statements (none of which shall cover any Collateral Portfolio);

(h) One or more favorable Opinions of Counsel of counsel to the Borrower, acceptable to the Administrative Agent and addressed to the Administrative Agent, the Lenders, the Lender Agents, Backup Servicer, Collateral Custodian and the Collateral Agent, with respect to such matters as the Administrative Agent may reasonably request;

(i) One or more favorable Opinions of Counsel of counsel to CGMS, acceptable to the Administrative Agent and addressed to the Administrative Agent, the Lenders, the Lender Agents, the Backup Servicer, the Collateral Custodian and the Collateral Agent, with respect to, such matters as the Administrative Agent may reasonably request;

(j) Duly completed copies of IRS Form W-9 (or any successor forms or other certificates or statements that may be required from time to time by the relevant United States taxing authorities or Applicable Law) for the Borrower; and

(k) A copy of each of the other Transaction Documents duly executed by the parties thereto including, without limitation, the Collection Account Agreement.

Schedule II

Prior Names, Tradenames, Fictitious Names and "Doing Business As" Names

None.

Schedule III

Eligible Loan Assets

The following criteria shall be true and correct with respect to such Loan Asset to be considered an Eligible Loan Asset:

I. As of the Cut-Off Date with respect to such Loan Asset:

(a) The Loan Asset has been originated or acquired by the Borrower in accordance with the Risk and Collection Policies.

(b) The Loan Asset has an original term to maturity of not greater than (i) 8 years with respect to Second Lien Loan Assets and (ii) 7 years with respect to all other Loan Assets.

(c) The Loan Asset either (i) has an Advance Date Assigned Value of not less than 90%, or (ii) is a Discount Loan (unless the Eligibility Criteria under this clause (c) is waived in writing by the Administrative Agent in its sole discretion).

(d) The Servicer has obtained and provided to the Administrative Agent a RiskCalc score for such Loan Asset.

(e) The Loan Asset was originated or acquired in the ordinary course of the Borrower's or the Transferor's business.

(f) The origination of the Loan Asset or the acquisition of a Loan Asset from the Transferor, as applicable does not violate Applicable Law.

(g) If the Loan Asset is funded in connection with a leveraged acquisition, the Loan Asset is either (i) a HLT Loan Asset (subject to the Concentration Limits), or (ii) the related Obligor's pro forma ratio of equity to total capital is not less than 25%.

(h) The EBITDA of the related Obligor of the Loan Asset is greater than $10,000,000.

(i) If the Loan Asset is a Second Lien Loan Asset with an original term to maturity that is greater than 7 years, then (i) the EBITDA of the related Obligor (as of the related Cut-Off Date) is equal to at least $40,000,000 and (ii) its remaining term to maturity, as of the Cut-Off Date, is not greater than 7 years.

II. At all times (including as of the Cut-Off Date) with respect to such Loan Asset:

(a) The Loan Asset has an Assigned Value of not less than either (i) 70% if and to the extent that the Applicable Index is above 70%, and (ii) 60% in all other cases (unless the Eligibility Criteria under this clause (a) is waived in writing by the Administrative Agent in its sole discretion).

(b) The Loan Asset is either a Unitranche Loan Asset, a First Lien Loan Asset or a Second Lien Loan Asset.

(c) If such Loan Asset is rated by (i) S&P, such rating is not lower than "CCC," (ii) Moody's, such rating is not lower than "Caa2" and (iii) Fitch, such rating is not lower than "CCC."

(d) If the Loan Asset is a Broadly Syndicated Loan Asset that is an Initial Unrated Loan Asset, the Servicer has obtained for such Loan Asset within 90 days from the related Cut-Off Date ratings in compliance with clause (c) of this Part II from at least two Rating Agencies; *provided* that with respect to a Loan Asset where the related total loan facilities are greater than $200,000,000 that is an Initial Unrated Loan Asset that is a Broadly Syndicated Loan Asset, the 90 day period set forth above shall be extended to an aggregate period of 210 days after the related Cut-Off Date if the Servicer has applied for a credit rating from at least two Rating Agencies prior to the date that is five Business Days after the related Cut-Off Date with respect to such Loan Asset and has thereafter used good faith efforts to respond to any request or enquiry from each such Rating Agency and has requested each such Rating Agency to promptly provide such ratings.

(e) If the Loan Asset is an Initial Unrated Loan Asset that is not a Broadly Syndicated Loan Asset, the Servicer has obtained for such Loan Asset (i) a rating in compliance with clause (c) of this Part II from at least one Rating Agency within 90 days from the related Cut-Off Date, and (ii) ratings in compliance with clause (c) of this Part II from at least two Rating Agencies within 180 days from the related Cut-Off Date; *provided* that with respect to a Loan Asset where the related total loan facilities are greater than $200,000,000 that is an Initial Unrated Loan Asset that is not a Broadly Syndicated Loan Asset, the 90 day period set forth in clause (i) above and the 180 day period set forth in clause (ii) above shall be extended by a further 30 days (i.e., to an aggregate period of 120 days after the related Cut-Off Date with respect to clause (i) and an aggregate period of 210 days after the related Cut-Off Date with respect to clause (ii)) if the Servicer has applied for a credit rating from at least two Rating Agencies prior to the date that is five Business Days after the related Cut-Off Date with respect to such Loan Asset and has thereafter used good faith efforts to respond to any request or enquiry from each such Rating Agency and has requested each such Rating Agency to promptly provide such ratings.

(f) The Loan Asset is either (i) a Foreign Currency Loan Asset (subject to the Concentration Limits), or (ii) denominated and payable only in the United States in U.S. dollars and does not permit the currency to be changed or place of payment to be modified outside of the United States.

(g) If the Loan Asset is a Foreign Currency Loan Asset, such Loan Asset is subject to a Hedging Agreement.

(h) No default or event of default is continuing under the related Loan Agreement or other documentation relating to such Loan Agreement as of the date of the Pledge of such Loan Asset, and the Loan Asset is not a Delinquent Asset or Charged-Off Asset.

(i) The Loan Asset is either (i) a Fixed Rate Loan Asset (subject to the Concentration Limits), or (ii) a Floating Rate Loan Asset.

(j) The Loan Asset is not a loan primarily for personal, family or household use.

(k) The Loan Asset and related Loan Agreement and related documents are in full force and effect and free and clear of Liens (other than Permitted Liens).

(l) The Servicer has delivered to the Collateral Agent three years (or, if in existence for a shorter period, such shorter period) historical financial statements of the related Obligor.

(m) The Loan Asset and related Loan Agreement and related documents and Loan Asset File is fully assignable or, if such assignment is subject to the consent of the underlying Obligor or lender agent under the related Loan Agreement, the related Loan Agreement provides that such consent to assignment shall not be unreasonably withheld; *provided* that all consents required to be obtained with respect to such Loan Asset shall have obtained prior to the related Cut-Off Date.

(n) The Loan Asset Agreement qualifies as an "instrument" or a "payment intangible" under article 9 of the UCC.

(o) The Loan Asset and obligations under the Loan Agreement are not subject to any litigation, dispute, refund, claims of rescission, setoff, netting, counterclaim or defense.

(p) Payments under the Loan Asset not subject to withholding tax (unless grossed up).

(q) The Loan Asset was not adversely selected by the Transferor or the Servicer.

(r) The Loan Asset is not secured by margin stock nor exchangeable for equity.

(s) The Loan Asset is not a commercial real estate loan, construction loan or otherwise principally secured by real property.

(t) The Loan Asset is not comprised of structured finance obligations.

(u) The Borrower, the Servicer and the related Obligor treat the payment obligations under the Loan Asset as indebtedness for tax purposes.

(v) The Transferor records the Loan Asset on its books and records as a "true contribution", and contributed and transferred to the Borrower.

(w) The related Loan Asset File for the Loan Asset is, or will be, in the possession of the Collateral Custodian in the manner required under the Agreement.

(x) Each of the Transferor, the Servicer and the Borrower has all necessary licenses and permits under Applicable Law, to purchase, own and service the Loan Asset in the state where the related Obligor is located.

(y) The Loan Asset and the related Loan Asset Agreement do not contain confidentiality restrictions that would prohibit or otherwise prevent the reporting and deliveries required from the Servicer to the Administrative Agent hereunder, (ii) prohibit or impede in any material manner the Administrative Agent from conducting its audits in a reasonable manner as contemplated hereunder, or (iii) prohibit or impede in any material manner the Backup Servicer or any Replacement Servicer from performing their respective duties hereunder or under any other Transaction Document.

(z) If the Loan Asset is a Cov-Lite Loan Asset (i) it is a First Lien Loan Asset, (ii) it is either (x) a Broadly Syndicated Loan Asset with at least two current Bid Prices or a Side Quote that is based on two current Bid Prices or (y) a Special Cov-Lite Loan Asset, (iii) it has an Assigned Value of at least 90%, and (iv) the EBITDA of the related Obligor thereof as of the Cut-Off Date is greater than or equal to $40,000,000.

(aa) If the Loan Asset is a Special Cov-Lite Loan Asset, such Loan Asset maintains ratings from at least two Rating Agencies.

(bb) If the EBITDA of the related Obligor of the Loan Asset (determined as of its related Cut-Off Date) was less than $15,000,000, ratio of equity to total capital (or, with respect to an Obligor of a Loan Asset funded other than in connection with a leveraged acquisition, implied equity to total capital) shall equal at least 35%.

(cc) Other than Foreign Eligible Obligors, the related Obligor for such Loan Asset is a legal entity, duly formed, existing and in good standing under the laws of a state in the United States and whose principal Underlying Collateral is located in the United States.

(dd) The related Obligor for such Loan Asset is not a Governmental Authority.

(ee) The related Obligor for such Loan Asset is not an Affiliate of the Borrower, CGMS, Carlyle Management or any of their respective Affiliates.

(ff) The Loan Asset is either (i) a DIP Loan Asset (subject to the Concentration Limits), or (ii) the related Obligor thereunder is Solvent and not subject of a Bankruptcy Event.

(gg) The related Loan Agreement for such Loan Asset requires the Obligor thereunder to pay all maintenance, repair, insurance and taxes related to the Underlying Collateral

(hh) If such Loan Asset is a PIK Loan Asset, such Loan Asset is currently paying interest in cash at a per *annum rate* equal to at least 2.5%.

Schedule IV

Loan Asset Schedule

None.

Schedule V

Advance Date Assigned Values

None.

Schedule VI

Industry Categories

1. Aerospace & Defense;
2. Automotive;
3. Banking, Finance, Insurance & Real Estate;
4. Beverage, Food & Tobacco;
5. Capital Equipment;
6. Chemicals, Plastics & Rubber;
7. Construction & Building;
8. Consumer goods: Durable;
9. Consumer goods: Non-durable;
10. Containers, Packaging & Glass;
11. Energy: Electricity;
12. Energy: Oil & Gas;
13. Environmental Industries;
14. Forest Products & Paper;
15. Healthcare & Pharmaceuticals;
16. High Tech Industries;
17. Hotel, Gaming & Leisure;
18. Media: Advertising, Printing & Publishing;
19. Media: Broadcasting & Subscription;
20. Media: Diversified & Production;
21. Metals & Mining;
22. Retail;
23. Services: Business;
24. Services: Consumer;
25. Sovereign & Public Finance;
26. Telecommunications;
27. Transportation: Cargo;
28. Transportation: Consumer;
29. Utilities: Electric;
30. Utilities: Oil & Gas;
31. Utilities: Water;
32. Wholesale.

Annex A

Commitments

Liquidity Bank or Institutional Lender	Name of Institution	Commitment
Liquidity Bank	Ciesco, LLC	$250,000,000
Institutional Lender	PNC Bank, National Association	$ 80,000,000
Institutional Lender	State Street Bank and Trust Company	$ 45,000,000
Institutional Lender	Key Equipment Finance, a division of Keybank National Association	$ 25,000,000
AGGREGATE COMMITMENT		**$400,000,000**

Annex B

Borrowing Base Model

SEE ATTACHED

Annex C

Diversity Score Model

Diversity Score

Calculated as follows:

(a) An "**Issuer Par Amount**" is calculated for each issuer of an Eligible Loan Asset, and is equal to the Outstanding Principal Balance of all Eligible Loan Assets issued by that issuer and all Affiliates.

(b) An "**Average Par Amount**" is calculated by summing the Issuer Par Amounts for all issuers, and dividing by the number of issuers.

(c) An "**Equivalent Unit Score**" is calculated for each issuer, and is equal to the lesser of (i) one and (ii) the Issuer Par Amount for such issuer *divided by* the Average Par Amount.

(d) An "**Aggregate Industry Equivalent Unit Score**" is then calculated for each of the Moody's industry classification groups (as set forth in Schedule VI of the Agreement) and is equal to the sum of the Equivalent Unit Scores for each issuer in such industry classification group.

(e) An "**Industry Diversity Score**" is then established for each Moody's industry classification group by reference to the following table for the related Aggregate Industry Equivalent Unit Score; *provided*, that if any Aggregate Industry Equivalent Unit Score falls between any two such scores, the applicable Industry Diversity Score will be the lower of the two Industry Diversity Scores:

Aggregate Industry Equivalent Unit Score	Industry Diversity Score	Aggregate Industry Equivalent Unit Score	Industry Diversity Score	Aggregate Industry, Equivalent Unit Score	Industry Diversity Score	Aggregate Industry Equivalent Unit Score	Industry Diversity Score
0.0000	0.0000	5.0500	2.7000	10.1500	4.0200	15.2500	4.5300
0.0500	0.1000	5.1500	2.7333	10.2500	4.0300	15.3500	4.5400
0.1500	0.2000	5.2500	2.7667	10.3500	4.0400	15.4500	4.5500
0.2500	0.3000	5.3500	2.8000	10.4500	4.0500	15.5500	4.5600
0.3500	0.4000	5.4500	2.8333	10.5500	4.0600	15.6500	4.5700
0.4500	0.5000	5.5500	2.8667	10.6500	4.0700	15.7500	4.5800
0.5500	0.6000	5.6500	2.9000	10.7500	4.0800	15.8500	4.5900
0.6500	0.7000	5.7500	2.9333	10.8500	4.0900	15.9500	4.6000
0.7500	0.8000	5.8500	2.9667	10.9500	4.1000	16.0500	4.6100
0.8500	0.9000	5.9500	3.0000	11.0500	4.1100	16.1500	4.6200
0.9500	1.0000	6.0500	3.0250	11.1500	4.1200	16.2500	4.6300
1.0500	1.0500	6.1500	3.0500	11.2500	4.1300	16.3500	4.6400
1.1500	1.1000	6.2500	3.0750	11.3500	4.1400	16.4500	4.6500
1.2500	1.1500	6.3500	3.1000	11.4500	4.1500	16.5500	4.6600
1.3500	1.2000	6.4500	3.1250	11.5500	4.1600	16.6500	4.6700
1.4500	1.2500	6.5500	3.1500	11.6500	4.1700	16.7500	4.6800
1.5500	1.3000	6.6500	3.1750	11.7500	4.1800	16.8500	4.6900
1.6500	1.3500	6.7500	3.2000	11.8500	4.1900	16.9500	4.7000
1.7500	1.4000	6.8500	3.2250	11.9500	4.2000	17.0500	4.7100
1.8500	1.4500	6.9500	3.2500	12.0500	4.2100	17.1500	4.7200
1.9500	1.5000	7.0500	3.2750	12.1500	4.2200	17.2500	4.7300
2.0500	1.5500	7.1500	3.3000	12.2500	4.2300	17.3500	4.7400
2.1500	1.6000	7.2500	3.3250	12.3500	4.2400	17.4500	4.7500

Aggregate Industry Equivalent Unit Score	Industry Diversity Score	Aggregate Industry Equivalent Unit Score	Industry Diversity Score	Aggregate Industry, Equivalent Unit Score	Industry Diversity Score	Aggregate Industry Equivalent Unit Score	Industry Diversity Score
2.2500	1.6500	7.3500	3.3500	12.4500	4.2500	17.5500	4.7600
2.3500	1.7000	7.4500	3.3750	12.5500	4.2600	17.6500	4.7700
2.4500	1.7500	7.5500	3.4000	12.6500	4.2700	17.7500	4.7800
2.5500	1.8000	7.6500	3.4250	12.7500	4.2800	17.8500	4.7900
2.6500	1.8500	7.7500	3.4500	12.8500	4.2900	17.9500	4.8000
2.7500	1.9000	7.8500	3.4750	12.9500	4.3000	18.0500	4.8100
2.8500	1.9500	7.9500	3.5000	13.0500	4.3100	18.1500	4.8200
2.9500	2.0000	8.0500	3.5250	13.1500	4.3200	18.2500	4.8300
3.0500	2.0333	8.1500	3.5500	13.2500	4.3300	18.3500	4.8400
3.1500	2.0667	8.2500	3.5750	13.3500	4.3400	18.4500	4.8500
3.2500	2.1000	8.3500	3.6000	13.4500	4.3500	18.5500	4.8600
3.3500	2.1333	8.4500	3.6250	13.5500	4.3600	18.6500	4.8700
3.4500	2.1667	8.5500	3.6500	13.6500	4.3700	18.7500	4.8800
3.5500	2.2000	8.6500	3.6750	13.7500	4.3800	18.8500	4.8900
3.6500	2.2333	8.7500	3.7000	13.8500	4.3900	18.9500	4.9000
3.7500	2.2667	8.8500	3.7250	13.9500	4.4000	19.0500	4.9100
3.8500	2.3000	8.9500	3.7500	14.0500	4.4100	19.1500	4.9200
3.9500	2.3333	9.0500	3.7750	14.1500	4.4200	19.2500	4.9300
4.0500	2.3667	9.1500	3.8000	14.2500	4.4300	19.3500	4.9400
4.1500	2.4000	9.2500	3.8250	14.3500	4.4400	19.4500	4.9500
4.2500	2.4333	9.3500	3.8500	14.4500	4.4500	19.5500	4.9600
4.3500	2.4667	9.4500	3.8750	14.5500	4.4600	19.6500	4.9700
4.4500	2.5000	9.5500	3.9000	14.6500	4.4700	19.7500	4.9800
4.5500	2.5333	9.6500	3.9250	14.7500	4.4800	19.8500	4.9900
4.6500	2.5667	9.7500	3.9500	14.8500	4.4900	19.9500	5.0000
4.7500	2.6000	9.8500	3.9750	14.9500	4.5000		
4.8500	2.6333	9.9500	4.0000	15.0500	4.5100		
4.9500	2.6667	10.0500	4.0100	15.1500	4.5200		

(f) The Diversity Score is then calculated by summing each of the Industry Diversity Scores for each Moody's industry classification group.

For purposes of calculating the Diversity Score, Affiliated issuers in the same industry are deemed to be a single issuer, except as otherwise agreed to by the Administrative Agent

Annex D

WARR and WARF Matrix Models

Collateral Quality Matrix

For any date of determination, the intersection set forth in the matrices below that has been selected by the Servicer for use in determining the scores that are required to satisfy the Diversity Score Test, the WARF Test, the WARR Test and the Weighted Average Spread Test. The Servicer may elect from time to time to apply a different intersection in the matrices set forth below upon notice to the Administrative Agent, however the Servicer may not elect to apply an intersection in which any Collateral Quality Test is not satisfied if there exists an intersection in which all of the Collateral Quality Tests would be satisfied. In determining whether the criteria set forth in the matrices are satisfied, the Servicer may interpolate linearly between either Weighted Average Spread or Minimum Recovery Rate (but not both) while leaving the other values in the matrices constant.

Collateral Quality Matrix

	Minimum Diversity Score				
Minimum WAS	**20 - 25**	**25 - 30**	**30 - 35**	**35 - 40**	**>=40**
	Minimum Recovery Rate 50%				
3.50%	3100	3500	3700	3800	3800
4.00%	3300	3600	3800	3800	3800
4.50%	3400	3800	3800	3800	3800
5.00%	3600	3800	3800	3800	3800

	Minimum Diversity Score				
Minimum WAS	**20 - 25**	**25 - 30**	**30 - 35**	**35 - 40**	**>=40**
	Minimum Recovery Rate 49%				
3.50%	3000	3300	3500	3700	3800
4.00%	3100	3500	3700	3800	3800
4.50%	3300	3600	3800	3800	3800
5.00%	3400	3800	3800	3800	3800

	Minimum Diversity Score				
Minimum WAS	**20 - 25**	**25 - 30**	**30 - 35**	**35 - 40**	**>=40**
	Minimum Recovery Rate 48%				
3.50%	2900	3200	3400	3600	3700
4.00%	3000	3400	3600	3700	3800
4.50%	3200	3500	3700	3800	3800
5.00%	3300	3700	3800	3800	3800

Annex E

WARR and WARF Related Definitions

"Assigned Moody's Rating" means the monitored publicly available rating or the monitored estimated rating expressly assigned to a debt obligation (or facility) by Moody's that addresses the full amount of the principal and interest promised; *provided* that, if application has been made for such estimated rating, pending its receipt, the Assigned Moody's Rating will be the lower of (i) the rating as may be estimated in good faith by the Servicer in accordance with the Moody's RiskCalc Calculation described herein and (ii) a rating of "B3"; *provided, further*, that with respect to any Loan Asset for which Moody's has provided an estimated rating, the Servicer (on behalf of the Borrower) will (x) if such estimated rating was provided to the Borrower more than 6 months prior to the Closing Date, request that Moody's confirm or update such estimate within 6 months after the Closing Date, and in all other cases and thereafter, request that Moody's confirm or update such estimate annually (and pending receipt of such confirmation or new estimate, the Loan Asset will have the prior estimated rating) and (y) notify Moody's if the Servicer becomes aware of any restructuring, recapitalization or other material amendment that, in the reasonable judgment of the Servicer, would have a material adverse effect on such Loan Asset.

"Moody's Default Probability Rating" means, with respect to any date of determination, the rating as determined in accordance with the following, in the following order of priority; *provided* that, with respect to the Loan Assets generally, if at any time Moody's or any successor to it ceases to provide rating services, references to rating categories of Moody's shall be deemed instead to be references to the equivalent categories of any other nationally recognized investment rating agency selected by the Borrower (with written notice to the Administrative Agent), as of the most recent date on which such other rating agency and Moody's published ratings for the type of security in respect of which such alternative rating agency is used:

(a) with respect to a Moody's First Lien Loan Asset:

(i) if the obligor thereunder has a corporate family rating from Moody's, such corporate family rating;

(ii) if the preceding clause does not apply and such Loan Asset has an Assigned Moody's Rating, such Assigned Moody's Rating;

(iii) if the preceding clauses do not apply and a rating or rating estimate has been assigned by Moody's to such Loan Asset upon the request of the Borrower or the Servicer, such rating or rating estimate, as applicable; and

(iv) if the preceding clauses do not apply, the Moody's Derived Rating;

(b) with respect to a Loan Asset other than a Moody's First Lien Loan Asset or DIP Loan Asset:

(i) if the obligor thereunder has a senior unsecured obligation with an Assigned Moody's Rating, such rating;

(ii) if the preceding clause does not apply and such Loan Asset has an Assigned Moody's Rating, such Assigned Moody's Rating;

(iii) if the preceding clauses do not apply and a rating or rating estimate has been assigned by Moody's to such Loan Asset upon the request of the Borrower or the Servicer, such rating or rating estimate, as applicable; and

(iv) if the preceding clauses do not apply, the Moody's Derived Rating; and

(c) with respect to a DIP Loan Asset, the rating that is one rating subcategory below the Moody's Rating thereof.

provided, that with respect to any Loan Asset for which Moody's has provided an estimated rating, the Servicer (on behalf of the Borrower) will (x) if such estimated rating was provided to the Borrower more than 6 months prior to the Closing Date, request that Moody's confirm or update such estimate within 6 months after the Closing Date, and in all other cases and thereafter, request that Moody's confirm or update such estimate annually (and pending receipt of such confirmation or new estimate, the Loan Asset will have the prior estimated rating) and (y) notify Moody's if the Servicer becomes aware of any restructuring, recapitalization or other material amendment that, in the reasonable judgment of the Servicer, would have a material adverse effect on such Loan Asset.

Notwithstanding the foregoing, (x) if the Moody's rating or ratings used to determine the Moody's Default Probability Rating are on watch for downgrade or upgrade by Moody's, such rating or ratings will be adjusted down one subcategory (if on watch for downgrade) or up one subcategory (if on watch for upgrade), in each case without duplication of any adjustments made pursuant to the last sentence of the definition of Moody's Rating and (y) for purposes of the Moody's Default Probability Rating used for purposes of determining the Moody's Rating Factor of a Loan Asset, if the Moody's rating or ratings used to determine the Moody's Default Probability Rating are on watch for downgrade or upgrade by Moody's, the Moody's Default Probability Rating will be adjusted down two subcategories (if on watch for downgrade) or up one subcategory (if on watch for upgrade) and down one subcategory (if negative outlook), in each case without duplication of any adjustments made pursuant to the last sentence of the definition of Moody's Rating or Moody's Derived Rating.

"Moody's Derived Rating" means, with respect to any Loan Asset and the Obligor thereof as of any date of determination, the rating determined in accordance with the following, in the following order of priority:

(a) if the Obligor has a senior unsecured obligation with an Assigned Moody's Rating, such Assigned Moody's Rating;

(b) if the preceding clause does not apply, but the Obligor has a subordinated obligation with an Assigned Moody's Rating, then:

(i) if such Assigned Moody's Rating is at least "B3" (and, if rated "B3," not on watch for downgrade), the Moody's Derived Rating shall be the rating which is one rating subcategory higher than such Assigned Moody's Rating, or

(ii) if such Assigned Moody's Rating is less than "B3" (or rated "B3" and on watch for downgrade), the Moody's Derived Rating shall be such Assigned Moody's Rating;

(c) if the preceding clauses do not apply, but the Obligor has a senior secured obligation with an Assigned Moody's Rating, then:

(i) if such Assigned Moody's Rating is at least "B2" (and, if rated "B2," not on watch for downgrade), the Moody's Derived Rating shall be the rating which is one subcategory below such Assigned Moody's Rating, or

(ii) if such Assigned Moody's Rating is less than "B2" (or rated "B2" and on watch for downgrade), then the Moody's Derived Rating shall be "C";

(d) if the preceding clauses do not apply, but such Obligor has a corporate family rating from Moody's, the Moody's Derived Rating shall be one rating subcategory below such corporate family rating;

(e) with respect to Loan Assets that do not have a Moody's Derived Rating determined pursuant to any of the foregoing clauses (a) through (d), the Moody's Derived Rating of such Loan Asset shall be the lower of (i) the rating as may be estimated in good faith by the Servicer in accordance with the Moody's RiskCalc Calculation described herein subject to the satisfaction of the qualifications set forth therein (and with notice of such calculation provided to the Administrative Agent) and (ii) a rating of "B3"; provided that if the Borrower or the Servicer on behalf of the Borrower has applied to Moody's for a Moody's credit estimate (such request having been made within 10 Business Days after the purchase of such Loan Asset), then upon receipt of such Moody's credit estimate, the Moody's Derived Rating for purposes of this Agreement shall be such Moody's credit estimate; provided that as of any date of determination, the aggregate principal amount of Loan Assets with a Moody's Derived Rating determined pursuant to this clause (e) may not exceed (1) at any time during the Ramp-Up Period, 20% of the Concentration Test Amount, or (2) at all times following the Ramp-Up Period, 10% of the Concentration Test Amount. The Servicer shall (x) determine and report to Moody's the Moody's Derived Rating within 10 Business Days of the purchase of such Loan Asset and (y) redetermine and report to Moody's the Moody's Derived Rating for each loan with a Moody's Derived Rating determined in accordance with the Moody's RiskCalc Calculation under this clause (e) within 30 days after receipt of annual financial statements from the related Obligor;

(f) if the preceding clauses do not apply and each of the following clauses (i) through (viii) does apply, the Moody's Derived Rating shall be "Caa1":

(i) neither the Obligor nor any of its Affiliates is subject to reorganization or bankruptcy proceedings,

(ii) no debt securities or obligations of the Obligor are in default,

(iii) neither the Obligor nor any of its Affiliates has defaulted on any debt during the preceding two years,

(iv) the Obligor has been in existence for the preceding five years,

(v) the Obligor is current on any cumulative dividends,

(vi) the fixed charge ratio for the Obligor exceeds 125% for each of the preceding two fiscal years and for the most recent quarter,

(vii) the Obligor had a net profit before tax in the past fiscal year and the most recent quarter, and

(viii) the annual financial statements of such Obligor are unqualified and certified by a firm of independent accountants of international reputation, and quarterly statements are unaudited but signed by a corporate officer;

(g) if the preceding clauses do not apply but each of the following clauses (i) and (ii) do apply, the Moody's Derived Rating shall be "Caa3":

(i) neither the Obligor nor any of its Affiliates is subject to reorganization or bankruptcy proceedings; and

(ii) no debt security or obligation of such Obligor has been in default during the past two years; and

(h) if the preceding clauses do not apply and a debt security or obligation of the Obligor has been in default during the past two years, the Moody's Derived Rating shall be "Ca."

provided, that with respect to any Loan Asset for which Moody's has provided an estimated rating, the Servicer (on behalf of the Borrower) will (x) if such estimated rating was provided to the Borrower more than 6 months prior to the Closing Date, request that Moody's confirm or update such estimate within 6 months after the Closing Date, and in all other cases and thereafter, request that Moody's confirm or update such estimate annually (and pending receipt of such confirmation or new estimate, the Loan Asset will have the prior estimated rating) and (y) notify Moody's if the Servicer becomes aware of any restructuring, recapitalization or other material amendment that, in the reasonable judgment of the Servicer, would have a material adverse effect on such Loan Asset.

"Moody's First Lien Loan Asset" means any of the following types of Loan Assets:

(a) a Senior Secured Loan:

(i) that is not (and cannot by its terms become) subordinate in right of payment to indebtedness of the Obligor for borrowed money;

(ii) that is secured by a valid first priority perfected security interest or lien in, to or on specified collateral securing the Obligor's obligations under such Loan Asset; and

(iii) with respect to which the value of the collateral securing such Loan Asset, 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 reasonable business judgment of the Servicer, which judgment shall not be called into question as a result of subsequent events) to repay such 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; or

(b) Senior Secured Floating Rate Note:

(i) that is not (and cannot by its terms become) subordinated in right of payment by its terms to indebtedness of the Obligor for borrowed money (other than with respect to liquidation of such Obligor or the collateral for such Senior Secured Floating Rate Note);

(ii) that, in the case of a Senior Secured Floating Rate Note, 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 Senior Secured Floating Rate Note; and

(iii) with respect to which the value of the collateral securing such Senior Secured Floating Rate Note, 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 reasonable business judgment of the Servicer, which judgment shall not be called into question as a result of subsequent events) to repay such Senior Secured Floating Rate Note in accordance with its terms, and to repay all other loans of equal or higher seniority secured by a first lien (in the case of a Senior Secured Floating Rate Note) or security interest in the same collateral; and

(iv) that has an Assigned Moody's Rating determined pursuant to the definition thereof, and such Assigned Moody's Rating (calculated such that, if the Moody's rating used to determine such Assigned Moody's Rating is on watch for downgrade or upgrade by Moody's, such rating will be adjusted down one subcategory (if on watch for downgrade) or up one subcategory (if on watch for upgrade)) is not lower than the Loan Asset's Moody's corporate family rating;

provided that (x) the Assigned Moody's Rating of such Senior Secured Floating Rate Note is not lower than the Moody's corporate family rating of the Obligor under such Senior Secured Floating Rate Note; and (y) the Senior Secured Floating Rate Note is not: (a) a DIP Loan Asset, (b) a Loan Asset for which the security interest or lien (or the validity or effectiveness thereof) in substantially all of its collateral attaches, becomes effective, or otherwise "springs" into existence after the origination thereof, or (c) a type of Loan Asset that Moody's has identified as having unusual terms and with respect to which its Moody's Recovery Rate has been or is to be determined on a case by case basis.

"Moody's Non-First Lien Loan Asset" means any assignment of or participation interest in or other interest in a Loan Asset that is not a Moody's First Lien Loan Asset.

"Moody's Rating" means, with respect to any Loan Asset, as of any date of determination a rating determined as follows:

(a) with respect to a Moody's First Lien Loan Asset:

(i) if it has an Assigned Moody's Rating, such Assigned Moody's Rating;

(ii) if the preceding clause does not apply and a rating or rating estimate has been assigned by Moody's to such Loan Asset upon the request of the Borrower or the Servicer, such rating or the rating estimate;

(iii) if the preceding clauses do not apply and the obligor of such Loan Asset has a corporate family rating by Moody's, then such corporate family rating;

(iv) if the preceding clauses do not apply and the obligor of such Loan Asset has a senior unsecured obligation with an Assigned Moody's Rating, such rating; or

(v) if the preceding clauses do not apply, the Moody's Derived Rating;

(b) with respect to a Moody's Non-First Lien Loan Asset (other than a DIP Loan Asset):

(i) if it has an Assigned Moody's Rating, such Assigned Moody's Rating;

(ii) if the preceding clause does not apply and a rating or rating estimate has been assigned by Moody's to such Loan Asset upon the request of the Borrower or the Servicer, such rating or the rating estimate;

(iii) if the preceding clauses do not apply and the obligor of such Loan Asset has a senior unsecured obligation with an Assigned Moody's Rating, such rating; or

(iv) if the preceding clauses do not apply, the Moody's Derived Rating; and

(c) with respect to a DIP Loan Asset, the Assigned Moody's Rating thereof.

provided, that with respect to any Loan Asset for which Moody's has provided an estimated rating, the Servicer (on behalf of the Borrower) will (x) if such estimated rating was provided to the Borrower more than 6 months prior to the Closing Date, request that Moody's confirm or update such estimate within 6 months after the Closing Date, and in all other cases and thereafter, request that Moody's confirm or update such estimate annually (and pending receipt of such confirmation or new estimate, the Loan Asset will have the prior estimated rating) and (y) notify Moody's if the Servicer becomes aware of any restructuring, recapitalization or other material amendment that, in the reasonable judgment of the Servicer, would have a material adverse effect on such Loan Asset.

For purposes of calculating a Moody's Rating, (i) any Loan Asset that is on any "credit watch" list with positive implications by Moody's shall be deemed to have a rating one sub-category above the actual rating of such Loan Asset, (ii) any Loan Asset that is on any "credit watch" list with negative implications by Moody's shall be deemed to have a rating two sub-categories below the actual rating of such Loan Asset and (iii) any Loan Asset that is on "negative outlook" by Moody's shall be deemed to have a rating one sub-category below the actual rating of such Loan Asset.

"Moody's Rating Factor" means, with respect to any Loan Asset, is the number set forth in the table below opposite the Moody's Default Probability Rating of such Loan Asset:

Moody's Default Probability Rating	Moody's Rating Factor	Moody's Probability Rating	Default Moody's Rating Factor
"Aaa"	1	"Ba1"	940
"Aa1"	10	"Ba2"	1350
"Aa2"	20	"Ba3"	1766
"Aa3"	40	"B1"	2220
"A1"	70	"B2"	2720
"A2"	120	"B3"	3490
"A3"	180	"Caa1"	4770
"Baa1"	260	"Caa2"	6500
"Baa2"	360	"Caa3"	8070
"Baa3"	610	"Ca" or lower	10000

Any Loan Asset issued or guaranteed by the U.S. government or any agency or instrumentality thereof is assigned a Moody's Rating Factor of 1.

"Moody's Recovery Rate" means, with respect to any Loan Asset, as of any date of determination, the recovery rate determined in accordance with the following, in the following order of priority:

(a) if the Loan Asset has been specifically assigned a recovery rate by Moody's (for example, in connection with the assignment by Moody's of an estimated rating (including, without limitation, an estimated rating determined in accordance with the Moody's RiskCalc Calculation)), such recovery rate;

(b) if the preceding clause does not apply to the Loan Asset, and the Loan Asset is a Moody's First Lien Loan Asset or a Moody's Non-First Lien Loan Asset (in each case other than a DIP Loan Asset), the rate determined pursuant to the table below based on the number of rating subcategories difference between the Loan Asset's Moody's Rating and its Moody's Default Probability Rating (for purposes of clarification, if the Moody's Rating is higher than the Moody's Default Probability Rating, the rating subcategories difference will be positive and if it is lower, negative):

Number of Moody's Ratings Subcategories Difference Between the Moody's Rating and the Moody's Default Probability Rating	Moody's First Lien Loan Assets (%)	Moody's Non-First Lien Loan Asset (%)	Bonds and all other Loan Assets (%)
+2 or more	60.0	35.0	35.0
+1	50.0	30.0	30.0
0	45.0/50.0[1]	25.0	25.0
-1	40.0	10.0	10.0
-2	30.0	5.0	5.0
-3 or less	20.0	0.0	0.0

or

(c) if the Loan Asset is a DIP Loan Asset (other than a DIP Loan Asset which has been specifically assigned a recovery rate by Moody's), 50%.

1 If such Loan Asset is an Initial Unrated Loan Asset, 50.0%. For all other Loan Assets, 45.0%

"Moody's RiskCalc Calculation" means, for purposes of the determination of the Moody's Derived Rating (to the extent necessary in accordance with the definition of "Assigned Moody's Rating" or clause (e) of the definition of "Moody's Derived Rating") and the determination of the Moody's Recovery Rate (to the extent necessary in accordance with clause (a) of the definition of "Moody's Recovery Rate"), the calculation made as follows:

(a) For purposes of this calculation, the following terms have the meanings provided below.

".EDF" means, with respect to any Loan Asset, the lowest 5 year expected default frequency for such Loan Asset as determined by running the current version Moody's RiskCalc in both the Financial Statement Only (FSO) and the Credit Cycle Adjusted (CAA) modes.

"Pre Qualifying Conditions" means, with respect to any Loan Asset, conditions that will be satisfied if the Obligor with respect to the applicable Loan Asset satisfies the following criteria:

(a) the independent accountants of such Obligor shall have issued an unqualified audit opinion with respect to the most recent fiscal year financial statements, including no explanatory paragraph addressing "going concern" or other issues;

(b) the Obligor's EBITDA is equal to or greater than U.S.$5,000,000;

(c) the Obligor's annual sales are equal to or greater than U.S.$10,000,000;

(d) the Obligor's book assets are equal to or greater than U.S.$10,000,000;

(e) the Obligor represents not more than 4.0% of the Concentration Test Amount;

(f) the Obligor is a private company with no public rating from Moody's;

(g) for the current and prior fiscal year, such Obligor's:

(i) EBIT/interest expense ratio is greater than 1.0:1.0 and 1.25:1.00 with respect to retail (adjusted for rent expense);

(ii) debt/EBITDA ratio is less than 6.0:1.0; provided that the debt/EBITDA ratio is less than 8.0:1.0 for any Loan Assets with respect to the following Moody's Industry Classification Groups: (A) Telecommunications, (B) Printing and Publishing or (C) Broadcasting and Entertainment;

(h) no greater than 25% of the company's revenue is generated from any one customer of the Obligor; and

(i) the Obligor is a for profit operating company in any one of the Moody's Industry Classification Groups with the exception of (i) Buildings and Real Estate, (ii) Finance, and (iii) Insurance.

(b) The Servicer shall calculate the .EDF for each of the Loan Assets to be rated pursuant to this calculation. The Servicer shall also provide Moody's with the .EDF and the information necessary to calculate such .EDF upon request from Moody's. Moody's shall have the right (in its sole discretion) to

(i) amend or modify any of the information utilized to calculate the .EDF and recalculate the .EDF based upon such revised information, in which case such .EDF shall be determined using the table in paragraph (c) below in order to determine the applicable Moody's Derived Rating, or (ii) have a Moody's credit analyst provide a credit estimate for any Loan Asset, in which case such credit estimate provided by such credit analyst shall be the applicable Moody's Derived Rating.

(c) As of any date of determination, the Moody's Derived Rating for each Loan Asset that satisfies the Pre Qualifying Conditions shall be the lower of (i) the Servicer's internal rating or (ii) the Maximum Corporate Family Rating (in the case of a senior secured loan) or the Maximum Senior Unsecured Rating (in the case of a senior unsecured loan) based on the .EDF for such Loan Asset, in each case determined in accordance with the table below (and the Servicer shall give the Administrative Agent notice of such Moody's Derived Rating):

Lowest .EDF	Maximum Corporate Family Rating	Maximum Senior Unsecured Rating
less than or equal to .baa	Ba3	Ba3
.ba1	B1	B1
.ba2,.ba3 or .b1	B2	B2
.b2 or .b3	B3	B3
.caa	Caa1	Caa1

provided that the Servicer may assign a lower rating to a Loan Asset if it so determines in its reasonable business judgment.

(d) As of any date of determination, the Moody's Recovery Rate for each Loan Asset that meets the Pre Qualifying Conditions shall be the lower of (i) the Servicer's internal recovery rate or (ii) the recovery rate as determined in accordance with the table below (and the Servicer shall give the Administrative Agent notice of such Moody's Recovery Rate):

Type of Loan	Moody's Recovery Rate
Senior secured, first priority and first out	50%
Second lien, first lien and last out, all other senior secured	25%
Senior unsecured	25%
All other loans	25%

provided that Moody's shall have the right (in its sole discretion) to issue a recovery rate assigned by one of its credit analysts, in which case such recovery rate provided by such credit analyst shall be the applicable Moody's Recovery Rate.

Annex F

Internal Valuation Protocol

SEE ATTACHED

Exhibit 10.2

CARLYLE GMS FINANCE MM CLO 2015-1 LLC
Issuer

STATE STREET BANK AND TRUST COMPANY
Trustee

INDENTURE

Dated as of June 26, 2015

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INDENTURE, dated as of June 26, 2015, between Carlyle GMS Finance MM CLO 2015-1 LLC, a Delaware limited liability company (the "Issuer") and State Street Bank and Trust Company, as trustee (herein, together with its permitted successors and assigns in the trusts hereunder, the "Trustee").

PRELIMINARY STATEMENT

The Issuer is duly authorized to execute and deliver this Indenture to provide for the Notes issuable as provided in this Indenture. Except as otherwise provided herein, all covenants and agreements made by the Issuer herein are for the benefit and security of the Secured Parties. The Issuer is entering into this Indenture, and the Trustee is accepting the trusts created 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 Issuer in accordance with the agreement's terms have been done.

GRANTING CLAUSES

I. Subject to the priorities and the exclusions, if any, specified below in this Granting Clause, the Issuer hereby Grants to the Trustee, for the benefit and security of Holders of the Rated Notes, the Trustee, the Collateral Manager, the Collateral Administrator and the Fiscal Agent (collectively, the "Secured Parties") to the extent of such Secured Party's interest hereunder, including under the Priority of Payments, all of its right, title and interest in, to and under, in each case, whether now owned or existing, or hereafter acquired or arising, in each case as defined in the UCC, accounts, chattel paper, commercial tort claims, deposit accounts, documents, financial assets, general intangibles, goods, instruments, investment property, letter-of-credit rights and other property of any type or nature in which the Issuer has an interest, including all proceeds (as defined in the UCC) with respect to the foregoing (subject to the exclusions noted below, the "Assets" or the "Collateral"). Such Grants include, but are not limited to the Issuer's interest in and rights under:

(a) the Collateral Obligations and Equity Securities and all payments thereon or with respect thereto,

(b) each Account, and all Eligible Investments purchased with funds on deposit therein, and all income from the investment of funds therein,

(c) the Collateral Management Agreement, the Collateral Administration Agreement, the Fiscal Agency Agreement and the Retention Undertaking Letter,

(d) Cash,

(e) any Selling Institution Collateral, subject to the prior lien of the relevant Selling Institution, and

(f) all proceeds with respect to the foregoing;

Such Grants exclude (i) the amounts (if any) remaining from the proceeds of the issuance and allotment of the Issuer's ordinary membership interests and (ii) the Preferred Interest Payment Account and any funds deposited in or credited to any such account, including the proceeds from the issuance of the Notes designated by the Issuer for payment of the Initial Dividend (the amounts referred to in clauses (i) and (ii) collectively, "Excepted Property").

The above Grants are made in trust to secure the Rated Notes equally and ratably without prejudice, priority or distinction between any Rated Note and any other Rated Note by reason of difference of time of issuance or otherwise, except as expressly provided in this Indenture, and to secure, in accordance with the priorities set forth in the Priority of Payments, (A) the payment of all amounts due on the Rated Notes in accordance with their terms, (B) the payment of all other sums payable under this Indenture to any Secured Party and (C) compliance with the provisions of this Indenture, all as provided in this Indenture (collectively, the "Secured Obligations").

II. The Trustee acknowledges such Grants, 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. Except as otherwise specified herein or as the context may otherwise require: (i) references to an agreement or other document are to it as amended, supplemented, restated and otherwise modified from time to time and to any successor document (whether or not already so stated); (ii) references to a statute, regulation or other government rule are to it as amended from time to time and, as applicable, are to corresponding provisions of successor governmental rules (whether or not already so stated); (iii) the word "including" and correlative words shall be deemed to be followed by the phrase "without limitation" unless actually followed by such phrase or a phrase of like import; (iv) the word "or" is always used inclusively herein (for example, the phrase "A or B" means "A or B or both," not "either A or B but not both"), unless used in an "either … or" construction; (v) references to a Person are references to such Person's successors and assigns (whether or not already so stated); (vi) all references in this Indenture to designated "Articles," "Sections," "subsections" and other subdivisions are to the designated articles, sections, subsections and other subdivisions of this Indenture; and (vii) 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 Website": The Issuer's website, which shall initially be located at https://www.structuredfn.com, or such other address as the Issuer may provide to the Trustee, the Collateral Administrator, the Collateral Manager and the Rating Agencies.

"Account Agreement": An agreement in substantially the form of Exhibit F hereto.

"Accountants' Report": An agreed upon procedures report from the firm or firms appointed by the Issuer pursuant to Section 10.9(a).

"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 Custodial Account, (vii) the Reinvestment Amount Account and (viii) the Interest Reserve Account.

"Accredited Investor": Any person that, at the time of its acquisition, purported acquisition or proposed acquisition of Notes, is an "accredited investor" within the meaning of Rule 501(a) under Regulation D under the Securities Act that is not also a Qualified Institutional Buyer.

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

"Adjusted Collateral Principal Amount": As of any date of determination:

(a) the Aggregate Principal Balance of the Collateral Obligations (other than Defaulted Obligations, Discount Obligations, Deferring Obligations and Closing Date Originator Participation Interests); *plus*

(b) without duplication, the amounts on deposit in the Collection Account, the Reinvestment Amount Account and the Ramp-Up Account (including Eligible Investments therein) representing Principal Proceeds; *plus*

(c) the Defaulted Obligation Value of all Defaulted Obligations; *provided* that the adjusted amount determined under this clause (c) will be zero for any Defaulted Obligation that the Issuer has owned for more than three years after its default date; *plus*

(d) the Moody's Collateral Value of all Deferring Obligations and Closing Date Originator Participation Interests; *plus*

(e) the aggregate, for each Discount Obligation, of the product of (i) the ratio of the purchase price, excluding accrued interest, expressed as a Dollar amount, over the Principal Balance of the Discount Obligation as of the date of acquisition and (ii) the current Principal Balance of such Discount Obligation; *minus*

(f) the Excess CCC/Caa Adjustment Amount;

provided that, with respect to any Collateral Obligation that satisfies more than one of the definitions of Defaulted Obligation, Deferring Obligation, Discount Obligation or Closing Date Originator Participation Interest falls into the Excess CCC/Caa Adjustment Amount, such Collateral Obligation shall, for the purposes of this definition, be treated as belonging to the category of Collateral Obligations which results in the lowest Adjusted Collateral Principal Amount on any date of determination.

"Adjusted Weighted Average Moody's Rating Factor": As of any date of determination, a number equal to the Weighted Average Moody's Rating Factor determined in the following manner: for purposes of determining a Moody's Default Probability Rating, Moody's Rating or Moody's Derived Rating in connection with determining the Weighted Average Moody's Rating Factor for purposes of this definition, the last paragraph of the definition of each of Moody's Default Probability Rating, Moody's Rating and Moody's Derived Rating shall be disregarded, and instead each applicable rating on credit watch by Moody's that is on (a) positive watch will be treated as having been upgraded by one rating subcategory, (b) negative watch will be treated as having been downgraded by two rating subcategories and (c) negative outlook will be treated as having been downgraded by one rating subcategory.

"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) 0.02% 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.$200,000 per annum (prorated for the related Interest Accrual Period on the basis of a 360-day year and twelve 30-day months) or, with respect to this clause (b), if an Event of Default has occurred and is continuing, such higher amount as may be agreed between the Trustee and a Majority of the Controlling Class; *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 clause (A) of the Priority of Interest Proceeds, clause (A) of the Priority of Principal Proceeds and clause (A) of the Special Priority of Payments (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; *provided*, *further*, that Special Petition Expenses shall be paid without regard to the Administrative Expense Cap and shall be excluded from the foregoing calculations.

"Administrative Expenses": The fees, expenses (including 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) and payable in the following order by the Issuer: first, to the Trustee pursuant to Section 6.7 and the other provisions of this Indenture, second, to the Bank (in each of its capacities other than in clause first) including as Collateral Administrator pursuant to the Collateral Administration Agreement and Fiscal Agent pursuant to the Fiscal Agency Agreement, third, to the payment of Special Petition Expenses, fourth, on a *pro rata* basis, the following amounts (excluding indemnities) to the following parties:

(i) the Independent accountants, the Originator, agents (other than the Collateral Manager) and counsel of the Issuer 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 Rated Notes 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 (x) actual fees incurred and paid by the Collateral Manager for its accountants, agents, counsel and administration of the Issuer, (y) reasonable costs and expenses incurred in connection with the Collateral Manager's management of the Collateral Obligations, Eligible Investments and other assets of the Issuer (including, without limitation, costs and expenses incurred with respect to potential investments by the Issuer, even if such investment is not made by or on behalf of the Issuer, and brokerage commissions), and (z) data services fees of up to U.S.$100,000 per annum, which shall be allocated among the Issuer and other clients of the Collateral Manager to the extent such expenses are incurred in connection with the Collateral Manager's activities on behalf of the Issuer and such other clients) actually incurred and paid in connection with the Collateral Manager's management of the Collateral Obligations, but excluding the Management Fees;

(iv) any expenses in connection with a Partial Redemption or Re-Pricing (as a reserve for such expenses to be incurred prior to the next Payment Date);

(v) any other Person in respect of any other fees or expenses permitted under this Indenture and the documents delivered pursuant to or in connection with this Indenture (including any expenses related to the payment of facility rating fees and 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), the Fiscal Agency Agreement and the Securities, including but not limited to, Petition Expenses not constituting Special Petition Expenses and any amounts due in respect of the listing of the Securities on any stock exchange or trading system;

and fifth, on a *pro rata* basis, indemnities payable to any Person pursuant to any Transaction Document or the Purchase Agreement; *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), (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 Rated Notes and distributions on the Reinvesting Holder Notes or Preferred Interests) shall not constitute Administrative Expenses and (z) no amount shall be payable to the Collateral Manager as Administrative Expenses in reimbursement of fees or expenses of any third party unless the Collateral Manager shall have first paid the fees or expenses that are the subject of such reimbursement.

"Affected Class": Any Class of Rated Notes that, as a result of the occurrence of a Tax Event described in the definition of Tax Redemption, 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, (a) any other Person who, directly or indirectly, is in control of, or controlled by, or is under common control with, such Person or (b) any other Person who is a director, Officer, employee or general partner (i) of such Person, (ii) of any subsidiary or parent company of such Person or (iii) of any Person described in clause (a) of this sentence. For the purposes of this definition, "control" of a Person means 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 Person or (y) to direct or cause the direction of the management and policies of such Person whether by contract or otherwise. For purposes of this definition, no entity to which the Collateral Manager provides collateral management or advisory services shall be deemed an Affiliate of the Collateral Manager solely because the Collateral Manager acts in such capacity, unless either of the foregoing clauses (a) or (b) is satisfied as between such entity and the Collateral Manager.

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

"Aggregate Coupon": As of any Measurement Date, the sum of the products obtained by multiplying, in the case of each Fixed Rate Obligation, (a) the stated coupon on such Collateral Obligation (excluding the unfunded portion of any Delayed Drawdown Collateral Obligation or Revolving Collateral Obligation and, in the case of any security that in accordance with its terms is making payments due thereon "in kind" in lieu of Cash, any interest to the extent not paid in Cash) expressed as a percentage; and (b) the Principal Balance (including for this purpose any capitalized interest) of such Collateral Obligation; *provided* that for purposes of this definition, the interest coupon will be deemed to be, with respect to (i) any Step-Down Obligation, the lowest of the then-current interest coupon and any future interest coupon; and (ii) any Step-Up Obligation, the current interest coupon.

"Aggregate Excess Funded Spread": As of any Measurement Date, the amount obtained by multiplying: (a) the amount equal to LIBOR applicable to the Rated Notes during the Interest Accrual Period in which such Measurement Date occurs; by (b) the amount (not less than zero) equal to (i) the Aggregate Principal Balance (including for this purpose any capitalized interest) of the Collateral Obligations as of such Measurement Date *minus* (ii) the Reinvestment Target Par Balance.

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

(a) in the case of each Floating Rate Obligation that bears interest at a spread over a London interbank offered rate based index, (i) the stated interest rate spread (excluding the unfunded portion of any Delayed Drawdown Collateral Obligation and Revolving Collateral Obligation and, in the case of any security that in accordance with its terms is making payments due thereon "in kind" in lieu of Cash, any interest to the extent not paid in Cash) on such Collateral Obligation above such index multiplied by (ii) the Principal Balance (including for this purpose any capitalized interest but excluding the unfunded portion of any Delayed Drawdown Collateral Obligation or Revolving Collateral Obligation) of such Collateral Obligation; and

(b) in the case of each Floating Rate Obligation that bears interest at a spread over an index other than a London interbank offered rate based index, (i) the excess of the sum of such spread and such index (excluding the unfunded portion of any Delayed Drawdown Collateral Obligation and Revolving Collateral Obligation and, in the case of any security that in accordance with its terms is making payments due thereon "in kind" in lieu of Cash, any interest to the extent not paid 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 Principal Balance (including for this purpose any capitalized interest but excluding the unfunded portion of any Delayed Drawdown Collateral Obligation or Revolving Collateral Obligation) of each such Collateral Obligation;

provided that for purposes of this definition, the interest rate spread will be deemed to be, with respect to (i) any Floating Rate Obligation that has a LIBOR floor, the stated interest rate spread plus, if positive, (x) the LIBOR floor value *minus* (y) LIBOR as in effect for the current Interest Accrual Period; (ii) any Step-Down Obligation, the lowest of the then-current spread and any future spread; and (iii) any Step-Up Obligation, the current spread.

"Aggregate Outstanding Amount": As of any date, with respect to any of the (i) Notes, the aggregate unpaid principal amount of such Notes Outstanding on such date and (ii) Preferred Interests, the amount represented by such Outstanding Preferred Interests, assuming an amount of $1.00 per Preferred Interest.

"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 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.

"AIFMD": The European Union Directive 2011/61/EU on Alternative Investment Fund Managers.

"AIFMD Retention Requirements": Article 51 of Regulation (EU) No 231/2013 as amended from time to time and Article 17 of the AIFMD, as implemented by Section 5 of Chapter III of the European Union Commission Delegated Regulation (EU) No 231/2013 of 19 December 2012 supplementing the AIFMD, including any guidance published in relation thereto and any implementing laws or regulations in force in any Member State of the European Union, *provided* that any reference to the AIFMD Retention Requirements shall be deemed to include any successor or replacement provisions of Section 5 included in any European Union directive or regulation subsequent to the AIFMD or the European Union Commission Delegated Regulation (EU) No 231/2013.

"Approved Index List": The nationally recognized indices specified in Schedule 1 hereto as amended from time to time by the Collateral Manager to delete any index or add any additional nationally recognized index that is reasonably comparable to the then-current indexes, with prior notice of any amendment to Moody's in respect of such amendment and a copy of any such amended Approved Index List to the Collateral Administrator.

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

"Assumed Reinvestment Rate": LIBOR determined for the Notes (as determined on the most recent Interest Determination Date relating to an Interest Accrual Period beginning on a Payment Date or the Closing Date, as applicable).

"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.

"Authorized Officer": With respect to the Issuer, any Officer or any other Person who is authorized to act for the Issuer in matters relating to, and binding upon, the Issuer. With respect to the Collateral Manager, any Officer, employee, member or agent of the Collateral Manager who is authorized to act for the Collateral Manager in matters relating to, and binding upon, the Collateral Manager with respect to the subject matter of the request, certificate or order in question. With respect to the Collateral Administrator, any Officer, employee, partner or agent of the Collateral Administrator who is authorized to act for the Collateral Administrator in matters relating to, and binding upon, the Collateral Administrator with respect to the subject matter of the request, certificate or order in question. With respect to the Trustee or any other bank or trust company acting as trustee of an express trust or as custodian, a Trust Officer. With respect to any Authenticating Agent, any Officer of such Authenticating Agent who is authorized to authenticate the Notes. 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.

"Average Life": The meaning specified in the definition of "Weighted Average Life."

"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": State Street Bank and Trust Company, in its individual capacity and not as Trustee, or any successor thereto.

"Bankruptcy Event": Either (a) the entry of a decree or order by a court having competent jurisdiction adjudging the Issuer as bankrupt or insolvent, or approving as properly filed a petition seeking reorganization, winding-up, arrangement, adjustment or composition of or in respect of the Issuer under the Bankruptcy Law or any other applicable law, or appointing a receiver, liquidator, assignee, or sequestrator (or other similar official) of the Issuer or of any substantial part of its property, respectively, or ordering the winding-up or liquidation of its affairs, and the continuance of any such decree or order unstayed and in effect for a period of 60 consecutive days; or (b) the institution by the member of the Issuer of proceedings to have the Issuer adjudicated as bankrupt or insolvent, or the consent by the member of the Issuer to the institution of bankruptcy, winding-up or insolvency proceedings against the Issuer, or the filing by the Issuer of a petition or answer or consent seeking reorganization or relief under the Bankruptcy Law or any other similar applicable law, or the consent by the 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 of any substantial part of its property, respectively, or the making by the Issuer of an assignment for the benefit of creditors, or the admission by the Issuer in writing of its inability to pay its debts generally as they become due, or the taking of any action by the Issuer in furtherance of any such action.

"Bankruptcy Filing": Either of (i) the institution of any proceeding to have the Issuer adjudicated as bankrupt or insolvent or (ii) the filing of any petition seeking relief, reorganization, arrangement, adjustment or composition of or in respect of the Issuer under applicable bankruptcy law or other applicable law.

"Bankruptcy Law": The federal Bankruptcy Code, Title 11 of the United States Code, as amended from time to time.

"Base Management Fee": The fee payable to the Collateral Manager in arrears on each Payment Date pursuant to Section 8 of the Collateral Management Agreement and the Priority of Payments in an amount equal to the product of (i) 0.15% per annum (calculated on the basis of a 360-day year and the actual number of days elapsed during the related Interest Accrual Period) of the Fee Basis Amount measured as of the first day of the Collection Period relating to each Payment Date, and (ii) if CGMSIM (or an Affiliate thereof) is not the Collateral Manager, 1.0, otherwise (x) the Aggregate Outstanding Amount of Preferred Interests not held by the Carlyle Holders divided by (y) the Aggregate Outstanding Amount of the Preferred Interests.

"Benefit Plan Investor": Any of (a) an employee benefit plan (as defined in Section 3(3) of ERISA) subject to Title I of ERISA, (b) a "plan" described in Section 4975(e)(1) of the Code to which Section 4975 of the Code applies or (c) any other entity whose underlying assets could be deemed to include "plan assets" by reason of an employee benefit plan's or a plan's investment in the entity within the meaning of the Plan Asset Regulation or otherwise.

"Board of Managers": The board of managers of the Issuer.

"Bridge Loan": Any loan or other obligation that (x) is incurred in connection with a merger, acquisition, consolidation, or sale of all or substantially all of the assets of a Person or similar transaction and (y) by its terms, is required to be repaid within one year of the incurrence thereof with proceeds from additional borrowings or other refinancings; *provided,* that any such loan or

debt security that has a nominal maturity date of one year or less from the incurrence thereof may have a term-out or other provision whereby (automatically or at the sole option of the obligor thereof) the maturity of the indebtedness thereunder can be extended to a later date.

"Broadly Syndicated Cov-Lite Loan": Any Cov-Lite Loan that is a Broadly Syndicated Loan.

"Broadly Syndicated Loan": Any debt obligation (a) that is part of a credit facility with a facility size on the date of origination thereof at least equal to U.S.$400,000,000 and (b) as to which, on the date of origination or acquisition by the Issuer thereof, Moody's has assigned to such credit facility a monitored, publicly-available rating.

"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 is located or, for any final payment of principal, in the relevant place of presentation.

"Caa Collateral Obligation": A Collateral Obligation (other than a Defaulted Obligation) with a Moody's Rating of "Caa1" or lower.

"Calculation Agent": The meaning specified in Section 7.16.

"Carlyle Holders": Each Holder of Preferred Interests that is not a Benefit Plan Investor and is (i) CGMSIM, (ii) the Originator, (iii) TC Group, L.L.C., (iv) the managing members or employees of CGMSIM or its Affiliates, (v) any entity controlled by any or all of the Persons described in clauses (i) through (iv) of this definition, (vi) persons whom, no later than the last Business Day of the Collection Period preceding the first Payment Date, CGMSIM has notified the Trustee in writing, constitute Carlyle Holders, (vii) with respect to Persons described in clauses (iv) and (vi) of this definition, such Persons' estates and heirs, and certain members of such persons' families, (viii) trusts, partnerships, corporations or other entities, all of the beneficial interest of which is owned, directly or indirectly, by Persons described in clauses (iv), (vi) or (vii) of this definition, and (ix) any Persons who hold Preferred Interests identified with the following CUSIP numbers and ISIN numbers: CUSIP: 14311H 206, ISIN: US14311H2067; CUSIP: 14311H 305, ISIN: US14311H3057; *provided* that any person described in clauses (iv) or (vii) of this definition shall not constitute a Carlyle Holder if, no later than the last Business Day of the Collection Period preceding the first Payment Date, CGMSIM has notified the Trustee in writing that such Person does not constitute a Carlyle Holder; *provided further* that, no later than 45 Business Days after the Closing Date, CGMSIM shall certify to the Trustee and the Issuer as to the parties set forth above who are "Carlyle Holders" and thereafter notify the Trustee and the Issuer of any additions or deletions from such certification.

"Carlyle Holders Distribution Amounts": Collectively, each of the Carlyle Holders First Distribution Amount, the Carlyle Holders Second Distribution Amount and the Carlyle Holders Third Distribution Amount.

"Carlyle Holders First Distribution Amount": (a) With respect to any Payment Date and relating to any Collection Period (or a portion thereof) in which CGMSIM (or any Affiliate of CGMSIM) is the Collateral Manager, an amount equal to the product of (i) 0.15% per annum (calculated on the basis of a 360-day year and the actual number of days elapsed during the related Interest

Accrual Period) of the Fee Basis Amount measured as of the first day of the Collection Period relating to each Payment Date, and (ii) (x) the Aggregate Outstanding Amount of Preferred Interests held by the Carlyle Holders divided by (y) the Aggregate Outstanding Amount of the Preferred Interests, and (b) with respect to any other Payment Date, zero. To the extent any accrued and unpaid Carlyle Holders First Distribution Amount is not paid on any Payment Date, such payment will be deferred and will not accrue interest.

"Carlyle Holders Second Distribution Amount": (a) With respect to any Payment Date and relating to any Collection Period (or a portion thereof) in which CGMSIM (or any Affiliate of CGMSIM) is the Collateral Manager, an amount equal to the product of (i) 0.35% per annum (calculated on the basis of a 360-day year and the actual number of days elapsed during the related Interest Accrual Period) of the Fee Basis Amount measured as of the first day of the Collection Period relating to each Payment Date, and (ii) (x) the Aggregate Outstanding Amount of Preferred Interests held by the Carlyle Holders divided by (y) the Aggregate Outstanding Amount of the Preferred Interests, and (b) with respect to any other Payment Date, zero. To the extent any accrued and unpaid Carlyle Holders Second Distribution Amount is not paid on any Payment Date as a result of insufficient funds, such payment will be deferred and will accrue interest at LIBOR (calculated in the same manner as LIBOR in respect of the Rated Notes) plus 0.35%; otherwise such accrued and unpaid amounts will not accrue interest; *provided*, however, that no interest shall accrue for any such payments not made on the first Payment Date.

"Carlyle Holders Third Distribution Amount": (a) With respect to any Payment Date on which the Incentive Management Fee is eligible to be paid and relating to any Collection Period (or a portion thereof) in which CGMSIM (or any Affiliate of CGMSIM) is the Collateral Manager, an amount equal to the product of (i) 20% of any remaining Interest Proceeds and Principal Proceeds, as applicable, on such Payment Date in accordance with the Priority of Payments and (ii) (x) the Aggregate Outstanding Amount of Preferred Interests held by the Carlyle Holders divided by (y) the Aggregate Outstanding Amount of the Preferred Interests, and (b) with respect to any other Payment Date, zero.

"Carlyle Owner": The meaning specified in Section 7.17(a).

"Cash": Such money (as defined in Article 1 of the UCC) or 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.

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

"CCC/Caa Collateral Obligations": The CCC Collateral Obligations and/or the Caa Collateral Obligations, as the context requires.

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

(i) the excess of the Aggregate Principal Balance of all CCC Collateral Obligations over an amount equal to 17.5% of the Collateral Principal Amount as of the current Determination Date; and

(ii) the excess of the Aggregate Principal Balance of all Caa Collateral Obligations over an amount equal to 17.5% of the Collateral Principal Amount as of the current Determination Date;

provided that, in determining which of the CCC/Caa Collateral Obligations shall be included in the CCC/Caa Excess, the CCC/Caa Collateral Obligations with the lowest Market Value (assuming that such Market Value is expressed as a percentage of the Aggregate Principal Balance of such Collateral Obligations as of such Determination Date) shall be deemed to constitute such CCC/Caa Excess.

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

"Certificated Note": Any Note issued in the form of a definitive, fully registered form without coupons registered in the name of the owner or nominee thereof, duly executed by the Issuer and authenticated by the Trustee as herein provided.

"Certificated Security": The meaning specified in Article 8 of the UCC.

"CGMSIM": Carlyle GMS Investment Management L.L.C.

"Citigroup": Citigroup Global Markets Inc.

"Class": In the case of (a) the Rated Notes, all of the Rated Notes having the same Interest Rate, Stated Maturity and designation, (b) the Preferred Interests, all of the Preferred Interests and (c) the Reinvesting Holder Notes, all of the Reinvesting Holder Notes. For purpose of exercising any rights to consent, give direction or otherwise vote, (i) *pari passu* Classes will be treated as a single Class, except as expressly provided in this Indenture and (ii) the Preferred Interests and the Reinvesting Holder Notes will be treated as a single Class and the Reinvesting Holder Notes shall be deemed to have a principal balance of zero.

"Class A Notes": The Class A-1 Notes and the Class A-2 Notes, collectively.

"Class A-1 Notes": The Class A-1A Notes, the Class A-1B Notes and the Class A-1C Notes, collectively.

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

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

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

"Clean-Up Call Redemption": The meaning specified in Section 9.7(a).

"Clean-Up Call Redemption Price": The meaning specified in Section 9.7(b).

"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 Article 8 of the UCC.

"Clearing Corporation Security": Securities that 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).

"CLO Information Service": Initially, Intex, and thereafter any third-party vendor that compiles and provides access to information regarding CLO transactions and is selected by the Collateral Manager to receive copies of the Monthly Report and Distribution Report.

"Closing Date": June 26, 2015.

"Closing Date Certificate": A certificate of the Issuer delivered on the Closing Date pursuant to Section 3.1.

"Closing Date Committed Par Amount": U.S.$380,000,000.

"Closing Date Originator Participation Interests": Any participation interest in an asset contributed to the Issuer pursuant to the Contribution Agreement until elevated by assignment.

"Code": The United States Internal Revenue Code of 1986, as amended, and the Treasury Regulations promulgated thereunder.

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

"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.

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

"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 and Deferring Obligations, but including Interest Proceeds actually received from Defaulted Obligations and Deferring 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 entered into 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 hereof and thereof.

"Collateral Manager": Carlyle GMS Investment Management L.L.C., a Delaware limited liability company, until 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 Obligation": A Senior Secured Loan, Second Lien Loan (including, but not limited to, interests in bank loans acquired by way of a purchase or assignment) or Participation Interest therein that, as of the date of acquisition by the Issuer (or, if applicable, as of the date that a binding commitment with respect to the acquisition of such asset is entered into):

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

(ii) is not a Defaulted Obligation or a Credit Risk Obligation;

(iii) is not a lease (including a finance lease);

(iv) is not an Interest Only Security;

(v) provides (in the case of a Delayed Drawdown Collateral Obligation or Revolving Collateral Obligation, with respect to amounts drawn thereunder) 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) entitles the Issuer to receive payments due under the terms of such asset and proceeds from disposing of such asset free and clear of withholding tax, other than (A) withholding tax as to which the obligor or issuer must 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 and (B) withholding tax on (x) amendment, waiver, consent and extension fees and (y) commitment fees and other similar fees in respect of Revolving Collateral Obligations and Delayed Drawdown Collateral Obligations;

(viii) has a Moody's 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 in its reasonable judgment;

(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;

(xi) does not have an "f," "p," "pi," "sf" or "t" subscript assigned by S&P or an "sf" subscript assigned by Moody's;

(xii) is not an obligation that is a Related Obligation, a Zero Coupon Bond or a Structured Finance Obligation;

(xiii) will not require the Issuer or the pool of Assets to be registered as an investment company under the Investment Company Act;

(xiv) is not an Equity Security or attached with a warrant to purchase Equity Securities and does not provide for mandatory or optional conversion for Equity Securities;

(xv) is not the subject of an Offer for a price less than its purchase price plus all accrued and unpaid interest;

(xvi) does not mature after the Stated Maturity of the Securities;

(xvii) if a Floating 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 or commercial deposit rate or (c) any other then-customary index;

(xviii) is Registered;

(xix) is not a Synthetic Security;

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

(xxi) does not include or support a letter of credit (other than, for the avoidance of doubt, any letter of credit sub-facility that is part of a Revolving Collateral Obligation and with respect to which the Issuer does not issue such letter of credit);

(xxii) is not an interest in a grantor trust unless all of the assets of such trust meet the standards set forth herein for Collateral Obligations (other than clause (xviii));

(xxiii) is purchased at a price at least equal to 60.0% of its par amount;

(xxiv) is issued by an obligor Domiciled in the United States, Canada, a Group I Country, a Group II Country, a Group III Country or a Tax Jurisdiction;

(xxv) is not issued by a sovereign, or by a corporate issuer located in a country, which sovereign or country on the date on which the obligation is acquired by the Issuer imposed foreign exchange controls that effectively limit the availability or use of U.S. Dollars to make when due the scheduled payments of principal thereof and interest thereon; and

(xxvi) is not a Senior Secured Bond, Senior Secured Floating Rate Note or Senior Unsecured Bond.

"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) plus (b) without duplication, the amounts on deposit in the Collection Account, the Reinvestment Amount Account and the Ramp-Up Account (including Eligible Investments therein) representing Principal Proceeds.

"Collateral Quality Test": A test satisfied on any date of determination on and after the Effective Date 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 a test is not satisfied on such date of determination, the degree of compliance with such test is maintained or improved after giving effect to any purchase or sale effected on such date of determination or the relevant Trading Plan), calculated in each case as required by Section 1.2 herein:

(i) the Minimum Moody's Floating Spread Test;

(ii) the Minimum Weighted Average Coupon Test;

(iii) the Maximum Moody's Rating Factor Test;

(iv) the Moody's Diversity Test;

(v) the Minimum Weighted Average Moody's Recovery Rate Test;

(vi) the Maximum Fitch Rating Factor Test;

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

(viii) the Minimum Fitch Floating Spread Test; and

(ix) the Weighted Average Life Test.

"Collection Account": The meaning specified in Section 10.2(a).

"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 Securities, on the day preceding such Stated Maturity, (b) in the case of the final Collection Period preceding an Optional Redemption or a Tax Redemption in whole of the Securities, on the day preceding 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 any date of determination 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 must be maintained or improved after giving effect to the purchase), calculated in each case as required by Section 1.2 herein:

(i) (a) not less than 90.0% of the Collateral Principal Amount may consist of Senior Secured Loans, Cash and Eligible Investments; and (b) not more than 10.0% of the Collateral Principal Amount may consist, in the aggregate, of Second Lien Loans; *provided* that in the case of this clause (i)(b), not more than 1.5% of the Collateral Principal Amount may consist of Second Lien Loans issued by a single Obligor and its Affiliates;

(ii) not more than 0.0% of the Collateral Principal Amount may consist of Senior Secured Bonds, Senior Unsecured Bonds and Senior Secured Floating Rate Notes;

(iii) not more than 2.5% of the Collateral Principal Amount may consist of Collateral Obligations issued by a single obligor and its Affiliates, except that Collateral Obligations (other than DIP Collateral Obligations) issued by up to five obligors and their respective Affiliates may each constitute up to 3.0% of the Collateral Principal Amount;

(iv) not more than 17.5% of the Collateral Principal Amount may consist of Collateral Obligations with a Moody's Rating of "Caa1" or below;

(v) not more than 17.5% of the Collateral Principal Amount may consist of Collateral Obligations with a Fitch Rating of "CCC+" or below;

(vi) not more than 5.0% of the Collateral Principal Amount may consist of Collateral Obligations that pay interest less frequently than quarterly;

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

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

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

(x) 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;

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

(xii) not more than 5.0% of the Collateral Principal Amount may consist of Participation Interests, *provided* that Closing Date Originator Participation Interests will be excluded for purposes of this clause (xii) for the first ninety days following the Closing Date;

(xiii) the Moody's Counterparty Criteria are met;

(xiv) the Third Party Credit Exposure may not exceed 20.0% of the Collateral Principal Amount and the Third Party Credit Exposure Limits may not be exceeded;

(xv) not more than 10.0% of the Collateral Principal Amount may consist of Collateral Obligations with a Moody's Rating or a Moody's Default Probability Rating derived from an S&P Rating as provided in the second table in clause (a) of the methodology specified in the definition of Moody's Derived Rating on Schedule 4 hereto;

(xvi) (a) all of the Collateral Obligations must be issued by Non-Emerging Market Obligors; and (b) 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
20.0%	All countries (in the aggregate) other than the United States;
15.0%	Canada;
10.0%	all countries (in the aggregate) other than the United States and Canada;
10.0%	any individual Group I Country other than Australia or New Zealand;
7.5%	all Group II Countries in the aggregate;
5.0%	any individual Group II Country;
7.5%	all Group III Countries in the aggregate;
12.0%	all Group II Countries and Group III Countries in the aggregate;
5.0%	all Tax Jurisdictions in the aggregate;
3.0%	any individual country other than the United States, the United Kingdom, Canada, the Netherlands, any Group II Country or any Group III Country; and
0.0%	Greece, Ireland, Italy, Portugal and Spain in the aggregate.

(xvii) not more than 12.5% of the Collateral Principal Amount may consist of Collateral Obligations that are issued by obligors that belong to any single Moody's industry classification, except that (x) the largest Moody's industry classification may represent up to 20.0% of the Collateral Principal Amount; (y) the second-largest Moody's industry classification may represent up to 17.5% of the Collateral Principal Amount; and (z) the third-largest Moody's industry classification may represent up to 15.0% of the Collateral Principal Amount;

(xviii) not more than 0.0% of the Collateral Principal Amount may consist of the LC Commitment Amount under Letter of Credit Reimbursement Obligations;

(xix) not more than 0.0% of the Collateral Principal Amount may consist of Bridge Loans;

(xx) not more than 25.0% of the Collateral Principal Amount may consist of Broadly Syndicated Cov-Lite Loans;

(xxi) not more than 10.0% of the Collateral Principal Amount may consist of Middle Market Cov-Lite Loans;

(xxii) not more than 0.0% of the Collateral Principal Amount may consist of Step-Up Obligations;

(xxiii) not more than 0.0% of the Collateral Principal Amount may consist of Step-Down Obligations; and

(xxiv) not more than 25.0% of the Collateral Principal Amount may consist of debt obligations that are part of a credit facility with a facility size on the date of origination thereof greater than U.S.$500,000,000.

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

"Contribution Agreement": The Contribution Agreement dated as of the Closing Date between the Issuer and the Originator, as amended from time to time.

"Controlling Class": The Class A-1 Notes so long as any Class A-1 Notes are Outstanding; then the Class A-2 Notes so long as any Class A-2 Notes are Outstanding; and then the Preferred Interests.

"Controlling Person": A Person (other than a Benefit Plan Investor) who has discretionary authority or control with respect to the assets of the Issuer 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.

"Corporate Trust Office": The designated corporate trust office of the Trustee, currently located at 1 Iron Street, Boston, Massachusetts 02210, Attention: Structured Trust and Analytics, or such other address as the Trustee may designate from time to time by notice to the Holders, the Collateral Manager, the Issuer and the Fiscal Agent, or the principal corporate trust office of any successor Trustee.

"Cov-Lite Loan": A Loan that (a) does not contain any financial covenants; or (b) requires the underlying Obligor to comply with one or more Incurrence Covenants, but does not require the underlying Obligor to comply with a Maintenance Covenant; *provided* that a Loan described in clause (a) or (b) above which either contains a cross-default provision to, or is *pari passu* with, another loan of the underlying obligor that requires the underlying Obligor to comply with both an Incurrence Covenant and a Maintenance Covenant will be deemed not to be a Cov-Lite Loan.

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

"Credit Amendment": The meaning set forth in Section 12.2(f).

"Credit Improved Criteria": The criteria that will be met if (a) with respect to any Collateral Obligation the change in price of such Collateral Obligation during the period from the date on which it was acquired by the Issuer to the date of determination by a percentage either is more

positive, or less negative, as the case may be, than the percentage change in the average price of any index specified on the Approved Index List *plus* 0.25% over the same period or (b) with respect to a Fixed Rate Obligation only, there has been a decrease in the difference between its yield compared to the yield on the United States Treasury security of the same duration of more than 7.5% since the date of purchase.

"Credit Improved Obligation": Any Collateral Obligation which, in the Collateral Manager's judgment exercised in accordance with the Collateral Management Agreement, has significantly improved in credit quality after it was acquired by the Issuer, which improvement may (but need not) be evidenced by one of the following: (a) such Collateral Obligation satisfies the Credit Improved Criteria, (b) such Collateral Obligation has been upgraded at least one rating subcategory by either Rating Agency or has been placed and remains on credit watch with positive implication by either Rating Agency, (c) the issuer of such Collateral Obligation has raised equity capital or other capital subordinated to the Collateral Obligation, or (d) the issuer of such Collateral Obligation has, in the Collateral Manager's reasonable commercial judgment, shown improved results or possesses less credit risk, in each case since such Collateral Obligation was acquired by the Issuer; *provided* that during a Restricted Trading Period, in addition to the foregoing, 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 subcategory or has been placed and remains on a credit watch with positive implication by Moody's or 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 votes to treat such Collateral Obligation as a Credit Improved Obligation.

"Credit Risk Criteria": The criteria that will be met with respect to any Collateral Obligation if (a) the change in price of such Collateral Obligation during the period from the date on which it was acquired by the Issuer to the date of determination by a percentage either is more negative, or less positive, as the case may be, than the percentage change in the average price of any index specified on the Approved Index List *less* 0.25% over the same period, or (b) with respect to a Fixed Rate Obligation only, there has been an increase in the difference between its yield compared to the yield on the United States Treasury security of the same duration of more than 7.5% since the date of purchase.

"Credit Risk Obligation": Any Collateral Obligation that, in the Collateral Manager's judgment exercised in accordance with the Collateral Management Agreement, 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, in addition to the foregoing, (i) such Collateral Obligation has been downgraded by any Rating Agency at least one rating subcategory or has been placed and remains on a credit watch with negative implication by Moody's or 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 votes to treat such Collateral Obligation as a Credit Risk Obligation.

"Cross Transaction": The meaning set forth in Section 3(c) of the Collateral Management Agreement.

"CRR": Regulation No 575/2013 of the European Parliament and of the Council.

"CRR Retention Requirements": Part Five of the CRR as amended from time to time and including any guidance or any technical standards published in relation thereto, *provided* that any reference to the CRR Retention Requirements shall be deemed to include any successor or replacement provisions to Part Five of the CRR.

"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 (with a copy to the Collateral Administrator) in writing that it believes, in its reasonable business judgment, that (a) the issuer or obligor of such Collateral Obligation will continue to make scheduled payments of interest (and/or fees, as applicable, in the case of a Delayed Drawdown Collateral Obligation or Revolving Collateral Obligation) thereon and will pay the principal thereof by maturity or as otherwise contractually due, (b) if the issuer or 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 payments authorized by the bankruptcy court have been paid in cash when due, (c) the Collateral Obligation has a Market Value of at least 80.0% of its par value and (d) if the Rated Notes are then rated by Moody's (A) has a Moody's Rating of at least "Caa1" and a Market Value of at least 80.0% of its par value or (B) has a Moody's Rating of at least "Caa2" or had such rating immediately before such rating was withdrawn and its Market Value is at least 85.0% 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).

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

"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.

"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, or waiver or forbearance thereof, except that, in the case of a default that in the Collateral Manager's judgment is not due to credit-related causes, such default shall be subject to a grace period 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 known to the Collateral Manager as to the payment of principal and/or interest has occurred and is continuing on another debt obligation of the same issuer which is senior or *pari passu* in right of payment to such Collateral Obligation (without regard to any grace period applicable thereto, or waiver or forbearance thereof, except that, in the case of a default that in the Collateral Manager's judgment is not due to credit-related causes, such default shall be subject to a grace period of five Business Days or seven calendar days, whichever is greater, but in no case beyond the passage of any grace period applicable thereto; and the holders of such Collateral Obligation have accelerated the

maturity of all or a portion of such Collateral Obligation; *provided* that (x) such Collateral Obligation shall constitute a Defaulted Obligation under this clause (b) only until such acceleration has been rescinded and (y) both the Collateral Obligation and such other debt obligation are full recourse obligations of the applicable issuer or secured by the same collateral;

(c) the issuer or others have instituted proceedings to have the issuer adjudicated as bankrupt or insolvent or placed into receivership and such proceedings have not been stayed or dismissed within 60 days of filing or such issuer has filed for protection under Chapter 11 of the United States Bankruptcy Code;

(d) such Collateral Obligation has a rating assigned by Fitch of "D" or "RD" or had such rating immediately before such rating was withdrawn, such Collateral Obligation has an S&P Rating of "D" or had such rating immediately before such rating was withdrawn or the Obligor on such Collateral Obligation has a "probability of default" rating assigned by Moody's of "D" or "LD" or had such rating immediately before it was withdrawn;

(e) such Collateral Obligation is *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 (i) a rating assigned by Fitch of "D" or "RD" or (ii) an S&P Rating of "D," or, in each case, had such rating immediately before such rating was withdrawn or the Obligor on such Collateral Obligation has a "probability of default" rating assigned by Moody's of "D" or "LD" or had such rating immediately before it was withdrawn;

(f) a default with respect to which the Collateral Manager has received notice or has knowledge that a default has occurred under the Underlying Instruments 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 Instrument;

(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; or

(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 "D" or a "probability of default" rating assigned by Moody's of "D" or "LD" or had such rating before such rating was withdrawn;

provided that (x) a Collateral Obligation shall not constitute a Defaulted Obligation pursuant to clauses (b) through (e) and (i) above if such Collateral Obligation (or, in the case of a Participation Interest the underlying Senior Secured Loan or Second Lien Loan) is a Current Pay Obligation (*provided* that the Aggregate Principal Balance of Current Pay Obligations exceeding 7.5% of the Collateral Principal Amount will be treated as Defaulted Obligations) and (y) a Collateral Obligation shall not constitute a Defaulted Obligation pursuant to any of clauses (b), (c), (d), (e) and (i) if such Collateral Obligation (or, in the case of a Participation Interest, the underlying Senior Secured Loan or Second Lien Loan) is a DIP Collateral Obligation (other than a DIP Collateral Obligation that has an S&P Rating of "CC" or lower).

Each obligation received in connection with a Distressed Exchange that (a) would be a Collateral Obligation but for the fact that it is a Defaulted Obligation or (b) would satisfy the proviso in the definition of Distressed Exchange but for the fact that it exceeds the percentage limit therein, shall in each case be deemed to be a Defaulted Obligation, and each other obligation received in connection with a Distressed Exchange shall be deemed to be an Equity Security.

"Defaulted Obligation Value": For any Defaulted Obligation, the lower of the Moody's Collateral Value and the Fitch Collateral Value of such Defaulted Obligation.

"Deferrable Obligation": A Collateral Obligation (not including any Partial Deferring Obligation) which by its terms permits the deferral or capitalization of payment of accrued, unpaid interest.

"Deferred Base Management Fee": The meaning specified in Section 8(b) of the Collateral Management Agreement.

"Deferred Base Management Fee Cap": The meaning specified in Section 1 of the Collateral Management Agreement.

"Deferred Management Fee": Each of the Deferred Base Management Fee and the Deferred Subordinated Management Fee.

"Deferred Subordinated Management Fee": The meaning specified in Section 8(b) of the Collateral Management Agreement.

"Deferring Obligation": A Deferrable Obligation that is deferring the payment of interest due thereon and has been so deferring the payment of interest due thereon (i) with respect to Collateral Obligations that have a Moody's Rating of at least "Baa3," for the shorter of two consecutive accrual periods or one year, and (ii) with respect to Collateral Obligations that have a Moody's Rating of "Ba1" 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 Instruments 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.

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

(a) in the case of each Certificated Security or Instrument (other than a Clearing Corporation Security or a Certificated Security or an Instrument evidencing debt underlying a participation interest in a loan), (i) causing the delivery of such Certificated Security or Instrument to the Intermediary registered in the name of the Intermediary or its affiliated nominee, (ii) causing the Intermediary to continuously identify on its books and records that such Certificated Security or Instrument is credited to the relevant Account and (iii) causing the Intermediary to maintain continuous possession of such Certificated Security or Instrument;

(b) in the case of each Uncertificated Security (other than a Clearing Corporation Security), (i) causing such Uncertificated Security to be continuously registered on the books of the issuer thereof to the Intermediary and (ii) causing the Intermediary to continuously identify on its books and records that such Uncertificated Security is credited to the relevant Account;

(c) in the case of each Clearing Corporation Security, (i) causing the relevant Clearing Corporation to continuously credit such Clearing Corporation Security to the securities account of the Intermediary at such Clearing Corporation and (ii) causing the Intermediary to continuously identify on its books and records that such Clearing Corporation Security is credited to the relevant Account;

(d) in the case of any Financial Asset that is maintained in book-entry form on the records of an FRB, (i) causing the continuous crediting of such Financial Asset to a securities account of the Intermediary at any FRB and (ii) causing the Intermediary to continuously identify on its books and records that such Financial Asset is credited to the relevant Account;

(e) in the case of each Financial Asset not covered by the foregoing clauses (a) through (d), (i) causing the transfer of such Financial Asset to the Intermediary in accordance with applicable law and regulation and (ii) causing the Intermediary to continuously credit such Financial Asset to the relevant Account;

(f) in the case of Cash, (i) causing the deposit of such Cash with the Intermediary and (ii) causing the Intermediary to continuously identify on its books and record that such Cash is credited to the relevant Account;

(g) in the case of each general intangible (including any participation interest in a loan that is not, or the debt underlying which is not, evidenced by an Instrument or a Certificated Security, notifying the obligor thereunder, if any of the Grant to the Trustee (unless no applicable law requires such notice);

(h) in the case of each participation interest in a loan as to which the underlying debt is represented by a Certificated Security or an Instrument, obtaining the acknowledgment of the Person in possession of such Certificated Security or Instrument (which may not be the Issuer) that it holds the Issuer's interest in such Certificated Security or Instrument solely on behalf and for the benefit of the Trustee; and

(i) in all cases, the filing of an appropriate Financing Statement in the appropriate filing office in accordance with the Uniform Commercial Code as in effect in any relevant jurisdiction.

"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 U.S. Bankruptcy Code having the priority allowed by either Section 364(c) or 364(d) of the U.S. Bankruptcy Code and fully secured by senior liens.

"Discount Obligation": Any Loan or Participation Interest in a Loan which was purchased (as determined without averaging prices of purchases on different dates) for less than 85.0% of its Principal Balance, if such Collateral Obligation has a Moody's Rating lower than "B3," or 80.0% of its Principal Balance, if such Collateral Obligation has a Moody's Rating of "B3" 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 in the case of a Loan or Participation Interest in a Loan;

(y) any Collateral Obligation that would otherwise be considered a Discount Obligation, but that is purchased in accordance with the Investment Criteria with the Sale Proceeds 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 (expressed as a percentage of the par amount) 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%; 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, the Aggregate Principal Balance of all Collateral Obligations to which such clause (y) has been applied since the Closing Date is more than 10% of the Target Initial Par Amount.

"Dissolution Expenses": The sum of (i) an amount not to exceed the greater of (a) U.S.$30,000 and (b) the amount (if any) reasonably certified by the Collateral Manager or the Issuer, including fees and expenses incurred by the Trustee and reported to the Collateral Manager, as the sum 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 Issuer and (ii) any accrued and unpaid Administrative Expenses.

"Distressed Exchange": In connection with any Collateral Obligation, a distressed exchange or other debt restructuring has occurred, as reasonably determined by the Collateral Manager, pursuant to which the obligor of such Collateral Obligation has issued to the holders of such Collateral Obligation a new security or obligation or package of securities or obligations that, in the sole judgment of the Collateral Manager, amounts to a diminished financial obligation or has the purpose of helping the obligor of such Collateral Obligation avoid default; *provided* that no Distressed Exchange shall be deemed to have occurred if the securities or obligations received by the Issuer in connection with such exchange or restructuring (i) are not a Letter of Credit Reimbursement Obligation and (ii) satisfy the definition of Collateral Obligation (*provided* that the Aggregate Principal Balance of all securities and obligations to which this proviso applies or has applied, measured cumulatively from the Closing Date onward, may not exceed 15.0% of the Target Initial Par Amount).

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

"Diversity Score": A single number that indicates collateral concentration in terms of both issuer and industry concentration, calculated as set forth in Schedule 4 hereto.

"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 issuer of, or obligor with respect to, a Collateral Obligation:

(a) except as provided in clause (b) or (c) below, its country of organization;

(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 issuer or obligor); or

(c) if its payment obligations are guaranteed by a person or entity organized in the United States, then the United States; *provided* that (x) in the commercially reasonable judgment of the Collateral Manager, such guarantee is enforceable in the United States and the related Collateral Obligation is supported by U.S. revenue sufficient to service such Collateral Obligation and all obligations senior to or *pari passu* with such Collateral Obligation and (y) such guarantee satisfies the Domicile Guarantee Criteria.

"Domicile Guarantee Criteria": The following criteria.

(a) the guarantee is one of payment and not of collection;

(b) the guarantee provides that the guarantor agrees to pay the guaranteed obligations on the date due and waives demand, notice and marshaling of assets;

(c) the guarantee provides that the guarantor's right to terminate or amend the guarantee is appropriately restricted;

(d) the guarantee is unconditional, irrespective of value, genuineness, validity, or enforceability of the guaranteed obligations; the guarantee provides that the guarantor waives any other circumstance or condition that would normally release a guarantor from its obligations; and the guarantor also waives the right of set-off and counterclaim;

(e) the guarantee provides that it reinstates if any guaranteed payment made by the primary obligor is recaptured as a result of the primary obligor's bankruptcy or insolvency; and

(f) in the case of cross-border transactions, the risk of withholding tax with respect to payments by the guarantor is addressed if necessary.

"DTC": The Depository Trust Company, its nominee 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 (a) the Effective Date Cut-Off and (b) the first date on which the Collateral Manager certifies to the Trustee and the Collateral Administrator that the Target Initial Par Condition has been satisfied.

"Effective Date Accountants' Comparison Report": The meaning specified in Section 7.18(e).

"Effective Date Accountants' Recalculation Report": The meaning specified in Section 7.18(e).

"Effective Date Accountants' Report": The meaning specified in Section 7.18(e).

"Effective Date Cut-Off": September 15, 2015.

"Effective Date Issuer Certificate": The meaning specified in Section 7.18(e).

"Effective Date Report": The meaning specified in Section 7.18(e).

"Eligible Account": Any account established and maintained (a) with a federal or state-chartered depository institution that (i) is rated at least "A1" and "P-1" by Moody's and (ii) (to the extent that Fitch is rating any Rated Notes then Outstanding) has a long-term debt rating of at least "A" and a short-term debt rating of at least "F1" by Fitch or (b) in segregated trust accounts with the corporate trust department of a federal or state-chartered depository institution subject to regulations regarding fiduciary funds on deposit similar to Title 12 of the Code of Federal Regulations Section 9.10(b) and (i) if Cash is being held in such a trust account the related institution is also required to meet the ratings requirements set forth in clause (a)(i) and (ii) with respect to securities accounts, the related institution is also required to have a rating of at least

"Baa3" by Moody's. If such institution's ratings fall below the ratings set forth in clause (a) or (b), the assets held in such account will be moved to another institution that satisfies such ratings within 30 calendar days. Such institution shall have a combined capital and surplus of at least U.S.$200,000,000.

"Eligible Custodian": A custodian that satisfies, *mutatis mutandis*, the eligibility requirements set out in Section 6.8.

"Eligible Investment Required Ratings": (a) If such obligation (i) has both a long-term and a short-term credit rating from Moody's, such ratings are "A1" or higher (not on credit watch for possible downgrade) and "P-1" (not on credit watch for possible downgrade), respectively, (ii) has only a long-term credit rating from Moody's, such rating is "Aaa" (not on credit watch for possible downgrade) or (iii) has only a short-term credit rating from Moody's, such rating is "P-1" (not on credit watch for possible downgrade) and (b) if such obligation has (x) if maturing in up to 30 days, a short-term credit rating of at least "F1" and a long-term credit rating of at least "A" (if such long-term rating exists) from Fitch or (y) if maturing in more than 30 days but not in excess of 60 days, a short-term credit rating of at least "F1+" and a long-term credit rating of at least "AA-" (if such long-term rating exists) from Fitch.

"Eligible Investments": Any Dollar investment that, at the time it is Delivered to the Trustee (directly or through an intermediary or bailee), (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:

(a) 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 whose obligations are expressly backed by the full faith and credit of the United States of America and which satisfy the Eligible Investment Required Ratings;

(b) 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 (including the Bank, Affiliates of the Bank and Affiliates of the Collateral Manager) 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;

(c) commercial paper or other short-term obligations (other than asset-backed commercial paper) with the Eligible Investment Required Ratings and that either bear interest or are sold at a discount from the face amount thereof and have a maturity of not more than 183 days from their date of issuance; and

(d) registered money market funds that have, at all times, credit ratings of "Aaa-mf" by Moody's and "AAAmmf" by Fitch (or, in the absence of a credit rating from Fitch, a credit rating of "AAAm" by S&P);

provided that (A) 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, other than those referred to in clause (d) above, as mature (or are putable at par to the issuer thereof) no later than the Business Day prior to the next Payment Date unless such Eligible Investments are issued by the Trustee in its capacity as a banking institution, in which event such Eligible Investments may mature on such Payment Date and (B) none of the foregoing obligations or securities shall constitute Eligible Investments if (1) such obligation or security has an "f," "p," "pi," "sf" or "t" subscript assigned by S&P, (2) all, or substantially all, of the remaining amounts payable thereunder consist of interest and not principal payments, (3) 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, (4) such obligation or security is secured by real property, (5) such obligation or security is purchased at a price greater than 100% of the principal or face amount thereof, (6) such obligation or security is the subject of a tender offer, voluntary redemption, exchange offer, conversion or other similar action, (7) in the Collateral Manager's judgment, such obligation or security is subject to material non-credit related risks, (8) such obligation is a Structured Finance Obligation, (9) such obligation or security is represented by a certificate of interest in a grantor trust and (10) the Issuer shall not acquire any Eligible Investments that are not "cash equivalents" under and as defined in the Volcker Rule. Eligible Investments may include, without limitation, those investments issued by or made with the Bank or an Affiliate of the Bank or for which the Bank or an Affiliate of the Bank or the Collateral Manager or an Affiliate of the Collateral Manager provides services and receives compensation.

"Enforcement Event": The meaning specified in Section 5.4(a).

"Entitlement Order": The meaning specified in Article 8 of the UCC.

"Equity Security": Any security or debt obligation which at the time of acquisition, conversion or exchange does not satisfy the requirements of a Collateral Obligation and is not an Eligible Investment.

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

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

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

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

"Excess CCC/Caa Adjustment Amount": As of any date of determination, an amount equal to the excess, if any, of:

(a) the Aggregate Principal Balance of all Collateral Obligations included in the CCC/Caa Excess; *over*

(b) the sum of the Market Values of all Collateral Obligations included in the CCC/Caa Excess.

"Excess Interest": Any Interest Proceeds distributed on the Preferred Interests pursuant to the Priority of Payments.

"Excess Par Amount": means an amount, as of any Determination Date, equal to (i) the Collateral Principal Amount *less* (ii) the Reinvestment Target Par Balance; *provided*, that such amount will not be less than zero.

"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, including for this purpose any capitalized interest, 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, including for this purpose any capitalized interest, by dividing the Aggregate Principal Balance of all Floating Rate Obligations by the Aggregate Principal Balance of all Fixed Rate Obligations.

"Exchange": The meaning specified in Section 2.5(j).

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

"Exercise Notice": The meaning specified in Section 9.8(d).

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

"Fee Basis Amount": As of any date of determination, the sum of (a) the Aggregate Principal Balance of the Collateral Obligations, (b) without duplication, the Aggregate Principal Balance of the Defaulted Obligations, (c) without duplication, the amounts on deposit in the Collection Account, the Reinvestment Amount Account and the Ramp-Up Account (including Eligible Investments therein) representing Principal Proceeds and (d) the aggregate amount of all Principal Financed Accrued Interest.

"Financial Asset": The meaning specified in Article 8 of the UCC.

"Financing Statement": The meaning specified in Article 9 of the Uniform Commercial Code in the applicable jurisdiction.

"First Interest Determination End Date": July 15, 2015.

"First Lien Last Out Loan": Any 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 (i) with respect to trade claims, capitalized leases or similar obligations and (ii) subordination in right of payment solely to one or more Senior Secured Loans of the obligor of the Loan that becomes effective solely upon the occurrence of a default or event of default by the obligor of the Loan); (b) is secured by a valid perfected security interest or lien in, to or on specified collateral securing the obligor's obligations under the Loan that, prior to the occurrence of a default or event of default by the obligor of the Loan, is a first-priority security interest or lien; (c) the value of the collateral securing the Loan 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 and (d) is not secured solely or primarily by common stock or other equity interests; *provided* that the limitation set forth in this clause (d) shall not apply with respect to a Loan made to a parent entity that is secured solely or primarily by the stock of one or more of the subsidiaries of such parent entity to the extent that the granting by any such subsidiary of a lien on its own property would violate law or regulations applicable to such subsidiary (whether the obligation secured is such Loan or any other similar type of indebtedness owing to third parties).

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

"Fiscal Agent": The Bank, solely in its capacity as fiscal agent under the Fiscal Agency Agreement, unless a successor Person shall have become the Fiscal Agent pursuant to the applicable provisions of the Fiscal Agency Agreement, and thereafter, the Fiscal Agent shall mean such successor Person.

"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.

"Fixed Rate Notes": Any Class of Notes that accrues interest at a fixed rate for so long as such Class of Notes accrues interest at a fixed rate.

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

"Floating Rate Notes": Any Class of Notes that accrues interest at a floating rate for so long as such Class of Notes accrues interest at a floating rate.

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

"Form 15-E": United States Securities and Exchange Commission Form ABS Due Diligence 15-E, as amended, supplemented or modified from time to time and/or or any applicable successor form.

"FRB": Any Federal Reserve Bank.

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

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

"Grant" or "Granted": To grant, bargain, sell, alienate, convey, assign, transfer, mortgage, pledge, create and grant a security interest in and right of set off against. A Grant of property shall include all rights, powers and options (but none of the obligations) of the granting party thereunder, including without limitation the immediate and continuing right to claim for, collect, receive and receipt for principal and interest payments in respect thereof, and all other amounts payable thereunder, to give and receive notices and other communications, to make waivers or other agreements, to exercise all rights and options, to bring legal or other 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, Liechtenstein, Luxembourg and Norway.

"Hedge Agreement": The meaning specified in Section 8.3(d).

"Holder": With respect to any Security, the Person whose name appears on the Register or the Preferred Interest Register, as applicable, as the registered holder of such Security.

"Illiquid Asset": (a) A Defaulted Obligation, Equity Security, obligation received in connection with an Offer or other exchange or any other security or debt obligation that is part of the Assets, in respect of which (i) the Issuer has not received a payment in Cash during the preceding twelve calendar months and (ii) the Collateral Manager certifies that it is not aware, after reasonable inquiry, that the issuer or obligor of such asset has publicly announced or informed the holders of such asset that it intends to make a payment in Cash in respect of such asset within the next twelve calendar months or (b) any asset, claim or other property identified in a certificate of the Collateral Manager as having a Market Value of less than U.S.$1,000.

"Incentive Management Fee": The fee payable to the Collateral Manager, pursuant to Section 8 of the Collateral Management Agreement and the Priority of Payments, on each Payment Date on and after which the Incentive Management Fee Threshold has been met, in an amount equal to the product of (i) 20% of any remaining Interest Proceeds and Principal Proceeds, as applicable, on such Payment Date pursuant to the Priority of Payments, and (ii) if CGMSIM (or an Affiliate thereof) is not the Collateral Manager, 1.0, otherwise (x) the Aggregate Outstanding Amount of Preferred Interests not held by the Carlyle Holders divided by (y) the Aggregate Outstanding Amount of the Preferred Interests.

"Incentive Management Fee Threshold": The threshold that will be satisfied on any Payment Date if the Holders of the Preferred Interests have received an annualized internal rate of return (computed using the "XIRR" function in Microsoft® Excel or an equivalent function in another software package and based on the respective dates of issuance and an aggregate purchase price for the Preferred Interests of 100% of their initial principal amount, and excluding the receipt of the Carlyle Holders Distribution Amounts, if any) of at least 12.0%, on the outstanding investment in the Preferred Interests as of such Payment Date (or such greater percentage threshold as the Collateral Manager may specify in its sole discretion on or prior to the first Payment Date following the Effective Date by written notice to the Issuer and the Trustee), after giving effect to all payments made or to be made in respect of the Preferred Interests on such Payment Date. Such calculation shall consider all Reinvestment Amounts transferred to the Reinvestment Amount Account on or prior to such Payment Date as payments on the related Preferred Interests (whether or not any relevant Reinvesting Holder continues to hold the applicable Preferred Interests).

"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, director or Person performing similar functions. When used with respect to any accountant, "Independent" 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.

Whenever any Independent Person's opinion or certificate is to be furnished to the Trustee, such opinion or certificate shall state that the signer has read this definition and that the signer is Independent within the meaning hereof.

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 respective Affiliates.

"Independent Manager": The Independent Manager under the Limited Liability Company Agreement.

"Index Maturity": A term of three months; *provided* that for the period from the Closing Date to the First Interest Determination End Date, LIBOR will be determined by interpolating linearly (and rounding to five decimal places) between the rate for the next shorter period of time for which rates are available and the rate for the next longer period of time for which rates are available. If at any time the three month rate is applicable but not available, LIBOR will be determined by interpolating linearly (and rounding to five decimal places) between the rate for the next shorter period of time for which rates are available and the rate for the next longer period of time for which rates are available.

"Information Agent": The meaning specified in Section 7.20(b).

"Initial Dividend": The dividend authorized by the Issuer for distribution to the Originator on the Closing Date pursuant to the Resolution of the Issuer delivered under Section 3.1(a) of this Indenture, which shall not be in excess of U.S.$265,000,000.

"Initial Principal Amount": With respect to any Class of Rated Notes, the U.S. dollar amount specified with respect to such Class in Section 2.3.

"Initial Purchaser": Citigroup, in its capacity as initial purchaser of the Rated Notes under the Purchase Agreement.

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

"Instrument": The meaning specified in Article 9 of the UCC.

"Interest Accrual Period": (i) With respect to the initial Payment Date, the period from and including the Closing Date 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 Rated Notes is paid or made available for payment; *provided* that any interest-bearing notes issued after the Closing Date in accordance with the terms of this Indenture shall accrue interest during the Interest Accrual Period in which such additional notes are issued from and including the applicable date of issuance of such additional notes to but excluding the last day of such Interest Accrual Period at the applicable Interest Rate. For purposes of determining any Interest Accrual Period, (i) 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) and (ii) in the case of the Floating Rate Notes, if the 15th day of the relevant month is not a Business Day, then the Interest Accrual Period with respect to such Payment Date shall end on but exclude the Business Day on which payment is made and the succeeding Interest Accrual Period shall begin on and include such date.

"Interest Coverage Ratio": For any designated Class or Classes of Rated Notes, 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) under the Priority of Interest Proceeds; and

C = Interest due and payable on the Rated Notes of such Class or Classes and each Class of Rated Notes that rank senior to or *pari passu* with such Class or Classes on such Payment Date.

"Interest Coverage Test": A test that is satisfied with respect to any Class of Rated Notes as of any date of determination on, or subsequent to, the Determination Date occurring immediately prior to the second Payment Date, if (i) the Interest Coverage Ratio for such Class is at least equal to the Required Interest Coverage Ratio for such Class or (ii) such Class or Classes is no longer Outstanding.

"Interest Determination Date": With respect to (a) the first Interest Accrual Period, (x) for the period from the Closing Date to but excluding the First Interest Determination End Date, the second London Banking Day preceding the Closing Date, and (y) for the remainder of the first Interest Accrual Period, the second London Banking Day preceding the First Interest Determination End Date, and (b) each Interest Accrual Period thereafter, the second London Banking Day preceding the first day of such Interest Accrual Period.

"Interest Diversion Test": A test that shall be satisfied on any Measurement Date after the Effective Date on which the Class A Notes remain outstanding, if the Overcollateralization Ratio for the Class A Notes is at least equal to 143.0%.

"Interest Only Security": Any obligation or security that does not provide in the related Underlying Instruments for the payment or repayment of a stated principal amount in one or more installments on or prior to its stated maturity.

"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;

(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 and commissions received by the Issuer during the related Collection Period other than (A) fees and commissions received in connection with the purchase of Collateral Obligations or Eligible Investments, in connection with a Distressed Exchange, in connection with Defaulted Obligations or in connection with the extension of the maturity or the reduction of principal of a Collateral Obligation or Eligible Investment and (B) such other fees and commissions which the Collateral Manager elects to treat as Principal Proceeds upon written notice to the Trustee;

(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 (i) the Expense Reserve Account and/or Interest Reserve Account that are designated as Interest Proceeds pursuant to this Indenture in respect of the related Determination Date and (ii) the Ramp-Up Account that are designated as Interest Proceeds pursuant to Section 10.3(c);

(vi) any amounts designated by the Collateral Manager as Interest Proceeds in connection with a direction by a Majority of the Preferred Interests to designate Principal Proceeds up to the Excess Par Amount as Interest Proceeds for payment on the Redemption Date of a Refinancing; and

(vii) at the direction of the Originator, and in an amount certified by the Originator to be necessary to avoid a Retention Deficiency, at any time on or after the one year anniversary of the Effective Date, any Trading Gains realized (and not previously distributed) in respect of any Collateral Obligations so long as the Retention Basis Amount is greater than or equal to U.S.$22,000,000 as of such Determination Date (and after giving effect to any designation as Interest Proceeds pursuant to this clause (vii)) and to the extent that the deposit of such amounts into the Principal Collection Account as Principal Proceeds would, in the sole determination of the Collateral Manager, cause (or be likely to cause) a Retention Deficiency, it being understood that the amount of Trading Gains that is not deposited into the Interest Collection Account as Interest Proceeds pursuant to this clause (vii) will constitute Principal Proceeds;

provided that any amounts received in respect of any Defaulted Obligation or any asset received in exchange therefor will constitute Principal Proceeds (and not Interest Proceeds) until the aggregate of all collections in respect of such Defaulted Obligation since it became a Defaulted Obligation equals the outstanding Principal Balance of such Collateral Obligation at the time it became a Defaulted Obligation.

"Interest Rate": With respect to each Class of Rated Notes, the applicable per annum stated interest rate payable on such Class with respect to each Interest Accrual Period (or, for the first Interest Accrual Period, the related portion thereof) as specified in Section 2.3, which, if a Re-Pricing has occurred with respect to such Class of Rated Notes, will be the applicable Re-Pricing Rate.

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

"Interest Reserve Amount": The meaning specified in Section 10.3(e).

"Intermediary": The entity maintaining an Account pursuant to an Account Agreement.

"Intex": Intex Solutions, Inc.

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

"Investment Criteria": The meaning specified in Section 12.2(b).

"Investment Criteria Adjusted Balance": With respect to each Collateral Obligation, the Principal Balance of such Collateral Obligation; *provided* that the Investment Criteria Adjusted Balance of any:

(a) Deferring Obligation will be the Moody's Collateral Value of such Deferring Obligation;

(b) Discount Obligation will be the product of the (i) purchase price (expressed as a percentage of par and, for the avoidance of doubt, without averaging) and (ii) Principal Balance of such Discount Obligation; and

(c) Collateral Obligation included in the CCC/Caa Excess will be the Market Value of such Collateral Obligation;

provided further that the Investment Criteria Adjusted Balance for any Collateral Obligation that satisfies more than one of the definitions of Deferring Obligation or Discount Obligation or is included in the CCC/Caa Excess will be the lowest amount determined pursuant to clauses (a), (b) and (c) above.

"Irish Listing Agent": Walkers Listing & Support Services Limited, in its capacity as Irish Listing Agent for the Issuer, and any successor thereto.

"Irish Stock Exchange": The Irish Stock Exchange plc.

"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 by an Authorized Officer of the Issuer, or by the Collateral Manager by an Authorized Officer thereof, on behalf of the Issuer. An instruction, order or request provided in an email by an Authorized Officer of the Issuer or by an Authorized Officer of the Collateral Manager on behalf of the Issuer will constitute an Issuer Order hereunder.

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

"Knowledgeable Employee": The meaning set forth in Rule 3c-5 promulgated under the Investment Company Act (which includes an entity owned exclusively by knowledgeable employees).

"LC Commitment Amount": With respect to any Letter of Credit Reimbursement Obligation, the amount which the Issuer could be required to pay to the LOC Agent Bank in respect thereof (including, for the avoidance of doubt, any portion thereof which the Issuer has collateralized or deposited into a trust or with the LOC Agent Bank for the purpose of making such payments).

"Letter of Credit Reimbursement Obligation": A facility whereby (i) a fronting bank ("LOC Agent Bank") issues or will issue a letter of credit ("LC") for or on behalf of a borrower pursuant to an Underlying Instrument, (ii) in the event that the LC is drawn upon, and the borrower does not reimburse the LOC Agent Bank, the lender/participant is obligated to fund its portion of the facility, (iii) the LOC Agent Bank passes on (in whole or in part) the fees and any other amounts it receives for providing the LC to the lender/participant and (iv)(a) the related Underlying Instruments require the Issuer to fully collateralize the Issuer's obligations to the related LOC Agent Bank or obligate the Issuer to make a deposit into a trust in an aggregate amount equal to the related LC Commitment Amount, (b) the collateral posted by the Issuer is held by, or the Issuer's deposit is made in, a depository institution meeting the requirement set forth in Section 10.1 and (c) the collateral posted by the Issuer is invested in Eligible Investments.

"LIBOR": The meaning set forth in Exhibit D hereto.

"Limited Liability Company Agreement": The limited liability company agreement of the Issuer, effective as of June 26, 2015, as amended from time to time.

"Listed Notes": The Rated Notes specified as such in Section 2.3 for so long as such Class of Rated Notes is listed on the Irish Stock Exchange.

"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.

"LOC Agent Bank": The meaning specified in the definition of the term Letter of Credit Reimbursement Obligation.

"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.

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

"Majority": With respect to any Class or Classes, the Holders of more than 50% of the Aggregate Outstanding Amount of the Securities of such Class or Classes.

"Management Fee": The Base Management Fee, the Subordinated Management Fee and the Incentive Management Fee.

"Manager Securities": As of any date of determination, (a) all Securities held on such date by (i) the Collateral Manager, (ii) any Affiliate of the Collateral Manager, or (iii) any account, fund, client or portfolio managed or advised on a discretionary basis by the Collateral Manager or any of its Affiliates and (b) all Securities as to which economic exposure is held on such date (whether through any derivative financial transaction or otherwise) by any Person identified in the foregoing clause (a).

"Margin Stock": "Margin Stock" as defined under Regulation U issued by the Board of Governors of the Federal Reserve System, 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 amount thereof and the price determined in the following manner:

(i) the bid price determined by the Loan Pricing Corporation, Markit Group Limited, Loan X 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 nationally recognized loan or bond pricing service selected by the Collateral Manager (with notice to the Rating Agencies); or

(ii) if a price described in clause (i) is not available,

(A) the average of the bid prices determined by three broker-dealers active in the trading of such asset that are Independent from each other and the Issuer and the Collateral Manager;

(B) if only two such bids can be obtained, the lower of the bid 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, the bid price of such bid; *provided* that the aggregate principal balance of Collateral Obligations held by the Issuer at any one time with Market Values determined pursuant to this clause (ii)(C) may not exceed 5% of the Collateral Principal Amount; or

(iii) if a price described in clause (i) or (ii) is not available, then the Market Value of an asset will be the lower of (x) 70% of the notional amount of such asset, (y) the price at which the Collateral Manager reasonably believes such asset could be sold in the market within 30 days, as certified by the Collateral Manager to the Trustee and determined by the Collateral Manager consistent with the manner in which it would determine the market value of an asset for purposes of other funds or accounts managed by it; provided, however, that, if the Collateral Manager is not a registered investment adviser, the Market Value of any such asset may not be determined in accordance with this clause (iii)(y) for more than 30 days; and (z) solely if such asset either was purchased within the three preceding months or was previously assigned a Market Value within the three preceding months in accordance with clause (i) or (ii), either (A) if such asset was purchased within the three preceding months, its purchase price or (B) otherwise, the last Market Value that was assigned to it; 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.

"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.

"Matrix Combination": The applicable "row/column combination" of the Minimum Diversity Score/Maximum Rating/ Minimum Spread Matrix chosen by the Collateral Manager (or by interpolating between two adjacent rows and/or two adjacent columns, as applicable).

"Maturity": With respect to any Security, the date on which the unpaid principal of such Security 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": With respect to any Collateral Obligation, any waiver, modification, amendment or variance that would extend the stated maturity date of such Collateral Obligation. For the avoidance of doubt, a waiver, modification, amendment or variance that would extend the stated maturity date of the credit facility of which a Collateral Obligation is part, but would not extend the stated maturity date of the Collateral Obligation held by the Issuer, does not constitute a Maturity Amendment.

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

"Maximum Moody's Rating Factor Test": A test that will be satisfied on any date of determination if the Adjusted Weighted Average Moody's Rating Factor of the Collateral Obligations is less than or equal to the lesser of (A) the sum of (i) the number set forth in the Matrix Combination plus (ii) the Moody's Weighted Average Recovery Adjustment and (B) 3800.

"Measurement Date": (i) Any day on which a purchase of a Collateral Obligation occurs, (ii) any Determination Date, (iii) the date as of which the information in any Monthly Report is calculated, (iv) with five Business Days' prior written notice to the Issuer and the Trustee (with a copy to the Collateral Manager), any Business Day requested by either Rating Agency, (v) the Effective Date and (vi) for purposes of determining whether a Retention Deficiency has occurred, any Business Day.

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

"Middle Market Cov-Lite Loan": Any Cov-Lite Loan that is a Middle Market Loan.

"Middle Market Loan": Any Collateral Obligation other than a Broadly Syndicated Loan.

"Minimum Denominations": (i) with respect to the Notes (other than the Reinvesting Holder Notes), U.S.$1,000,000 and integral multiples of U.S.$1.00 in excess thereof and (ii) with respect to the Reinvesting Holder Notes, U.S.$0.00.

"Minimum Diversity Score/Maximum Rating/Minimum Spread Matrix": The following table used to determine the Matrix Combination for purposes of determining compliance with the Moody's Diversity Test, the Maximum Moody's Rating Factor Test and the Minimum Moody's Floating Spread Test, as set forth in Section 7.18(h).

Minimum Weighted Average Spread (%)	**Minimum Diversity Score**							**Recovery Rate Modifier**
	20	25	30	35	40	45	50	
3.45	2520	2740	2870	3000	3080	3160	3240	80
3.65	2580	2800	2930	3060	3140	3220	3300	80
3.85	2640	2860	2990	3110	3190	3270	3350	80
4.05	2700	2920	3050	3160	3240	3320	3400	80
4.25	2760	2970	3100	3200	3280	3360	3440	80
4.45	2820	3020	3140	3240	3320	3400	3480	85
4.65	2880	3070	3180	3270	3350	3430	3510	85
4.85	2940	3120	3220	3300	3380	3460	3540	85
5.05	2970	3160	3270	3370	3450	3530	3610	85
5.25	3000	3200	3320	3430	3510	3590	3670	85
5.45	3030	3240	3370	3490	3570	3650	3730	85
5.65	3060	3270	3420	3540	3620	3700	3780	90
5.85	3090	3300	3460	3590	3670	3750	3800	90
6.05	3120	3330	3500	3640	3720	3800	3800	90
6.25	3150	3360	3540	3680	3760	3800	3800	90

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

"Minimum Floating Spread": The number set forth in the column entitled "Minimum Weighted Average Spread" in the Matrix Combination, reduced by the Moody's Weighted Average Recovery Adjustment; *provided* that the Minimum Floating Spread shall in no event be lower than 3.00%.

"Minimum Moody's 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": 7.50%.

"Minimum Weighted Average Coupon Test": The test that will be satisfied on any date of determination 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 Moody's Recovery Rate Test": The test that will be satisfied on any date of determination if the Weighted Average Moody's Recovery Rate equals or exceeds 45.0%.

"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 Collateral Value": On any date of determination, with respect to any Defaulted Obligation or Deferring Obligation, the lesser of (i) the Moody's Recovery Amount of such Defaulted Obligation or Deferring Obligation or Closing Date Originator Participation Interest as of such date and (ii) the Market Value of such Defaulted Obligation or Deferring Obligation or Closing Date Originator Participation Interest as of such date.

"Moody's Counterparty Criteria": With respect to any Participation Interest (other than the Closing Date Originator Participation Interests) proposed to be acquired by the Issuer, criteria that will be met if immediately after giving effect to such acquisition, (x) the percentage of the Collateral Principal Amount that consists in the aggregate of Participation Interests with Selling Institutions or LOC Agent Banks, as the case may be, that have the same or a lower Moody's credit rating does not exceed the "Aggregate Percentage Limit" set forth below for such Moody's credit rating and (y) the percentage of the Collateral Principal Amount that consists in the aggregate of Participation Interests with any single Selling Institution that has the Moody's credit rating set forth below or a lower credit rating does not exceed the "Individual Percentage Limit" set forth below for such Moody's credit rating:

Moody's credit rating of Selling Institution (at or below)	**Aggregate Percentage Limit**	**Individual Percentage Limit**
Aaa	20%	20%
Aa1	20%	10%
Aa2	20%	10%
Aa3	15%	10%
A1	10%	5%
A2 and P-1 (both)	5%	5%
A3	0%	0%

"Moody's Default Probability Rating": With respect to any Collateral Obligation, the rating determined pursuant to the methodology set forth under the heading "Moody's Default Probability Rating" on Schedule 4 hereto (or such other schedule provided by Moody's to the Issuer, the Trustee, the Collateral Administrator and the Collateral Manager).

"Moody's Derived Rating": With respect to any Collateral Obligation, the rating determined pursuant to the methodology set forth under the heading "Moody's Derived Rating" on Schedule 4 hereto (or such other schedule provided by Moody's to the Issuer, the Trustee, the Collateral Administrator and the Collateral Manager).

"Moody's Diversity Test": A test that will be satisfied on any date of determination if the Diversity Score (rounded to the nearest whole number) equals or exceeds the number set forth in the column entitled "Minimum Diversity Score" in the Matrix Combination.

"Moody's Effective Date Rating Condition": A condition that is satisfied if a Passing Report has been delivered to Moody's with respect to the Effective Date rating confirmation procedure set forth in Section 7.18. If Moody's (i) makes a public announcement or informs the Issuer, the Collateral Manager or the Trustee that its practice is not to give confirmations of ratings in connection with the Effective Date, or (ii) Moody's no longer constitutes a Rating Agency under this Indenture, the requirement for satisfaction of the Moody's Effective Date Rating Condition will not apply.

"Moody's Industry Classification": The industry classifications set forth in Schedule 2 hereto, as such industry classifications shall be updated at the option of the Collateral Manager if Moody's publishes revised industry classifications.

"Moody's Ramp-Up Failure": The meaning specified in Section 7.18(f).

"Moody's Rating": With respect to any Collateral Obligation, the rating determined pursuant to the methodology set forth under the heading "Moody's Rating" on Schedule 4 hereto (or such other schedule provided by Moody's to the Issuer, the Trustee, the Collateral Administrator and the Collateral Manager).

"Moody's Rating Factor": For each Collateral Obligation, the number set forth in the table below opposite the Moody's Default Probability Rating of such Collateral Obligation.

Moody's Default Probability Rating	Moody's Rating Factor	Moody's Default Probability Rating	Moody's Rating Factor
Aaa	1	Ba1	940
Aa1	10	Ba2	1,350
Aa2	20	Ba3	1,766
Aa3	40	B1	2,220
A1	70	B2	2,720
A2	120	B3	3,490
A3	180	Caa1	4,770
Baa1	260	Caa2	6,500
Baa2	360	Caa3	8,070
Baa3	610	Ca or lower	10,000

For purposes of the Maximum Moody's Rating Factor Test, any Collateral Obligation issued or guaranteed by the United States government or any agency or instrumentality thereof is assigned a Moody's Default Probability Rating equal to the long-term issuer rating of the United States.

"Moody's Recovery Amount": With respect to any Collateral Obligation that is a Defaulted Obligation or a Deferring Obligation, an amount equal to (a) the applicable Moody's Recovery Rate multiplied by (b) the Principal Balance of such Collateral Obligation.

"Moody's Recovery Rate": With respect to any Collateral Obligation, as of any date of determination, the recovery rate determined in accordance with the following, in the following order of priority:

(a) if the Collateral Obligation has been specifically assigned a recovery rate by Moody's (for example, in connection with the assignment by Moody's of an estimated rating (including, without limitation, an estimated rating determined in accordance with the Moody's RiskCalc Calculation)), such recovery rate;

(b) if the preceding clause does not apply and it is a DIP Collateral Obligation, 50%; or

(c) if the preceding clauses do not apply, the rate determined pursuant to the table below based on the number of rating subcategories difference between the Collateral Obligation's Moody's Rating and its Moody's Default Probability Rating (for purposes of clarification, if the Moody's Rating is higher than the Moody's Default Probability Rating, the rating subcategories difference will be positive and if it is lower, negative):

Number of Moody's Ratings Subcategories Difference Between the Moody's Rating and the Moody's Default Probability Rating	Senior Secured Loans	Senior Secured Bonds, Second Lien Loans, Senior Secured Floating Rate Notes	Other Collateral Obligations
+2 or more	60%	55%*	45%
+1	50%	45%*	35%
0	45%	35%*	30%
-1	40%	25%	25%
-2	30%	15%	15%
-3 or less	20%	5%	5%

* If the obligation does not have both a corporate family rating by Moody's and an instrument rating from Moody's, then its Moody's Recovery Rate will be determined under the "Other Collateral Obligations" column.

"Moody's RiskCalc": The meaning specified in Schedule 5.

"Moody's Weighted Average Recovery Adjustment": As of any date of determination, the greater of (a) zero and (b) the product of (i) (A) the Weighted Average Moody's Recovery Rate as of such date of determination multiplied by 100 minus (B) 45.0 and (ii) (A) with respect to the adjustment of the Maximum Moody's Rating Factor Test, the number set forth in the column entitled "Recovery Rate Modifier" in the Matrix Combination and (B) with respect to the adjustment of the Minimum Floating Spread, (1) if the number set forth in the column entitled "Minimum Weighted Average Spread" in the Matrix Combination is equal to or greater than 3.60%, 0.08% or (2) if the number set forth in the column entitled "Minimum Weighted Average Spread" in the Matrix Combination is less than 3.60%, 0%; *provided* that if the Weighted Average Moody's Recovery Rate for purposes of determining the Moody's Weighted Average Recovery Adjustment is greater than 60.0%, then such Weighted Average Moody's Recovery Rate shall equal 60.0% or such other percentage as shall have been notified to Moody's by or on behalf of the Issuer; *provided, further*, that the amount specified in clause (b)(i) above may only be allocated once on any date of determination and the Collateral Manager shall designate to the Collateral Administrator in writing on each such date the portion of such amount that shall be allocated to clause (b)(ii)(A) and the portion of such amount that shall be allocated to clause (b)(ii)(B) (it being understood that, absent an express designation by the Collateral Manager, all such amounts shall be allocated to clause (b)(ii)(A)).

"Non-Call Period": The period from the Closing Date to but excluding the Payment Date in July 15, 2017.

"Non-Consent Notice": The meaning specified in Section 9.8(d).

"Non-Consenting Balance": The meaning specified in Section 9.8(d).

"Non-Consenting Holder": The meaning specified in Section 9.8(e)(i).

"Non-Consenting Notes": The meaning specified in Section 9.8(e)(i).

"Non-Emerging Market Obligor": An obligor that is Domiciled in the United States or any country that has a country ceiling for foreign currency bonds of at least "Aa2" by Moody's.

"Non-Permitted ERISA Holder": Any Person that is or becomes the beneficial owner of an interest in any Note who has made or is deemed to have made a prohibited transaction representation or a Benefit Plan Investor, Controlling Person or Similar Law representation required by this Indenture or by its investor representation letter that is subsequently shown to be false or misleading or whose beneficial ownership otherwise results in Benefit Plan Investors owning Reinvesting Holder Notes, assuming, for this purpose, that all the representations made (or, in the case of Global Notes, deemed to be made) by holders of such Notes are true.

"Non-Permitted Holder": (i) Any Person that is not a Qualified Institutional Buyer (or, solely in the case of Reinvesting Holder Notes held in the form of Certificated Notes, an Accredited Investor) and a Qualified Purchaser (or, solely in the case of Reinvesting Holder Notes held in the form of Certificated Notes, a Knowledgeable Employee) or that does not have an exemption available under the Securities Act and the Investment Company Act that becomes the holder or beneficial owner of an interest in any Note or (ii) any Non-Permitted ERISA Holder.

"Note Purchase Offer": The meaning specified in Section 2.13(b)

"Note Interest Amount": With respect to any Class of Rated Notes and any Payment Date, the amount of interest for the related Interest Accrual Period payable in respect of each U.S.$100,000 Aggregate Outstanding Amount of such Class of Rated Notes.

"Note 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 of principal of the Class A-1 Notes (*pro rata*) until such amount has been paid in full; and

(ii) to the payment of principal of the Class A-2 Notes until such amount has been paid in full.

"Noteholder": With respect to any Note, the Person whose name appears on the Register as the registered holder of such Note or with respect to any Preferred Interest, the Person whose name appears in the Preferred Interest Register as the registered holder of such Preferred Interest, as applicable.

"Notes": The Rated Notes and the Reinvesting Holder Notes authorized by, and authenticated and delivered under, this Indenture (as specified in Section 2.3).

"NRSRO": The meaning specified in Section 7.20(f).

"Obligor": The obligor or guarantor under a loan.

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

"Offering": The offering of any Securities pursuant to the relevant Offering Circular.

"Offering Circular": Each offering circular relating to the offer and sale of the Securities, including any supplements thereto.

"Officer": (a) With respect to the 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; (b) with respect to any corporation, any director, the chairman of the board of directors, any vice president, the secretary, an assistant secretary, the treasurer or an assistant treasurer of such entity or any Person authorized by such entity and shall, for the avoidance of doubt, include any duly appointed attorney in fact thereof; (c) with respect to any partnership, any general partner thereof or any Person authorized by such entity; and (d) with respect to the Trustee and any bank or trust company acting as trustee of an express trust or as custodian or agent, any vice president or assistant vice president of such entity or any officer customarily performing functions similar to those performed by a vice president or assistant vice president of such entity.

"offshore transaction": The meaning specified in Regulation S.

"Opinion of Counsel": A written opinion addressed to the Trustee (or upon which the Trustee is permitted to rely) and, if required by the terms hereof, a Rating Agency, in form and substance reasonably satisfactory to the Trustee, of 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 in this Indenture, be counsel for the Issuer or the Collateral Manager, as the case may be, but must be Independent of the Collateral Manager, and which law firm shall be reasonably satisfactory to the Trustee. 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 either be addressed to the same addressees or state that the addressees of the Opinion of Counsel shall be entitled to rely thereon.

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

"Originator": Carlyle GMS Finance, Inc., or any successor thereto to the extent permitted under the Retention Requirements and the Retention Undertaking Letter.

"Originator Requirement": The requirement that will be satisfied if:

(a) the aggregate principal balance of Collateral Obligations (for such purposes disregarding any partial repayments or prepayments thereon) and the balance of Eligible Investments, in each case, acquired by the Issuer from the Originator in its capacity as an "originator" for the purposes of Article 405 of the CRR; divided by

(b) the sum of (i) the aggregate principal balance of all Collateral Obligations (for such purposes disregarding any partial repayments or prepayments thereon) and (ii) the balance of all Eligible Investments standing to the credit of the Collection Account,

is greater than 50% or, upon receipt of written advice from Latham & Watkins LLP, such lesser percentage permitted by the CRR Retention Requirements (as determined by the Collateral Manager), where for the purposes of determining paragraphs (a) and (b) above, Eligible Investments that have been designated for application towards the acquisition of Collateral Obligations that the Issuer has committed to purchase but which has not yet settled will be disregarded; provided, however, that if, following the Closing Date, the Collateral Manager reasonably determines (based on guidance provided by the European Banking Authority (or any predecessor, successor or replacement agency or authority) or a legal opinion from legal counsel of reputable standing) that Eligible Investments may be excluded for the purposes of the calculation in Article 3(4)(b) of the European Commission Delegated Regulation (EU) No 625/2014 of 13 March 2014 supplementing the CRR and notifies the Issuer, the Trustee and the Collateral Administrator (for the avoidance of doubt, none of whose consent is required to be obtained) in writing of such determination, then the Originator Requirement shall be amended by removal of the reference to Eligible Investments in paragraphs (a) and (b) above.

"Outstanding": With respect to (a) 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 Registrar or delivered to the 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)(x)(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;" 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

(b) Preferred Interests, as of any date of determination, all of the Preferred Interests shown as issued and outstanding in the Preferred Interest 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, the following Securities shall be disregarded and deemed not to be Outstanding:

(i) Securities owned by the Issuer or any other obligor upon the Securities; or

(ii) only in the case of a vote to (i) terminate the Collateral Management Agreement, (ii) remove or replace the Collateral Manager or (iii) waive an event constituting "cause" under the Collateral Management Agreement as a basis for termination of the Collateral Management Agreement or removal of the Collateral Manager, any Securities that are Manager Securities;

except that (1) in determining whether the Trustee shall be protected in relying upon any such request, demand, authorization, direction, notice, consent or waiver, only Securities that a Trust Officer of the Trustee actually knows to be so owned or to be Manager Securities shall be so disregarded; and (2) Securities so owned that have been pledged in good faith may be regarded as Outstanding if the pledgee establishes to the satisfaction of the Trustee the pledgee's right so to act with respect to such Securities and that the pledgee is not one of the Persons specified above.

"Overcollateralization Ratio": With respect to any specified Class or Classes of Rated Notes as of any date of determination, the percentage derived from:

(a) the Adjusted Collateral Principal Amount on such date; *divided by*

(b) the Aggregate Outstanding Amount on such date of the Rated Notes of such Class(es), each Pari Passu Class with respect thereto and each Priority Class with respect thereto.

"Overcollateralization Ratio Test": A test that is satisfied with respect to any Class or Classes of Rated Notes as of any date of determination on which such test is applicable if (i) the Overcollateralization Ratio for such Class on such date is at least equal to the Required Overcollateralization Ratio for such Class or Classes or (ii) such Class or Classes of Rated Notes is no longer Outstanding.

"Pari Passu Class": With respect to any specified Class of Securities, each Class of Securities that ranks *pari passu* to such Class, as indicated in Section 2.3.

"Partial Deferring Obligation": A Collateral Obligation on which the interest, in accordance with its related underlying instrument, is currently being (i) partly paid in cash (with a minimum cash payment of (a) in the case of Floating Rate Obligations, LIBOR plus 1.00% and (b) in the case of Fixed Rate Obligations, the zero-coupon swap rate in a fixed/floating interest rate swap with a term equal to five years, in each case required under its Underlying Instruments) and (ii) partly deferred, or paid by the issuance of additional debt securities identical to such debt security or through additions to the principal amount thereof.

"Partial Redemption": A redemption of one or more (but fewer than all) Classes of Securities from Refinancing Proceeds pursuant to Section 9.2(a).

"Partial Redemption Date": Any day on which a Partial Redemption occurs.

"Participation Interest": A participation interest in a loan originated by a bank or financial institution that, at the time of acquisition, or the Issuer's commitment to acquire the same, satisfies each of the following criteria: (i) such participation would constitute a Collateral Obligation were it acquired directly, (ii) the Selling Institution is a lender on the loan, (iii) the aggregate participation in the loan granted by such Selling Institution to any one or more participants does not exceed the principal amount or commitment with respect to which the Selling Institution is a lender under such loan, (iv) such participation does not grant, in the aggregate, to the participant in such participation a greater interest than the Selling Institution 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 (without the benefit of financing from the Selling Institution or its affiliates) at the time of the Issuer's acquisition (or, to the extent of a participation in the unfunded commitment under 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) such 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.

"Partner": The meaning specified in Section 7.17(g)(i).

"Partnership Interest": The meaning specified in Section 7.17(g)(i).

"Passing Report": The meaning specified in Section 7.18(d).

"Paying Agent": Any Person authorized by the Issuer to pay the principal of or interest on any Notes on behalf of the Issuer as specified in Section 7.2.

"Payment Account": The payment account of the Trustee 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 in October, 2015, any Redemption Date and the Stated Maturity.

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

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

"Petition Expenses": The reasonable fees, costs, charges and expenses incurred by the Issuer (including reasonable attorneys' fees and expenses) in connection with a Bankruptcy Filing.

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

"Preferred Interest Payment Account": An account established by the Fiscal Agent pursuant to the terms of the Fiscal Agency Agreement.

"Preferred Interest Register": The register of holders of Preferred Interests maintained on behalf of the Issuer.

"Preferred Interest Registrar": The preferred interest registrar appointed by the Issuer pursuant to the Fiscal Agency Agreement.

"Preferred Interests": The Preferred Interests issued by the Issuer on the Closing Date and any additional Preferred Interests issued pursuant to the Limited Liability Company Agreement and in compliance with the terms of this Indenture, all shown as issued and Outstanding in the Preferred Interest Register.

"Principal Balance": Subject to Section 1.2, 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 in this Indenture) 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 Financed Accrued Interest": (a) With respect to any Collateral Obligation owned or purchased by the Issuer on the Closing Date, any unpaid interest on such Collateral Obligation that accrued prior to the Closing Date that was owing to the Issuer and remained unpaid as of the Closing Date and (b) with respect to any Collateral Obligation purchased after the Closing Date, the amount of Principal Proceeds, if any, applied towards the purchase of accrued interest on such Collateral 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 amounts that have been designated as Principal Proceeds pursuant to the terms of this Indenture.

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

"Priority of Interest Proceeds": The meaning specified in Section 11.1(a)(i).

"Priority of Payments": The Priority of Interest Proceeds, the Priority of Principal Proceeds and the Special Priority of Payments.

"Priority of Principal Proceeds": The meaning specified in Section 11.1(a)(ii).

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

"Process Agent": The meaning specified in Section 7.2.

"Protected Purchaser": The meaning specified in Article 8 of the UCC.

"Purchase Agreement": The agreement dated as of the Closing Date between the Issuer and Citigroup, as initial purchaser of the Rated Notes, as amended from time to time.

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

"Qualified Broker/Dealer": Any of Bank of America, N.A., The Bank of Montreal, The Bank of New York Mellon, The Royal Bank of Scotland plc, Barclays Bank plc, BNP Paribas, Broadpoint Securities Inc., Canadian Imperial Bank of Commerce, Cantor Fitzgerald, Citadel Securities, Citibank, N.A., Credit Agricole S.A., Credit Suisse, Deutsche Bank AG, FBR Capital Markets, Gleacher & Company Securities, Inc., Goldman Sachs & Co., HSBC Bank, JPMorgan Chase Bank, N.A., Knight/Libertas, Lazard Ltd., Macquarie Bank, Mizuho Bank, Ltd., Morgan Stanley & Co., Natixis, Nomura Securities Inc., Northern Trust Company, Oppenheimer & Co. Inc., Royal Bank of Canada, Scotia Bank, Société Générale, Sun Trust Bank, The Toronto-Dominion Bank, U.S. Bank, National Association, UBS AG or Wells Fargo Bank, National Association, or a banking or securities Affiliate of any of the foregoing, and any other financial institution with experience in the relevant market so designated by the Collateral Manager with notice to the Rating Agencies.

"Qualified Institutional Buyer": Any Person that, at the time of its acquisition, purported acquisition or proposed acquisition of Notes, is a qualified institutional buyer within the meaning of Rule 144A.

"Qualified Purchaser": Any Person that, at the time of its acquisition, purported acquisition or proposed acquisition of Notes, is a qualified purchaser within the meaning of the Investment Company Act (including an entity owned exclusively by qualified purchasers).

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

"Rated Notes": The Class A-1 Notes and the Class A-2 Notes.

"Rated Noteholders": The Holders of the Rated Notes.

"Rating Agency": Each of Moody's and Fitch, in each case for so long as it assigns a rating at the request of the Issuer to the Class or Classes to which it assigned a rating on the Closing Date.

"Rating Agency Confirmation": (i) confirmation in writing (which may be in the form of a press release) from Moody's that (a) (1) the initial ratings of the Rated Notes have been confirmed in connection with the Effective Date or (2) the Moody's Effective Date Rating Condition has been satisfied, or (b) other than in connection with the Effective Date, a proposed action or designation will not cause the then-current ratings of any Class of Rated Notes to be reduced or withdrawn and (ii) notice provided to Fitch of the proposed action or designation at least five Business Days prior to such action or designation taking effect (for so long as Fitch is a Rating Agency). If Moody's (i) makes a public announcement or informs the Issuer, the Collateral Manager or the Trustee that (x) it believes Rating Agency Confirmation is not required with respect to an action or (y) its practice is to not give such confirmations, or (ii) no longer constitutes a Rating Agency under this Indenture, the requirement for Rating Agency Confirmation with respect to Moody's will not apply. Any requirement for Rating Agency Confirmation from a Rating Agency in respect of any supplemental indenture requiring the consent of all holders of Securities will not apply if such holders have been advised prior to consenting to such amendment that the current ratings of the Rated Notes of such Rating Agency may be reduced or withdrawn as a result of such amendment.

"Re-Priced Class": The meaning specified in Section 9.8(a).

"Re-Pricing": The meaning specified in Section 9.8(a).

"Re-Pricing Date": The meaning specified in Section 9.8(c).

"Re-Pricing Intermediary": The meaning specified in Section 9.8(b).

"Re-Pricing Notice": The meaning specified in Section 9.8(c).

"Re-Pricing Proceeds": The proceeds of Re-Pricing Replacement Notes.

"Re-Pricing Rate": The meaning specified in Section 9.8(c).

"Re-Pricing Redemption": In connection with a Re-Pricing, the redemption by the Issuer of the Rated Notes of the Re-Priced Class(es) held by Non-Consenting Holders.

"Re-Pricing Redemption Date": The Business Day on which a Re-Pricing Redemption occurs.

"Re-Pricing Replacement Notes": Rated Notes issued in connection with a Re-Pricing that have terms identical to the Re-Priced Class (after giving effect to the Re-Pricing) and are issued in an Aggregate Outstanding Amount such that the Re-Priced Class will have the same Aggregate Outstanding Amount after giving effect to the Re-Pricing as it did before the Re-Pricing.

"Re-Pricing Transfer": The meaning specified in Section 9.8(d).

"Record Date": With respect to the Global Notes, the date one day prior to the applicable Payment Date and, with respect to the Certificated Notes, the last Business Day of the month preceding the applicable Payment Date.

"Redemption Date": Any Business Day specified for a redemption of Securities pursuant to Article IX.

"Redemption Price": (a) For each Class of Rated Notes to be redeemed or re-priced (x) 100% of the Aggregate Outstanding Amount of such Class, *plus* (y) accrued and unpaid interest thereon to the Redemption Date or Re-Pricing Redemption Date, as applicable, and (b) for each Preferred Interest and Reinvesting Holder Note, its proportional share (based on the Aggregate Outstanding Amount of the Preferred Interests or Reinvesting Holder Notes, as applicable) of the portion of the proceeds of the remaining Assets (after giving effect to the Optional Redemption or Tax Redemption of the Rated Notes in whole or after all of the Rated Notes have been repaid in full, payment in full of (and/or creation of a reserve for) all expenses (including all Management Fees and Administrative Expenses) of the Issuer) and payment of all other amounts senior to such Securities that is distributable to the Preferred Interests or Reinvesting Holder Notes, as applicable, in accordance with the Priority of Payments; *provided* that Holders of 100% of the Aggregate Outstanding Amount of any Class of Rated Notes may elect to receive less than 100% of the Redemption Price that would otherwise be payable to the Holders of such Class of Rated Notes in any Optional Redemption (including a Refinancing) in which all Outstanding Classes of Rated Notes will be redeemed.

"Refinancing": The meaning specified in Section 9.2(d).

"Refinancing Proceeds": The Cash proceeds from the Refinancing.

"Register" and "Registrar": The respective meanings specified in Section 2.5(a).

"Registered": In registered form for U.S. federal income tax purposes and issued after July 18, 1984, *provided* that a certificate of interest in a grantor trust shall not be treated as Registered unless each of the obligations or securities held by the trust was issued after that date.

"Regulation S": Regulation S under the Securities Act.

"Regulation S Global Note": Any Note sold to non-"U.S. persons" in an "offshore transaction" (each as defined in Regulation S) in reliance on Regulation S and issued in the form of a permanent global security as specified in Section 2.2 in definitive, fully registered form without interest coupons substantially in the form set forth in the applicable Exhibit A hereto.

"Regulation U": Regulation U (12 C.F.R. 221) issued by the Board of Governors of the Federal Reserve System.

"Reinvesting Holder": Each Person that is a Holder on the Closing Date of Preferred Interests that is a U.S. person.

"Reinvesting Holder Notes": The Reinvesting Holder Notes issued pursuant to this Indenture and having the characteristics specified in Section 2.3.

"Reinvestment Amount": With respect to the Preferred Interests held by a Reinvesting Holder, any amount that is available to be distributed on any Payment Date during the Reinvestment Period to such Reinvesting Holder in respect of its Preferred Interests pursuant to Section 11.1(a)(i)(J) or (L) but is instead deposited in the Reinvestment Amount Account on such Payment Date at the direction of such Reinvesting Holder in accordance with Section 11.1(e).

"Reinvestment Period": The period from and including the Closing Date to and including the earliest of (i) the Payment Date in July 15, 2019**,** (ii) any date on which the Maturity of any Class of Rated Notes is accelerated following an Event of Default pursuant to this Indenture and (iii) any date on which the Collateral Manager reasonably determines that it can no longer reinvest in additional Collateral Obligations in accordance with this Indenture or the Collateral Management Agreement; *provided*, in the case of this clause (iii), (A) there is no Retention Deficiency and (B) the Collateral Manager notifies the Issuer, the Trustee (who shall notify the Holders of Securities), the Collateral Administrator and Fitch thereof at least five Business Days prior to such date.

"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 Securities through the payment of Principal Proceeds or Interest Proceeds *plus* (ii) the aggregate amount of Principal Proceeds that result from the issuance of any additional securities pursuant to Sections 2.13 and 3.2 (after giving effect to such issuance of any additional securities).

"Related Obligation": An obligation issued by the Collateral Manager, any of its Affiliates that are collateralized debt obligation funds or any other Person that is a collateralized debt obligation fund whose investments are primarily managed by the Collateral Manager or any of its Affiliates.

"Required Interest Coverage Ratio": For the Class A Notes, 120.0%.

"Required Overcollateralization Ratio": For the Class A Notes, 140.0%.

"Required Redemption Amount": The meaning specified in Section 9.2(b).

"Resolution": With respect to the Issuer, (1) a resolution of the Independent Manager or the Board of Managers or (2) an authorization contained in the Limited Liability Company Agreement.

"Restricted Trading Period": The period (a) while any Class A-1 Notes are Outstanding during which either the Moody's rating or the Fitch rating of the Class A-1 Notes is one or more subcategories below its rating on the Closing Date or has been withdrawn and not reinstated or (b) while any Class A-2 Notes are Outstanding during which the Moody's rating of such Rated Notes is two or more subcategories below its rating on the Closing Date or has been withdrawn and not reinstated, *provided* that (1) such period will not be a Restricted Trading Period (so long as such Moody's rating or Fitch rating, as applicable, has not been further downgraded, withdrawn or put on watch for potential downgrade) (x) if (A) after giving effect to any sale of the relevant Collateral Obligation, the Aggregate Principal Balance of the Collateral Obligations (excluding the Collateral Obligations being sold) and Eligible Investments constituting Principal Proceeds (including, without duplication, the anticipated net proceeds of such sale) will be at least equal to the Reinvestment Target Par Balance, (B) each test specified in the definition of Collateral Quality Test is satisfied and (C) each Overcollateralization Ratio Test is satisfied or (y) upon the direction of a Majority of the Controlling Class, which direction shall remain in effect until the earlier of (A) a subsequent direction to the Issuer (with a copy to the Trustee and the Collateral Administrator) by a Majority of the Controlling Class declaring the beginning of a Restricted Trading Period or (B) a further downgrade or withdrawal of such Moody's or Fitch rating, as applicable, that, disregarding such direction, would cause the condition set forth in clauses (a) or (b) above to be true. For the avoidance of doubt, no Restricted Trading Period will restrict any sale of a Collateral Obligation entered into by the Issuer at a time when the Restricted Trading Period was not in effect, regardless of whether such sale has settled.

"Retention Amount": As of any Measurement Date, an amount equal to 5% of the Aggregate Outstanding Amount of all Collateral Obligations as of such Measurement Date.

"Retention Basis Amount": On any date of determination, an amount equal to the Aggregate Principal Balance on such date with the following adjustments: (i) Defaulted Obligations shall be included in the Aggregate Principal Balance and the Principal Balances thereof shall be deemed to be equal to their respective outstanding principal amounts, and (ii) any Equity Security owned by the Issuer shall be included in the Aggregate Principal Balance with a Principal Balance determined as follows: (a) in the case of a debt obligation or other debt security, the principal amount outstanding of such obligation or security, (b) in the case of an equity security received upon a "debt for equity swap" in relation to a restructuring or other similar event, the principal amount outstanding of the debt at the time of the exchange which was swapped for the equity security and (c) in the case of any other equity security, the nominal value thereof as determined by the Collateral Manager.

"Retention Deficiency": As of any Measurement Date, an event that will occur if the aggregate Dollar purchase price of the Retention Securities (calculated as of the date of issuance thereof) is less than the Retention Amount.

"Retention Requirements": The CRR Retention Requirements, the AIFMD Retention Requirements and the Solvency II Retention Requirements.

"Retention Securities": The Preferred Interests acquired and held on an ongoing basis by the Originator for the purpose of satisfying the Retention Requirements.

"Retention Undertaking Letter": The letter from the Originator dated as of the Closing Date and addressed to the Issuer, the Initial Purchaser and the Trustee pursuant to which the Originator will make certain undertakings and agreements in respect of the Retention Requirements.

"Revolver Funding Account": The account established pursuant to 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 and letter of credit facilities, unfunded commitments under specific facilities and other similar loans and investments) 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.

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

"Rule 144A Global Note": Any Note sold in reliance on Rule 144A and issued in the form of a permanent global security as specified in Section 2.2(d) in definitive, fully registered form without interest coupons substantially in the form set forth in the applicable Exhibit A hereto.

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

"Rule 17g-5": Rule 17g-5 under the Exchange Act.

"S&P": Standard & Poor's Ratings Services, a Standard & Poor's Financial Services LLC business, and any successor or successors thereto.

"S&P Rating": With respect to any Collateral Obligation, as of any date of determination, the rating determined in accordance with the following methodology:

(a) with respect to a Collateral Obligation that is not a DIP Collateral Obligation, (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 approved by S&P for use in connection with this transaction, then the S&P Rating will 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) or (ii) if there is no issuer credit rating of the issuer by S&P but (A) if there is a senior unsecured rating on any obligation or security of the issuer, the S&P Rating of such Collateral Obligation will equal such rating; (B) if there is a senior secured rating on any obligation or security of the issuer, then the S&P Rating of such Collateral Obligation will be one subcategory below such rating; and (C) if there is a subordinated rating on any obligation or security of the issuer, then the S&P Rating of such Collateral Obligation will be one subcategory above such rating if such rating is higher than "BB+," and will be two subcategories above such rating if such rating is "BB+" or lower;

(b) with respect to any Collateral Obligation that is a DIP Collateral Obligation, the S&P Rating thereof shall be the credit rating assigned to such issue by S&P; or

(c) if there is not a rating by S&P of the issuer or on an obligation of the issuer, then the S&P Rating will be the S&P equivalent of the Moody's Default Probability Rating of such obligation or issuer.

"Sale": The meaning specified in Section 5.17(a).

"Sale Agreement": The sale agreement dated the Closing Date between the Issuer and the Originator, as may be amended from time to time.

"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 Article XII (or Section 4.4 or Article V, as applicable) less any reasonable expenses incurred by the Collateral Manager, the Collateral Administrator or the Trustee (other than amounts payable as Administrative Expenses) in connection with such sales or other dispositions.

"Scheduled Distribution": With respect to any Asset, for each Due Date, the scheduled payment of principal and/or interest due on such Due Date with respect to such Asset, determined in accordance with the assumptions specified in Section 1.2.

"Second Lien Loan": Any assignment of or Participation Interest in a Loan that is a First Lien Last Out Loan or 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 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; (b) is secured by a valid second-priority perfected security interest or lien in, to or on specified collateral 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 and (c) is not secured solely or primarily by common stock or other equity interests; *provided* that the limitation set forth in this clause (c) shall not apply with respect to a Loan made to a parent entity that is secured solely or primarily by the stock of one or more of the subsidiaries of such parent entity to the extent that the granting by any such subsidiary of a lien on its own property would violate law or regulations applicable to such subsidiary (whether the obligation secured is such Loan or any other similar type of indebtedness owing to third parties).

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

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

"Securities": The Rated Notes, the Reinvesting Holder Notes and the Preferred Interests, collectively.

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

"Securities Intermediary": As defined in Section 8-102(a)(14) of the UCC.

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

"Selling Institution Collateral": The meaning specified in Section 10.4.

"Senior Secured Bond": Any obligation that: (a) constitutes borrowed money, (b) is in the form of, or represented by, a bond, note, certificated debt security or other debt security (other than any of the foregoing that evidences a Loan, a Senior Secured Floating Rate Note or a Participation Interest), (c) is not secured solely by common stock or other equity interests, (d) if it is subordinated by its terms, is subordinated only to indebtedness for borrowed money, trade claims, capitalized leases or other similar obligations and (e) is secured by a valid first priority perfected security interest or lien in, to or on specified collateral securing the obligor's obligations under such obligation.

"Senior Secured Floating Rate Note": Any obligation that: (a) constitutes borrowed money, (b) is in the form of, or represented by, a bond, note (other than any note evidencing a Loan), certificated debt security or other debt security, (c) is expressly stated to bear interest based upon a London interbank offered rate for Dollar deposits in Europe or a relevant reference bank's published base rate or prime rate for Dollar-denominated obligations in the United States or the United Kingdom, (d) does not constitute, and is not secured by, Margin Stock, (e) if it is subordinated by its terms, is subordinated only to indebtedness for borrowed money, trade claims, capitalized leases or other similar obligations and (f) is secured by a valid first priority perfected security interest or lien in, to or on specified collateral securing the obligor's obligations under such obligation.

"Senior Secured Loan": Any assignment of, or Participation Interest in, a Loan (other than a First Lien Last Out 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 a Senior Working Capital Facility, if any, or 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, which security interest or lien is subject to customary liens and liens securing a Senior Working Capital Facility, if any; (c) the value of the collateral securing the Loan 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 and (d) is not secured solely or primarily by common stock or other equity interests; *provided* that the limitation set forth in this clause (d) shall not apply with respect to a Loan made to an obligor that is secured solely or primarily by the stock of, or other equity interests in, such obligor or one or more of its subsidiaries to the extent that either (1) in the Collateral Manager's judgment, the applicable Underlying Instruments of such Loan limit the activities of such obligor or such subsidiary, as applicable, in such a manner so as to provide a reasonable expectation that (x) cash

flows from such obligor or from such subsidiary and such obligor, as applicable, are sufficient to provide debt service on such Loan and (y) assets of such obligor or of such subsidiary and such obligor, as applicable, would be available to repay principal of and interest on such Loan in the event of the enforcement of such Underlying Instruments or (2) the granting by such obligor or any such subsidiary of a lien on its own property (whether to secure such Loan or to secure any other similar type of indebtedness owing to third parties) would violate laws or regulations applicable to such obligor or to such subsidiary.

"Senior Unsecured Bond": Any unsecured obligation that: (a) constitutes borrowed money, (b) is in the form of, or represented by, a bond, note, certificated debt security or other debt security (other than any of the foregoing that evidences a Loan or Participation Interest) and (c) if it is subordinated by its terms, is subordinated only to indebtedness for borrowed money, trade claims, capitalized leases or other similar obligations.

"Senior Working Capital Facility": With respect to a Loan, a working capital facility incurred by the obligor of such Loan; *provided* that the outstanding principal balance and unfunded commitments of such working capital facility do not exceed 20% of the sum of (x) the outstanding principal balance and unfunded commitments of such working capital facility, plus (y) the outstanding 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.

"Similar Laws": Local, state, federal or non-U.S. laws that are substantially similar to the fiduciary responsibility provisions of ERISA and Section 4975 of the Code.

"Sole Equity Owner": A person who is treated for U.S. federal income tax purposes as the sole owner of the Preferred Interests, the Reinvesting Holder Notes and the other securities that are treated as equity of the Issuer for U.S. federal income tax purposes.

"Solvency II Retention Requirements": The risk retention requirements and due diligence requirements set out in Article 254 of Commission Delegated Regulation (EU) 2015/35 as amended from time to time.

"Special Petition Expenses": Petition Expenses in an amount up to U.S.$250,000 in the aggregate (such limit to be in effect throughout the transaction and until the dissolution of the Issuer).

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

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

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

"Stated Maturity": With respect to the Notes of any Class, the date specified as such in Section 2.3, or, if such date is not a Business Day, the next succeeding Business Day.

"Step-Down Obligation": An obligation or security which by the terms of the related Underlying Instruments 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.

"Step-Up Obligation": An obligation or security which by the terms of the related Underlying Instruments provides for an increase in the per annum interest rate on such obligation or security, 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-Up Obligation.

"Structured Finance Obligation": Any obligation secured directly by, referenced to, or representing ownership of, a pool of receivables or other financial assets of any obligor, including collateralized debt obligations, mortgage-backed securities and other similar investments generally considered to be repackaged securities (including, without limitation, repackagings of a single financial asset).

"Subordinated Management Fee": The fee payable to the Collateral Manager in arrears on each Payment Date, pursuant to Section 8 of the Collateral Management Agreement and the Priority of Payments, in an amount equal to the product of (i) 0.35% per annum (calculated on the basis of a 360-day year and the actual number of days elapsed during the related Interest Accrual Period) of the Fee Basis Amount measured as of the first day of the Collection Period relating to each Payment Date and (ii) if CGMSIM (or an Affiliate thereof) is not the Collateral Manager, 1.0 otherwise (x) the Aggregate Outstanding Amount of Preferred Interests not held by the Carlyle Holders divided by (y) the Aggregate Outstanding Amount of the Preferred Interests.

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

"Supermajority": With respect to any Class of Securities, the Holders of at least 66 2/3% of the Aggregate Outstanding Amount of the Securities of such Class.

"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.$400,000,000.

"Target Initial Par Condition": A condition satisfied as of the Effective Date if the Aggregate Principal Balance of Collateral Obligations that are held by the Issuer and that the Issuer has committed to purchase on such date, together with the amount of any proceeds of prepayments, maturities or redemptions of Collateral Obligations purchased by the Issuer prior to such date (other than any such proceeds that have been reinvested or are designated for reinvestment in Collateral Obligations held by the Issuer or that the Issuer has committed to purchase on the Effective Date), will equal or exceed the Target Initial Par Amount; *provided* that for purposes of this definition, any Collateral Obligation that becomes a Defaulted Obligation prior to the Effective Date and any Closing Date Originator Participation Interest shall be treated as having a Principal Balance equal to its Moody's 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 Advances": The meaning specified in Section 7.17(g).

"Tax Advice": Written advice from tax counsel of nationally recognized standing in the United States experienced in transactions of the type being addressed that (i) is based on knowledge by the person giving the advice of all relevant facts and circumstances of the Issuer and transaction (which are described in the advice or in a written description referred to in the advice which may be provided by the Issuer or Collateral Manager) and (ii) is intended by the person rendering the advice to be relied upon by the Issuer in determining whether to take a given action.

"Tax Event": An event that occurs if (i) any Obligor under any Collateral Obligation is 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 (other than withholding tax on (1) amendment, waiver, consent and extension fees and (2) commitment fees and other similar fees in respect of Revolving Collateral Obligations and Delayed Drawdown Collateral Obligations) 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 or (ii) any jurisdiction imposes net income, profits or similar Tax on the Issuer.

"Tax Jurisdiction": The Bahamas, Bermuda, the British Virgin Islands, the Cayman Islands, the Channel Islands, Curaçao or St. Maarten.

"Tax Matters Partner": The meaning specified in Section 7.17(v).

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

"Temporary Global Note": Any Note sold in an "offshore transaction" to non-"U.S. persons" (each as defined in Regulation S) in reliance on Regulation S and issued in the form of a Temporary Global Note as specified in Section 2.2(c) in definitive, fully registered form without interest coupons substantially set forth in the applicable Exhibit A hereto.

"Trading Gains": In respect of any Collateral Obligation that is repaid, prepaid, redeemed or sold, any excess of (a) the Principal Proceeds received in respect thereof over (b) the greater of (1) the Principal Balance thereof (where for such purpose "Principal Balance" shall be determined as set out in the definition of Retention Basis Amount) and (2) an amount equal to the purchase price thereof (expressed as a percentage of par) multiplied by the Principal Balance (where for such purpose "Principal Balance" shall be determined as set out in the definition of Retention Basis Amount), in each case net of (i) any expenses incurred in connection with any repayment, prepayment, redemption or sale thereof, and (ii) in the case of a sale of such Collateral Obligation, any interest accrued but not paid thereon that has not been capitalized as principal and included in the sale price thereof.

"Trading Plan": The meaning specified in Section 1.2(j).

"Trading Plan Period": The meaning specified in Section 1.2(j).

"Transaction Documents": This Indenture, the Collateral Management Agreement, the Retention Undertaking Letter, the Collateral Administration Agreement, the Fiscal Agency Agreement and the Account Agreement.

"Transaction Party": Each of the Issuer, the Initial Purchaser, the Collateral Administrator, the Fiscal Agent, the Trustee and the Collateral Manager.

"Transfer": The meaning specified in Section 2.5(j).

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

"Transfer Certificate": A duly executed certificate substantially in the form of the applicable Exhibit B.

"Treasury Regulations": The regulations promulgated under the Code.

"Trust Officer": When used with respect to the Trustee, any Officer within the Corporate Trust Office (or any successor group of the Trustee) including any Officer 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.

"Trustee": As defined in the first sentence of this Indenture.

"Trustee's Website": The Trustee's internet website, which shall initially be located at www.my.statestreet.com, or such other address as the Trustee may provide to the Issuer, the Collateral Manager and the Rating Agencies.

"UCC": The Uniform Commercial Code, as in effect from time to time in the State of New York.

"Uncertificated Security": The meaning specified in Article 8 of the UCC.

"Underlying Instrument": The indenture or other agreement pursuant to which an Asset has been issued or created 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).

"U.S. Person" and "U.S. person": The meanings specified in Section 7701(a)(30) of the Code or in Regulation S, as the context requires.

"U.S. Risk Retention Requirements": The credit risk retention requirements under Section 15G of the Exchange Act and the applicable rules and regulations.

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

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

(a) the amount equal to the Aggregate Coupon in respect of any Fixed Rate Obligation; by

(b) an amount equal to the Aggregate Principal Balance (including for this purpose any capitalized interest) of all Fixed Rate Obligations as of such Measurement Date.

"Weighted Average Fitch 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.

"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 (i) the Aggregate Funded Spread *plus* (ii) the Aggregate Unfunded Spread *plus* (iii) the Aggregate Excess Funded Spread, by (b) an amount equal to the lesser of (i) the Reinvestment Target Par Balance and (ii) an amount equal to the Aggregate Principal Balance (including for this purpose any capitalized interest) 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

(I) summing the products obtained by *multiplying*:

(a) the Average Life at such time of each such Collateral Obligation, by

(b) the outstanding Principal Balance of such Collateral Obligation,

and

(II) *dividing* such sum by: the Aggregate Principal Balance remaining at such time of all Collateral Obligations other than Defaulted 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 all Collateral Obligations as of such date is less than the number of years (rounded to the nearest one hundredth thereof) during the period from such date of determination to June 26, 2023.

"Weighted Average Moody's 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 Moody's Rating Factor of such Collateral Obligation (as described below) and

(b) dividing such sum by the outstanding Principal Balance of all such Collateral Obligations.

For purposes of the foregoing, the Moody's Rating Factor relating to any Collateral Obligation is the number set forth in the table below opposite the Moody's Default Probability Rating of such Collateral Obligation.

Moody's Default Probability Rating	Moody's Rating Factor	Moody's Default Probability Rating	Moody's Rating Factor
Aaa	1	Ba1	940
Aa1	10	Ba2	1,350
Aa2	20	Ba3	1,766
Aa3	40	B1	2,220
A1	70	B2	2,720
A2	120	B3	3,490
A3	180	Caa1	4,770
Baa1	260	Caa2	6,500
Baa2	360	Caa3	8,070
Baa3	610	Ca or lower	10,000

For purposes of the Maximum Moody's Rating Factor Test, any (i) Collateral Obligation issued or guaranteed by the United States government or any agency or instrumentality thereof is assigned a Moody's Default Probability Rating equal to the long-term issuer rating of the United States (ii) for purposes of determining a Moody's Default Probability Rating in connection with the Maximum Moody's Rating Factor Test, each applicable rating on credit watch by Moody's that is on (a) positive watch will be treated as having been upgraded by one rating subcategory, (b) negative watch will be treated as having been downgraded by two rating subcategories and (c) negative outlook will be treated as having been downgraded by one rating subcategory.

"Weighted Average Moody's Recovery Rate": As of any date of determination, the number, expressed as a percentage, obtained by summing the product of the Moody's Recovery Rate on such Measurement Date of each Collateral Obligation and the Principal Balance of such Collateral Obligation, dividing such sum by the Aggregate Principal Balance of all such Collateral Obligations and rounding up to the first decimal place.

"Zero Coupon Bond": Any debt security that by its terms (a) does not bear interest for all or part of the remaining period that it is outstanding, (b) provides for periodic payments of interest in Cash less frequently than semi-annually or (c) pays interest only at its stated maturity.

Section 1.2. Assumptions

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 1.2 shall be applied. The provisions of this Section 1.2 shall be applicable to any determination or calculation that is covered by this Section 1.2, whether or not reference is specifically made to Section 1.2, 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 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 and the Interest Diversion Test, except as otherwise specified in the Coverage Tests, such calculations will not include scheduled interest and principal payments on Defaulted Obligations, unless such payments have actually been received in cash.

(c) In determining any amount of principal payments required to satisfy any Coverage Test after the Reinvestment Period, for purposes of the Priority of Interest Proceeds, the Aggregate Outstanding Amount of the Rated Notes shall give effect, first, to the application of Principal Proceeds to be used on the applicable Payment Date to repay principal of the Rated Notes and, second, to the application of Interest Proceeds on such Payment Date pursuant to all prior clauses in the Priority of Interest Proceeds. In determining any amount of principal payments required to satisfy any Overcollateralization Test after the Reinvestment Period, for purposes of the Priority of Principal Proceeds and the Priority of Interest Proceeds, the Adjusted Collateral Principal Amount shall (i) give effect to the application of Principal Proceeds to be used on the applicable Payment Date to repay principal of the Rated Notes in order to satisfy such test and (ii) exclude any Trading Gains to be included as Interest Proceeds pursuant to clause (vii) of the definition thereof.

(d) For each Collection Period and as of any date of determination, the Scheduled Distribution on any Asset (other than a Defaulted Obligation, which, except as otherwise provided herein, shall be assumed to have a Scheduled Distribution of zero) 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 a previous Payment Date.

(e) 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 on the Securities or other amounts payable pursuant to this Indenture. 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 Rated Notes and Floating Rate Obligations will be calculated using the then current interest rates applicable thereto.

(f) References in Priority of Payments 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.

(g) 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 zero.

(h) 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 clause (x) of the proviso to the definition of Defaulted Obligation, then the Current Pay Obligations with the lowest Market Value (assuming that such Market Value is 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.

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

(j) 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 a specified period of no longer than 10 Business Days (which period does not extend over a Determination Date) following the date of determination of such compliance (such period, the "Trading Plan Period"); *provided* that (t) the Collateral Manager, on behalf of the Issuer, notifies the Trustee and the Rating Agencies promptly upon the commencement of a Trading Plan, (u) no Trading Plan may result in the purchase of Collateral Obligations that mature less than six months after the acquisition thereof, (v) each of the Collateral Obligations purchased pursuant to such Trading Plan must mature within three years of each other Collateral Obligation therein, (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 that is, or will be in effect after, the end of the Reinvestment Period, (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 not satisfied with respect to any such identified reinvestment, notice will be provided to the Trustee and each Rating Agency. In the event of a failure of any Trading Plan, the Issuer may not enter into an additional Trading Plan without receiving Rating Agency Confirmation from Moody's (until a Trading Plan for which such Rating Agency Confirmation was obtained is successfully completed); *provided* that, if three or more Trading Plans fail, the Issuer shall be prohibited from entering into any additional Trading Plans.

(k) For purposes of calculating compliance with the Collateral Quality Test (other than the Weighted Average Life Test, the Minimum Fitch Floating Spread Test and the Minimum Moody's Floating Spread Test) and other Investment Criteria, upon the direction of the Collateral Manager by notice to the Trustee and the Collateral Administrator, any Eligible Investment representing Principal Proceeds received upon the sale or other disposition of or principal payment on a Collateral Obligation may be deemed to have the characteristics of such Collateral Obligation 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 sale or other disposition of such Defaulted Obligation or Credit Risk Obligation.

(l) For purposes of calculating the Sale Proceeds of a Collateral Obligation in sale transactions, sale proceeds will include any Principal Financed Accrued Interest received in respect of such sale.

(m) For purposes of calculating clause (i) of the Concentration Limitations, the amounts on deposit in the Collection Account, the Reinvestment Amount Account and the Ramp-Up Account (including Eligible Investments therein) representing Principal Proceeds shall each be deemed to be a Floating Rate Obligation that is a Senior Secured Loan.

(n) 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.

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

(p) If withholding tax is imposed on (x) any amendment, waiver, consent or extension fees or (y) commitment fees or other similar fees in respect of Revolving Collateral Obligations and Delayed Drawdown Collateral Obligations, the calculations of the Weighted Average Floating Spread, the Weighted Average Coupon and the Interest Coverage Test (and all component calculations of such calculations and tests, including when such a component calculation is calculated independently), as applicable, shall be made on a net basis after taking into account such withholding, unless the 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 Instrument with respect thereto.

(q) Any reference in this Indenture to an amount of the Trustee'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 a 360-day year and the actual number of days elapsed during the related Interest Accrual Period and shall be based on the Fee Basis Amount.

(r) To the extent there is, in the reasonable determination of the Collateral Administrator or the Trustee, any ambiguity in the interpretation of any definition or term contained in this Indenture or to the extent the Collateral Administrator or the Trustee reasonably determines that more than one methodology can be used to make any of the determinations or calculations set forth herein, the Collateral Administrator and/or the Trustee, as the case may be, shall be entitled to request direction from the Collateral Manager as to the interpretation and/or methodology to be used, and the Collateral Administrator and the Trustee, as applicable, shall be entitled to follow such direction and conclusively rely thereon without any responsibility or liability therefor.

(s) For purposes of calculating compliance with any tests under this Indenture (including the Target Initial Par Condition (but subject to the definition thereof), Collateral Quality Test and the Concentration Limitations) in the Monthly Reports and Payment Date Reports, the settlement date with respect to any acquisition or disposition of a Collateral Obligation or Eligible Investment will be used to determine whether and when such acquisition or disposition has occurred.

(t) For purposes of determining whether the purchase of a Collateral Obligation is permitted, the calculation as to whether any Concentration Limitation or the Collateral Quality Test (or any of its component tests) is satisfied will be made on a pro forma basis 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 the settlement of such purchase and all other sales (or other dispositions) or purchases to which the Issuer has previously or simultaneously been committed.

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 Authorized Officers of the Issuer executing such Notes as evidenced by their execution of such Notes. Any portion of the text of any such Note may be set forth on the reverse thereof, with an appropriate reference thereto on the face of such Note.

Global Notes and Certificated Notes may have the same identifying numbers (*e.g.,* CUSIP). As an administrative convenience or in connection with a Re-Pricing of Notes, the Issuer or its agent may obtain a separate CUSIP or separate CUSIPs (or similar identifying numbers) for all or a portion of any Class.

Section 2.2. Forms of Notes

(a) The forms of the Notes will be as set forth in the applicable Exhibit A hereto.

(b) Notes of each Class will be duly executed by the Issuer and authenticated by the Trustee or the Authenticating Agent as hereinafter provided.

(c) Rated Notes offered to non-"U.S. persons" (as defined in Regulation S) in offshore transactions in reliance on Regulation S will be issued as Temporary Global Notes. Temporary Global Notes will be deposited on behalf of the subscribers for such Notes represented thereby with the Trustee as custodian for DTC and registered in the name of a nominee of DTC for the respective accounts of Euroclear and Clearstream; *provided* that such Notes may be issued in the form of Certificated Notes upon request of such person. On or after the 40th day after the later of the Closing Date and the commencement of the offering of the Notes (the "Restricted Period"), interests in a Temporary Global Note of any Class will be exchangeable for interests in a Regulation S Global Note of the same Class upon certification that the beneficial interests in such Temporary Global Note are owned by Persons who are not "U.S. persons" (as defined in Regulation S) and that are Qualified Institutional Buyers and are also Qualified Purchasers. Upon the exchange of a Temporary Global Note for a Regulation S Global Note, the Regulation S Global Note will be deposited with the Trustee as custodian for

DTC and registered in the name of a nominee of DTC for the account of Euroclear and Clearstream. A beneficial interest in a Temporary Global Note will not be transferable to a person that takes delivery in the form of an interest in a Rule 144A Global Note or Certificated Note during the Restricted Period.

(d) Except as provided in Section 2.2(e) below, Notes sold to persons that are QIB/QPs in reliance on Rule 144A will be issued as Rule 144A Global Notes and will be deposited on behalf of the subscribers for such Notes represented thereby with the Trustee as custodian for DTC and registered in the name of a nominee of DTC; *provided* that such Notes may be issued in the form of Certificated Notes upon request of such person.

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

(i) The aggregate principal amount of 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.

(ii) 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.

(iii) 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 Issuer, the Trustee and any agent of the Issuer or the Trustee as the absolute owner of such Note for all purposes whatsoever. Notwithstanding the foregoing, nothing herein shall prevent the Issuer, the Trustee or any agent of the Issuer 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 Note.

Section 2.3. Authorized Amount; Stated Maturity; Denominations

(a) The aggregate principal amount of Notes, that may be authenticated and delivered under this Indenture is limited to U.S.$273,000,000 aggregate principal amount of Notes (except for (i) Notes authenticated and delivered upon registration of transfer of, or in exchange for, or in lieu of, or refinancing of, other Notes pursuant to Section 2.5, Section 2.6, Section 8.5 or Section 9.2, (ii) additional notes issued in accordance with Sections 2.12 and 3.2 or (iii) Re-Pricing Replacement Notes). The Issuer will also issue Preferred Interests with an aggregate notional amount of U.S.$125,900,000.

(b) The Notes shall be divided into the Classes, having the designations, original principal amounts and other characteristics as follows:

Notes

Designation	Class A-1A Notes	Class A-1B Notes	Class A-1C Notes	Class A-2) Notes
Type	Senior Secured Floating Rate	Senior Secured Floating Rate	Senior Secured Fixed Rate	Senior Secured Floating Rate
Initial Principal Amount (U.S.$)	$160,000,000	$40,000,000	$27,000,000	$46,000,000
Expected Moody's Initial Rating	"Aaa(sf)"	"Aaa(sf)"	"Aaa(sf)"	"Aa2(sf)"
Expected Fitch Initial Rating	"AAAsf"	"AAAsf"	"AAAsf"	N/A
Index Maturity	3 month	3 month	N/A	3 month
Interest Rate(1)	LIBOR + 1.85%	(2)	3.75%	LIBOR + 2.70%
Interest Deferrable	No	No	No	No
Stated Maturity (Payment Date)	July 15, 2027	July 15, 2027	July 15, 2027	July 15, 2027
Minimum Denominations (U.S.$) (Integral Multiples)	$1,000,000($1)	$1,000,000($1)	$1,000,000($1)	$1,000,000($1)
Priority Class(es)(3)	None	None	None	A-1
***Pari Passu* Class(es)**	A-1B, A-1C	A-1A, A-1C	A-1A, A-1B	None
Junior Class(es)(4)	A-2, Reinvesting Holder, Preferred Interests	A-2, Reinvesting Holder, Preferred Interests	A-2, Reinvesting Holder, Preferred Interests	Reinvesting Holder, Preferred Interests
Listed Notes	Yes	Yes	Yes	Yes

1 Amounts payable to the Fiscal Agent in respect of the Preferred Interests on each Payment Date will consist solely of Excess Interest payable in respect of the Preferred Interests, if any, on such Payment Date as determined on the related Determination Date and payable in accordance with the Priority of Payments and the Fiscal Agency Agreement. The interest rate applicable with respect to any Class of Rated Notes other than the Class A-1 Notes may be reduced in connection with a Re-Pricing of such Class of Rated Notes, subject to the conditions set forth in Section 9.8.

2 The Interest Rate for the Class A-1B Notes will be LIBOR + 1.75% through the Interest Accrual Period that ends on the Payment Date in July, 2017 and will be LIBOR + 2.05% thereafter.

3 The Reinvesting Holder Notes shall be a Class of Notes and (i) each Reinvesting Holder Note shall have an initial principal amount and a Minimum Denomination of zero, (ii) such Notes will not be rated, (iii) such Notes will not bear interest, (iv) such Notes will have the same Stated Maturity as the Rated Notes, (v) such Class will be a Priority Class in respect of the Preferred Interests, and the Preferred Interests will be a Junior Class of Securities in respect of the Reinvesting Holder Notes and (vi) will not be listed.

4 The Preferred Interests will not have a principal balance but will be issued with a notional amount.

Section 2.4. Execution, Authentication, Delivery and Dating

The Notes shall be executed on behalf of the Issuer by one of its Authorized Officers. The signature of such Authorized Officer on the Notes may be manual or facsimile.

Notes bearing the manual or facsimile signatures of individuals who were at any time the Authorized Officers of the Issuer shall bind the Issuer, 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.

At any time and from time to time after the execution and delivery of this Indenture, the Issuer may deliver Notes executed by the Issuer 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, 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 in this Indenture and not otherwise.

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 and delivered after the Closing Date for any other purpose under this Indenture shall be dated the date of their authentication.

Notes issued upon transfer, exchange or replacement of other Notes shall be issued in authorized denominations reflecting the original Aggregate Outstanding Amount of the Notes so transferred, exchanged or replaced, but shall represent only the Aggregate Outstanding Amount of the Notes so transferred, exchanged or replaced. In the event that 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.

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 Officers, and such certificate 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) The Issuer shall cause the Notes to be registered and shall cause to be kept a register (the "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 "Registrar") for the purpose of maintaining the Register and registering Notes and transfers of such Notes in the Register. Upon any resignation or removal of the Registrar, the Issuer shall promptly appoint a successor or, in the absence of such appointment or until such appointment is effective, assume the duties of Registrar.

If a Person other than the Trustee is appointed by the Issuer as Registrar, the Issuer will give the Trustee prompt written notice (with a copy to the Collateral Manager) of the appointment of a Registrar and of the location, and any change in the location, of the Register, and the Trustee shall have the right to inspect the 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 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 Registrar shall provide to the Issuer, the Collateral Manager, the Initial Purchaser or any Holder a current list of Holders as reflected in the Register.

Subject to this Section 2.5, upon surrender for registration of transfer of any Note at the office or agency of the Issuer to be maintained as provided in Section 7.2, the Issuer shall execute, and the Trustee shall authenticate and deliver, in the name of the designated transferee or transferees, one or more new Notes of any authorized Minimum Denomination and of a like aggregate principal or face amount.

At the option of the Holder, Notes may be exchanged for Notes of like terms, in any authorized Minimum 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 shall execute, and the Trustee shall authenticate and deliver, the Notes that the Holder making the exchange is entitled to receive.

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

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 form satisfactory to the 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 Registrar, which requirements include membership or participation in Securities Transfer Agents Medallion Program ("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 Exchange Act.

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

(b) (i) 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 or the pool of collateral to become subject to the requirement that it register as an investment company under the Investment Company Act.

(ii) No Note may be offered, sold or delivered or transferred (including, without limitation, by pledge or hypothecation) except (i) to (A) a QIB/QP or (B) in the case of Reinvesting Holder Notes, an Accredited Investor that is also a Qualified Purchaser or Knowledgeable Employee and (ii) in accordance with any applicable law.

(iii) No Note may be offered, sold or delivered (i) as part of the distribution by the Initial Purchaser at any time or (ii) otherwise until 40 days after the Closing Date within the United States to, or for the benefit of, "U.S. persons" (as defined in Regulation S) except in accordance with Rule 144A or an exemption from the registration requirements of the Securities Act, to Persons purchasing for their own account or for the accounts of one or more Qualified Institutional Buyers for which the purchaser is acting as a fiduciary or agent. The Notes may be sold or resold, as the case may be, in offshore transactions in Reliance on Regulation S to non--"U.S. persons" (as defined in Regulation S) that are Qualified Institutional Buyers and also Qualified Purchasers. No Global Note may at any time be held by or on behalf of any Person that is not a QIB/QP, and no Temporary Global Note or Regulation S Global Note may be held at any time by or on behalf of any U.S. person. None of the Issuer, the Trustee or any other Person may register the Notes under the Securities Act or any state securities laws or the applicable laws of any other jurisdiction.

(c) (i) No transfer of an interest in a Reinvesting Holder Note to a proposed transferee that has represented that it is a Benefit Plan Investor will be effective, and the Trustee, the Registrar, and the Issuer will not recognize any such transfer, assuming, for this purpose, that all of the representations made (or, in the case of Rule 144A Global Notes, deemed to be made) by Holders of such Notes are true.

(i) No transfer of a beneficial interest in a Note will be effective, and the Trustee and the Issuer will not recognize any such transfer, if the transferee's acquisition, holding and disposition of such interest would constitute or result in a prohibited transaction under Section 406 of ERISA or Section 4975 of the Code (or in a violation of any Similar Laws or other applicable law), unless an exemption is available and all conditions have been satisfied.

(d) Notwithstanding anything contained herein to the contrary, the Trustee will not 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 or the Investment Company Act; provided that if a Transfer Certificate is specifically required by the terms of this Section 2.5 to be provided to the Trustee, 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 if such certificate does not comply with such terms. Notwithstanding the foregoing, the Registrar, relying solely on representations made or deemed to have been made by Holders of Reinvesting Holder Notes, shall not recognize any transfer of Reinvesting Holder Notes if such transfer would result in Reinvesting Holder Notes being held by Benefit Plan Investors.

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

(i) Rule 144A Global Note to Regulation S Global Note. If a holder of a beneficial interest in a Rule 144A Global Note wishes at any time to exchange its interest in such Rule 144A Global Note for an interest in the corresponding Regulation S Global Note, or to transfer its interest in such Rule 144A Global Note to a Person

who wishes to take delivery thereof in the form of an interest in the corresponding Regulation S Global Note, such holder (*provided* that such holder or, in the case of a transfer, the transferee is not a U.S. person, has completed a Transfer Certificate in which it represents that it is a QIB/QP, and is acquiring such interest in an offshore transaction) may, subject to the immediately succeeding sentence and the rules and procedures of DTC, exchange or transfer, or cause the exchange or transfer of, such interest for an equivalent beneficial interest in the corresponding Regulation S Global Note. Upon receipt by the Registrar of (A) instructions given in accordance with DTC's procedures from an Agent Member directing the Registrar to credit or cause to be credited a beneficial interest in the corresponding Regulation S Global Note, but not less than the Minimum Denomination applicable to such holder's Notes, in an amount equal to the beneficial interest in the Rule 144A Global Note to be exchanged or transferred, (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 and (C) a Transfer Certificate, then the Registrar shall approve the instructions at DTC to reduce the principal amount of the Rule 144A Global Note and to increase the principal amount of the 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 Person specified in such instructions a beneficial interest in the corresponding Regulation S Global Note equal to the reduction in the principal amount of the Rule 144A Global Note.

(ii) Regulation S Global Note to Rule 144A Global Note. If a holder of a beneficial interest in a Regulation S Global Note deposited with DTC wishes at any time to exchange its interest in such Regulation S Global Note for an interest in the corresponding Rule 144A Global Note or to transfer its interest in such Regulation S Global Note to a Person who wishes to take delivery thereof in the form of an interest in the corresponding Rule 144A Global Note, such holder may, subject to the immediately succeeding sentence and the rules and procedures of Euroclear, Clearstream and/or DTC, as the case may be, exchange or transfer, or cause the exchange or transfer of, such interest for an equivalent beneficial interest in the corresponding Rule 144A Global Note. Upon receipt by the Registrar of (A) instructions from Euroclear, Clearstream and/or DTC, as the case may be, directing the Registrar to cause to be credited a beneficial interest in the corresponding Rule 144A Global Note in an amount equal to the beneficial interest in such Regulation S Global Note, but not less than the Minimum Denomination applicable to such holder's Notes to be exchanged or transferred, such instructions to contain information regarding the participant account with DTC to be credited with such increase and (B) a Transfer Certificate, then the Registrar will approve the instructions at DTC to reduce, or cause to be reduced, such Regulation S Global Note by the aggregate principal amount of the beneficial interest in such Regulation S Global Note to be transferred or exchanged and the Registrar shall instruct DTC, concurrently with such reduction, to credit or cause to be credited to the securities account of the Person 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.

(f) Transfer of Certificated Notes. Transfers of Certificated Notes will only be made in accordance with this Section 2.5(f).

(i) Transfer and Exchange of Certificated Notes to Certificated Notes. If a holder of a Certificated Note wishes at any time to exchange its interest in such Certificated Note for a Certificated Note or to transfer such Certificated Note to a Person who wishes to take delivery in the form of a Certificated Note, such holder may exchange or transfer its interest upon delivery of the documents set forth in the following sentence. Upon receipt by the Registrar of (A) a Holder's Certificated Note properly endorsed for assignment to the transferee, and (B) a Transfer Certificate, the Registrar shall cancel such Certificated Note in accordance with Section 2.9, record the transfer in the Register in accordance with Section 2.5(a) and upon execution by the Issuer and authentication and delivery by the Trustee, deliver one or more Certificated Notes bearing the same designation as the Certificated Notes 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), and in authorized denominations.

(ii) Transfer of Regulation S Global Notes to Certificated Notes. If a holder of a beneficial interest in a Regulation S Global Note deposited with DTC wishes at any time to exchange its interest in such Regulation S Global Note for a Certificated Note, or to transfer its interest in such Regulation S Global Note to a Person who wishes to take delivery thereof in the form of a Certificated Note, such holder may, subject to the immediately succeeding sentence and the rules and procedures of Euroclear, Clearstream and/or DTC, as the case may be, exchange or transfer, or cause the exchange or transfer of, such interest for a Certificated Note. Upon receipt by the Registrar of (A) Transfer Certificates and (B) appropriate instructions from DTC, if required, the Registrar will (1) approve the instructions at DTC to reduce, or cause to be reduced, the Regulation S Global Note by the aggregate principal amount of the beneficial interest in the Regulation S Global Note to be transferred or exchanged, (2) record the transfer in the Register in accordance with Section 2.5(a) and (3) upon execution by the Issuer and authentication and delivery by the Trustee, deliver one or more 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 the Regulation S Global Note transferred by the transferor), and in authorized Minimum Denominations.

(iii) Transfer of Certificated Notes to Regulation S Global Notes. If a Holder of a Certificated Note wishes at any time to exchange its interest in such Note for a beneficial interest in a Regulation S Global Note or to transfer such Note to a Person who wishes to take delivery thereof in the form of a beneficial interest in a Regulation S Global Note, such Holder may, subject to the immediately succeeding sentence and the rules and procedures of Euroclear, Clearstream and/or DTC, as the case may be, exchange or transfer, or cause the exchange or transfer of, such Note for a beneficial interest in a Regulation S Global Note of the same Class. Upon receipt by the Registrar of (A) in the case of the Holder of a Certificated Note, such Holder's Certificated Note properly endorsed for assignment to the transferee, (B) a Transfer Certificate, (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 Regulation S Global Notes of the same Class in an amount equal to the Certificated Notes to be transferred or exchanged, and (D) a written order given in accordance with DTC's procedures containing information regarding the participant's account at DTC and/or Euroclear or Clearstream to be credited with such increase, the Registrar shall (1) in the case of a Certificated Note, cancel such Certificated Note in accordance with Section 2.9, (2) record the transfer in the Register in accordance with Section 2.5(a) and (3) approve the instructions at DTC, concurrently with such recordation, to credit or cause to be credited to the securities account of the Person specified in such instructions a beneficial interest in the corresponding Regulation S Global Note equal to the principal amount of the Certificated Note transferred or exchanged.

(iv) Transfer of Rule 144A Global Notes to Certificated Notes. If a holder of a beneficial interest in a Rule 144A Global Note wishes at any time to exchange its interest in such Rule 144A Global Note for a Certificated Note, or to transfer its interest in such Rule 144A Global Note to a Person who wishes to take delivery thereof in the form of a Certificated Note, such holder may, subject to the immediately succeeding sentence and the rules and procedures of DTC exchange or transfer, or cause the exchange or transfer of, such interest for a Certificated Note. Upon receipt by the Registrar of (A) Transfer Certificates and (B) appropriate instructions from DTC, the Registrar will (1) approve the instructions at DTC to reduce, or cause to be reduced, the Rule 144A Global Note by the aggregate principal amount of the beneficial interest in the Rule 144A Global Note to be transferred or exchanged, (2) record the transfer in the Register in accordance with Section 2.5(a) and (3) upon execution by the Issuer and authentication and delivery by the Trustee, deliver one or more 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 the Rule 144A Global Note transferred by the transferor), and in authorized Minimum Denominations.

(v) Transfer of Certificated Notes to Rule 144A Global Notes. If a Holder of a Certificated Note wishes at any time to exchange its interest in such Note for a beneficial interest in a Rule 144A Global Note or to transfer such Note to a Person who wishes to take delivery thereof in the form of a beneficial interest in a

Rule 144A Global Note, such Holder may, subject to the immediately succeeding sentence and the rules and procedures of DTC, exchange or transfer, or cause the exchange or transfer of, such Note for a beneficial interest in a Rule 144A Global Note of the same Class. Upon receipt by the Registrar of (A) in the case of the Holder of a Certificated Note, such Holder's Certificated Note properly endorsed for assignment to the transferee, (B) a Transfer Certificate, (C) instructions given in accordance with DTC's procedures from an Agent Member to instruct DTC to cause to be credited a beneficial interest in the Rule 144A Global Notes of the same Class in an amount equal to the Certificated Notes to be transferred or exchanged and (D) a written order given in accordance with DTC's procedures containing information regarding the participant's account at DTC to be credited with such increase, the Registrar shall cancel such Certificated Note in accordance with Section 2.9, (2) record the transfer in the Register in accordance with Section 2.5(a) and (3) approve the instructions at DTC, concurrently with such recordation, to credit or cause to be credited to the securities account of the Person specified in such instructions a beneficial interest in the corresponding Rule 144A Global Note equal to the principal amount of the Certificated Note transferred or exchanged.

(g) If Notes are issued upon the transfer, exchange or replacement of Notes bearing the applicable legends set forth in the applicable Exhibit A hereto, and if a request is made to remove such applicable legend on such Notes , the Notes so issued shall bear such applicable legend, or such applicable legend shall not be removed, as the case may be, unless there is delivered to the Trustee and the Issuer such satisfactory evidence, which may include an Opinion of Counsel acceptable to them, as may be reasonably required by the Issuer (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 Investment Company Act, ERISA or the Code. Upon provision of such satisfactory evidence, the Trustee or its Authenticating Agent, at the written direction of the Issuer shall, after due execution by the Issuer authenticate and deliver Notes that do not bear such applicable legend.

(h) Each purchaser of a beneficial interest in Notes represented by Rule 144A Global Notes will be deemed to have represented and agreed, and each purchaser of a beneficial interest in Notes represented by Regulation S Global Notes will be required to represent and agree in writing, as follows:

(i) (A) In the case of Regulation S Global Notes, (1) it is not a "U.S. person" as defined in Regulation S and it is acquiring such Notes in an offshore transaction (as defined in Regulation S) in reliance on the exemption from registration under the Securities Act provided by Regulation S and (2) it is both (x) a "qualified institutional buyer" (as defined under Rule 144A under the Securities Act) and (y) a "qualified purchaser" for purposes of Section 3(c)(7) of the Investment Company Act or an entity owned exclusively by "qualified purchasers."

(B) In the case of both Rule 144A Global Notes and Regulation S Global Notes, (1) it is both (x) a "qualified institutional buyer" (as defined under Rule 144A under the Securities Act) 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 (y) a "qualified purchaser" for purposes of Section 3(c)(7) of the Investment Company Act or an entity owned exclusively by "qualified purchasers;" (2) it is acquiring its interest in such Notes for its own account or for one or more accounts all of the holders of which are Qualified Institutional Buyers and Qualified Purchasers and as to which accounts it exercises sole investment discretion; (3) if it would be an investment company but for the exclusions from the Investment Company Act provided by Section 3(c)(1) or Section 3(c)(7) thereof, (x) all of the beneficial owners of its outstanding securities (other than short-term paper) that acquired such securities on or before April 30, 1996 ("pre-amendment beneficial owners") have consented to its treatment as a "qualified purchaser" and (y) all of the pre-amendment beneficial owners of a company that would be an investment company but for the exclusions from the Investment Company Act provided by Section 3(c)(1) or Section 3(c)(7) thereof and that directly or indirectly owned any of its outstanding securities (other than short-term paper) have consented to its treatment as a "qualified purchaser;" and (4) it is acquiring such Notes for investment and not for sale in connection with any distribution thereof and was not formed for the purpose of investing in such Notes and is not a partnership, common trust fund, special trust or pension, profit sharing or other retirement trust fund or plan in which partners, beneficiaries or participants, as applicable, may designate the particular investments to be made, and it agrees that it will not hold such Notes for the benefit of any other person and will be the sole beneficial owner thereof for all purposes and that, in accordance with the provisions therefor in this Indenture, it will not sell participation interests in such Notes or enter into any other arrangement pursuant to which any other person will be entitled to a beneficial interest in the distributions on such Notes, and further that all Notes purchased directly or indirectly by it constitute an investment of no more than 40% of its assets.

(ii) It understands that a beneficial interest in such Notes may be transferred to a person who takes delivery in the form of an interest in the applicable Regulation S Global Note only upon receipt by the Trustee of a written certification from it in the form required by this Indenture to the effect that such transfer is being made in accordance with Regulation S under the Securities Act and that such transfer is being made to a person whom it reasonably believes is a Qualified Institutional Buyer and a Qualified Purchaser and a written certification from the transferee in the form required by this Indenture to the effect, among other things, that such transferee is a non-U.S. person purchasing such Note in an offshore transaction pursuant to Regulation S that is also (x) a Qualified Institutional Buyer and (y) a Qualified Purchaser.

(iii) In connection with its purchase of such Notes: (A) none of the Transaction Parties or any of their respective Affiliates is acting as a fiduciary or financial or investment advisor for it; (B) 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 Transaction Parties or any of their respective Affiliates; (C) it 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 Transaction Parties or any of their respective Affiliates; (D) it has read and understands the Offering Circular for such Notes; (E) it will hold at least the Minimum Denomination of such Notes; (F) it is a sophisticated investor and is purchasing such 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 (G) it is not purchasing such Notes with a view to the resale, distribution or other disposition thereof in violation of the Securities Act; *provided* that none of the representations in clauses (A) through (C) is made with respect to the Collateral Manager by any Affiliate of the Collateral Manager or any account for which the Collateral Manager or any of its Affiliates acts as investment adviser.

(iv) It 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 it decides to offer, resell, pledge or otherwise transfer such Notes, such Notes may be offered, resold, pledged or otherwise transferred only in accordance with the provisions of this Indenture and the legend on such Notes. It 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. It understands that the Issuer has not been registered under the Investment Company Act in reliance on an exemption from registration thereunder.

(v) 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 this Indenture, including the Exhibits referenced therein.

(vi) It agrees that it will not, prior to the date which is one year (or, if longer, the applicable preference period then in effect) plus one day after the payment in full of all Securities, 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 similar proceedings under U.S. federal or state bankruptcy or similar laws. It further acknowledges and agrees

that if it causes a Bankruptcy Filing against the Issuer prior to the expiration of the period specified in the preceding sentence, any claim that it has against the Issuer (including under all Notes of any Class held by it) or with respect to any Assets (including any proceeds thereof) will, 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 of any Note (and each other secured creditor of the Issuer) that is not a Filing Holder, with such subordination being effective until each Note held by holders that are not Filing Holders (and each claim of each other secured creditor of the Issuer) is paid in full in accordance with the Priority of Payments (after giving effect to such subordination). This agreement will constitute a "subordination agreement" within the meaning of Section 510(a) of the Bankruptcy Code. The Issuer will direct the Trustee to segregate payments and take other reasonable steps to make the subordination agreement effective. In order to give effect to the foregoing, the Issuer will, to the extent necessary, obtain and assign a separate CUSIP or CUSIPs to the Notes of each Class of Notes held by each Filing Holder.

(vii) It understands and agrees that such Notes are limited recourse obligations of the Issuer, payable solely from proceeds of the Assets in accordance with the Priority of Payments, and following realization of the Assets and application of the proceeds thereof in accordance with this Indenture, all obligations of and any claims against the Issuer thereunder or in connection therewith after such realization shall be extinguished and shall not thereafter revive.

(viii) It acknowledges and agrees that (A) the Issuer has the right to compel any Non-Permitted Holder to sell its interest in such Notes or to sell such interest on behalf of such Non-Permitted Holder and (B) in the case of Rated Notes, the Issuer has the right to compel any Non-Consenting Holder to sell its interest in such Notes, to sell such interest on behalf of such Non-Consenting Holder or to redeem such Notes.

(ix) It understands that (A) the Trustee will provide to the Issuer and the Collateral Manager upon reasonable request all information reasonably available to the Trustee in connection with regulatory matters, including any information that is necessary or advisable in order for the Issuer or the Collateral Manager (or its parent or Affiliates) to comply with regulatory requirements, (B) the Trustee will provide to the Issuer and the Collateral Manager upon request a list of Holders (and, with respect to each Certifying Person, unless such Certifying Person instructs the Trustee otherwise, the Trustee will upon request of the Issuer or the Collateral Manager share with the Issuer and the Collateral Manager the identity of such Certifying Person, as identified to the Trustee by written certification from such Certifying Person), (C) the Trustee will obtain and provide to the Issuer and the Collateral Manager upon request a list of participants in DTC, Euroclear or Clearstream holding positions in the Notes and (D) subject to the duties and responsibilities of the Trustee set forth in this Indenture, the Trustee will have no liability for any such disclosure under (A), (B) or (C) or the accuracy thereof.

(x) It agrees to provide to the Issuer and the Collateral Manager all information reasonably available to it that is reasonably requested by the Collateral Manager in connection with regulatory matters, including any information that is necessary or advisable in order for the Collateral Manager (or its parent or Affiliates) to comply with regulatory requirements applicable to the Collateral Manager (or its parent or Affiliates) from time to time.

(xi) It has read the description of the acquisition of the Closing Date Assets by the Issuer in the Offering Circular and it understands and acknowledges that (A) the Closing Date Assets will be contributed by the Originator to the Issuer and that more than a majority of the Closing Date Assets were previously held by a financing subsidiary of the Originator, (B) the Issuer will distribute to the Originator as holder of the Preferred Interests net proceeds of the issuance of Rated Notes in approximately the amount described in the Offering Circular under "Use of Proceeds" and (C) on an ongoing basis, the Originator, which is an Affiliate of the Issuer, may contribute or sell assets to the Issuer.

(xii) It acknowledges and agrees that (A) the Transaction Documents contain limitations on the rights of the holders to institute legal or other proceedings against the Transaction Parties, (B) it will comply with the express terms of the applicable Transaction Documents if it seeks to institute any such proceeding and (C) the Transaction Documents do not impose any duty or obligation on the Issuer or its directors, officers, shareholders, members or managers to institute on behalf of any holder, or join any holder or any other person in instituting, any such proceeding.

(xiii) It agrees to provide upon request certification acceptable to the Issuer to permit the Issuer to (A) make payments to it without, or at a reduced rate of, withholding, (B) qualify for a reduced rate of withholding in any jurisdiction from or through which the Issuer receives payments on its assets and (C) comply with applicable law. It has read and understands the summary of the U.S. federal income tax considerations contained in the Offering Circular as it relates to such Notes, and it represents that it will treat such Notes for U.S. tax purposes in a manner consistent with the treatment of such Notes by the Issuer described therein and will take no action inconsistent with such treatment.

(xiv) In the case of the Reinvesting Holder Notes, it agrees that (A) it will not (1) acquire or directly or indirectly sell, encumber, assign, participate, pledge, hypothecate, rehypothecate, exchange, or otherwise dispose of, suffer the creation of a lien on, or transfer or convey in any manner (each, a "Transfer") such Notes (or any interest therein that is described in United States Treasury Regulations Section 1.7704-1(a)(2)(i)(B)) on or through (x) a United States national, regional or local securities exchange, (y) a foreign securities exchange or (z) an interdealer quotation system that regularly disseminates firm buy or sell quotations by identified brokers or dealers ((x), (y) and (z), collectively, an "Exchange") or (2) cause any of such Notes or any interest therein to be marketed on or through an Exchange; (B) it will not enter into any financial instrument payments on which

are, or the value of which is, determined in whole or in part by reference to such Notes or the Issuer (including the amount of Issuer distributions on such Notes, the value of the Issuer's assets, or the result of the Issuer's operations), or any contract that otherwise is described in United States Treasury Regulations Section 1.7704-1(a)(2)(i)(B); (C) if it is, for U.S. federal income tax purposes, a partnership, grantor trust or S corporation, then less than 50% of the value of any person's interest in it will be attributable to such Notes, unless the Issuer has obtained Tax Advice that such Noteholder will not cause the Issuer to be unable to rely on the "private placement" safe harbor of United States Treasury Regulations Section 1.7704-1(h); (D) it will not Transfer all or any portion of such Notes unless such Transfer does not violate this clause (xiv); and (E) any Transfer made in violation of this clause (xiv) will be void and of no force or effect, and will not bind or be recognized by the Issuer or any other person, and no person to which such Notes are Transferred shall become a Noteholder unless such person agrees to be bound by this clause (xiv); *provided* that, notwithstanding the immediately preceding sentence, a Transfer in violation of this clause (xiv) shall be permitted if the Issuer or the Trustee receives Tax Advice to the effect that the Transfer should not cause the Issuer to be treated as a publicly traded partnership taxable as a corporation for U.S. federal income tax purposes.

(xv) In the case of Reinvesting Holder Notes, it will not Transfer all or any portion of such Securities if such Transfer would cause the combined number of holders of such Securities and any equity interests of the Issuer to be more than 90. Any Transfer made in violation of this paragraph (xv) will be void and of no force or effect, and will not bind or be recognized by the Issuer or any other person, and no person to which such Securities are Transferred shall become a holder unless such person agrees to be bound by this paragraph (xv); *provided* that, notwithstanding the immediately preceding sentence, a Transfer in violation of this paragraph (xv) shall be permitted if the Issuer or the Trustee receives Tax Advice to the effect that the Transfer should not cause the Issuer to be treated as a publicly traded partnership taxable as a corporation for U.S. federal income tax purposes.

(xvi) In the case of Reinvesting Holder Notes, it is a "United States person" as defined in Section 7701(a)(30) of the Code and agrees to provide the Issuer, the Collateral Manager and the Trustee (and any of their agents) with a correct, complete and properly executed IRS Form W-9 (or applicable successor form).

(xvii) In the case of the Rated Notes, it acknowledges that the failure to provide the Issuer, the Collateral Manager and the Trustee (and any of their agents) with the properly completed and signed 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 person that is a "United States person" within the meaning of Section 7701(a)(30) of the Code or the appropriate IRS Form W-8 (or applicable successor form) in the case of a person that is not a "United States person" within the meaning of Section 7701(a)(30) of the Code) may result in withholding from payments in respect of the Notes, including U.S. federal withholding or back-up withholding.

(xviii) In the case of Reinvesting Holder Notes, it agrees to provide the Issuer and the Trustee (A) any information as is necessary (in the sole determination of the Issuer or the Trustee, as applicable) for the Issuer and the Trustee to comply with U.S. tax information reporting requirements relating to its adjusted basis in such Notes and (B) any additional information that the Issuer, the Trustee or their agents request in connection with any 1099 reporting requirements, and to update any such information provided in clause (A) or (B) promptly upon learning that any such information previously provided has become obsolete or incorrect or is otherwise required. It acknowledges that the Issuer or the Trustee may provide such information and any other information concerning its investment in such Notes to the U.S. Internal Revenue Service.

(xix) It is not a person with whom dealings are restricted or prohibited under any law relating to economic sanctions or anti-money laundering of the United States, the European Union, Switzerland or any other applicable jurisdiction, and its purchase of such Notes will not result in the violation of any such law by any Transaction Party, whether as a result of the identity of it or its beneficial owners, their source of funds or otherwise.

(xx) (A) Its acquisition, holding and disposition of such Notes will not constitute or result in a prohibited transaction under Section 406 of ERISA or Section 4975 of the Code (or in a violation of any Similar Law or other applicable law) unless an exemption is available and all conditions have been satisfied.

(A) In the case of the Reinvesting Holder Notes, for so long as it holds a beneficial interest in such Notes, it is not a Benefit Plan Investor.

(B) It understands that the representations made in this clause (xx) will be deemed made on each day from the date of its acquisition of an interest in such Notes through and including the date on which it disposes of such interest. If any such representation becomes untrue, or if there is a change in its status as a Benefit Plan Investor or a Controlling Person, it will immediately notify the Trustee. It agrees to indemnify and hold harmless the Issuer, the Trustee, the Fiscal Agent, the Initial Purchaser and the Collateral Manager and their respective Affiliates from any cost, damage, or loss incurred by them as a result of any such representation being untrue.

(i) Each Person who becomes an owner of a Certificated Note or a beneficial interest in a Regulation S Global Note will be required to provide a Transfer Certificate.

(j) No Reinvesting Holder Note may be sold or transferred (including, without limitation, by pledge or hypothecation) to any Person other than an Affiliate of a Reinvesting Holder and otherwise in accordance with this Section 2.5.

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

(l) The Registrar, the Trustee and the Issuer shall be entitled to conclusively rely on any transferor and transferee certificate delivered pursuant to this Section 2.5 (or any certificate of ownership delivered pursuant to Section 2.10(d)) and shall be able to presume conclusively the continuing accuracy thereof, in each case without further inquiry or investigation. The Trustee shall not be required to obtain any certificate specifically required by the terms of this Section 2.5 if the Trustee is not notified of or in a position to know of any transfer requiring such a certificate to be presented by the proposed transferee or transferor.

(m) Neither the Trustee nor the Registrar shall be liable for any delay in the delivery of directions from DTC 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 2.6. Mutilated, Defaced, Destroyed, Lost or Stolen Note

If (a) any mutilated or defaced Note is surrendered to a Transfer Agent, or if there shall be delivered to the Issuer, the Trustee and the relevant Transfer Agent evidence to their reasonable satisfaction of the destruction, loss or theft of any Note, and (b) there is delivered to the Issuer, the Trustee and such 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 Issuer, the Trustee or such Transfer Agent that such Note has been acquired by a Protected Purchaser, the Issuer shall execute and, upon Issuer Order, the Trustee shall authenticate and deliver to the Holder, in lieu of any such mutilated, defaced, destroyed, lost or stolen Note, a new 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 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.

If, after delivery of such new Note, a Protected Purchaser of the predecessor Note presents for payment, transfer or exchange such predecessor Note, the Issuer, 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 Issuer, the Trustee and the Transfer Agent in connection therewith.

In case any such mutilated, defaced, destroyed, lost or stolen Note has become due and payable, the Issuer in its 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.

Upon the issuance of any new Note under this Section 2.6, the Issuer 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.

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 Issuer 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.

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) Payments of Interest on the Notes.

(i) Rated Notes 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. Payment of interest on each Class of Rated Notes (and payments of available Interest Proceeds in respect of the Preferred Interests) will be subordinated to the payment of interest on each related Priority Class.

(ii) Subject to the rights of Reinvesting Holders to designate amounts payable to it to be Reinvestment Amounts and direct that such amounts be deposited in the Reinvestment Amount Account pursuant to Section 11.1(e), the Fiscal Agent will receive on each Payment Date the Excess Interest payable for distribution on the Preferred Interests on such date. Each Reinvestment Amount shall be deemed to have been paid to the applicable Reinvesting Holder in respect of their Preferred Interests on the Payment Date on which the Reinvestment Amount is deposited in the Reinvestment Amount Account. Each Reinvestment Amount deposited in the Reinvestment Amount Account shall be added to the principal balance of the Reinvesting Holder Note registered in the name of the Reinvesting Holder providing such direction, and 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.

(b) The principal of each Rated Note of each Class 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 Rated Note becomes due and payable at an earlier date by acceleration, call for redemption or otherwise. Prior to the Stated Maturity, principal shall be paid as provided in the Priority of Payments; *provided* that, except as otherwise provided in Article IX and the Priority of Payments, the payment of

principal on each Rated Note (x) may occur only after each Priority Class is no longer Outstanding and (y) is subordinated to the payment on each Payment Date of principal due and payable on each Priority Class and other amounts in accordance with the Priority of Payments. Payments of principal on any Class of Rated Notes which are not paid, in accordance with the Priority of Payments, on any Payment Date (other than the Payment Date which is the Stated Maturity (or the earlier date of Maturity) of such Class of Notes 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. The Reinvesting Holder Notes will mature on the Stated Maturity thereof, 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 and the final payments of principal, if any, will occur on that date; *provided* that (x) the payment of principal of any Reinvesting Holder Notes may only occur after the Rated Notes are no longer Outstanding; and (y) the payment of principal of the Reinvesting Holder Notes is subordinated to the payment on each Payment Date of the principal and interest due and payable on the Rated Notes and other amounts in accordance with the Priority of Payments; and any payment of principal of the Reinvesting Holder Notes that is not paid, in accordance with the Priority of Payments, on any Payment Date, 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.

(c) Principal payments on the Notes will be made in accordance with the Priority of Payments.

(d) The Trustee and any 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 Internal Revenue Service Form W-9 (or applicable successor form) in the case of a United States person within the meaning of Section 7701(a)(30) of the Code or the applicable Internal Revenue Service Form W-8 (or applicable successor form) in the case of a Person that is not a United States person within the meaning of Section 7701(a)(30) of the Code) or any other certification acceptable to it to enable the Issuer, the Trustee and any Paying Agent (including, in each case, as any such other party may instruct) 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 Note or the Holder or beneficial owner of such Note 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. If the Issuer is required to deduct or withhold tax from, or with respect to, payments to any Holder of the Notes for any Tax, then the Trustee or other Paying Agent, as applicable, shall deduct, or withhold, the amount required to be withheld. Without limiting the generality of the foregoing, the Issuer may withhold any amount that it determines is required to be withheld from any amounts otherwise distributable to any holder of a Note. The Issuer shall not be obligated to pay any additional amounts to the Holders or beneficial owners of the Notes 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 Notes. The amount of any

withholding tax or deduction with respect to any Holder shall be treated as Cash distributed to such Holder or beneficial owner at the time it is withheld or deducted by the Trustee or Paying Agent. Nothing herein shall be construed to impose upon the Paying Agent a duty to determine the duties, liabilities or responsibilities of any other party described herein under any applicable law or regulation.

(e) Payments in respect of any Note will be made by the Trustee, in Dollars to DTC or its nominee with respect to a Global Note and to the Holder or its nominee with respect to a Certificated Note, by wire transfer, as directed by the Holder, in immediately available funds to a Dollar account maintained by DTC or its nominee with respect to a Global Note, and to the Holder or its nominee with respect to a Certificated Note; *provided* that (1) in the case of a Certificated Note, 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 the Holder specified in the Register. In the case of a Certificated Note, the Holder thereof shall present and surrender such Note at the office designated by the Trustee upon final payment; *provided* that in the absence of notice to the Issuer or the Trustee that the applicable Note has been acquired by a protected purchaser, such final payment shall be made without presentation or surrender, if the Trustee and the Issuer 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. None of the Issuer, the Trustee, the Collateral Manager or any Paying Agent will have any responsibility or liability for any aspects of the records maintained by DTC, Euroclear, Clearstream or any of the Agent Members 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 Rated Note (other than on the Stated Maturity thereof) or any final payment is to be made on any Preferred Interest, the Trustee, in the name and at the expense of the Issuer shall, not more than 30 nor less than three days prior to the date on which such payment is to be made, provide to Holders of the Rated Notes and Reinvesting Holder Notes, as the case may be, a notice which shall specify the date on which such payment will be made, the amount of such payment per U.S.$1,000 original principal amount of Rated Notes and the place where Certificated Notes may be presented and surrendered for such payment.

(f) Payments to Holders of each Class on each Payment Date (other than the Carlyle Holders Distribution Amounts, if any) shall be made ratably among the Holders of the Notes of such Class in the proportion that the Aggregate Outstanding Amount of the Notes of such Class registered in the name of each such Holder on the applicable Record Date bears to the Aggregate Outstanding Amount of all Notes of such Class on such Record Date.

(g) Interest accrued with respect to any Note shall be calculated on the basis of the actual number of days elapsed in the applicable Interest Accrual Period (or, in the case of the first Interest Accrual Period, the relevant portion thereof) divided by 360. Interest accrued with respect to the Fixed Rate Notes will be calculated on the basis of a 360-day year consisting of twelve 30-day months.

(h) All reductions in the Aggregate Outstanding Amount of a Note (or one or more predecessor Notes) effected by payments made on any Payment Date, Partial Redemption Date or Re-Pricing Redemption Date shall be binding upon all future Holders of such Note 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, the obligations of the Issuer under the Notes are limited recourse obligations of the Issuer, payable solely from proceeds of the Assets and following realization of the Assets and application of the proceeds thereof in accordance with this Indenture, all obligations of and any claims against the Issuer 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, employee, member, manager, shareholder or incorporator of the Issuer, the Collateral Manager or their respective Affiliates, successors or assigns for any amounts payable under the Notes or this Indenture. It is understood that, except as expressly provided in this Indenture, 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 Notes 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 as a party defendant in any Proceeding or in the exercise of any other remedy under the Notes or this Indenture, 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 will carry the rights to unpaid interest and principal (or other applicable amount) that were carried by such other Note.

Section 2.8. Persons Deemed Owners

The Issuer, the Trustee and any agent of the Issuer or the Trustee shall treat as the owner of each Note the Person in whose name such Note is registered on the Register on the applicable Record Date for the purpose of receiving payments 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, the Trustee or any agent of the Issuer or the Trustee shall be affected by notice to the contrary.

Section 2.9. Cancellation

All Notes acquired by the Issuer, surrendered for payment, registration of transfer, exchange or redemption, or mutilated, defaced or deemed lost or stolen shall be promptly cancelled by the Trustee and may not be reissued or resold. No Note may be surrendered (including in connection with any abandonment, donation, gift, contribution or other event or circumstance) except (a) for payment as provided herein, (b) for registration of transfer, exchange or redemption, (c) for purchase in accordance with Section 2.13, or (d) for replacement in connection with any Note that is mutilated, defaced or deemed lost or stolen. Notwithstanding

anything to the contrary herein, any Note surrendered or cancelled other than in accordance with the procedures herein shall be considered Outstanding (until all Notes senior to such Note have been repaid) for purposes of the Coverage Tests. The Issuer may not acquire any of the Notes except as described under Section 2.13. The preceding sentence shall not limit an Optional Redemption, Special Redemption, Clean-Up Call Redemption or any other redemption effected pursuant to the terms of this Indenture.

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 a corresponding Certificated Note to the beneficial owners thereof (as instructed by DTC) only if (A) such transfer complies with Section 2.5 and (B) either (x) (i) DTC notifies the Issuer 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 Issuer within 90 days after such event or (y) an Enforcement Event has occurred and is continuing and such transfer is requested by the Holder of 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 office located in the Borough of Manhattan, the City of New York to be so transferred, in whole or from time to time in part, without charge, and the Issuer shall execute and the Trustee shall 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 Minimum 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 paragraph (b) of this Section 2.10, 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 which such Holder is entitled to take under this Indenture or the Notes.

(d) In the event of the occurrence of either of the events specified in subsection (a) of this Section 2.10, the Issuer will promptly make available to the Trustee a reasonable supply of Certificated Notes.

In the event that Certificated Notes are not so issued by the Issuer to such beneficial owners of interests in Global Notes as required by subsection (a) of this Section 2.10, 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 (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 receive and rely upon any certificate of ownership provided by such beneficial owners (including a certificate in the form of Exhibit E) and/or other forms of reasonable evidence of such ownership as it may require. Neither the Trustee nor the Registrar shall

be liable for any delay in the delivery of directions from DTC, and each 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 Certificated Notes shall be registered or as to delivery instructions for Certificated Notes.

Section 2.11. Non-Permitted Holders

(a) Notwithstanding anything to the contrary elsewhere in this Indenture, any transfer of a beneficial interest in any Note to a Non-Permitted Holder will be null and void and any such purported transfer of which the Issuer or the Trustee shall have notice may be disregarded by the Issuer and the Trustee for all purposes.

(b) If any Non-Permitted Holder becomes the beneficial owner of any Note or an interest in any Note, the Issuer shall, promptly after discovery that such Person is a Non-Permitted Holder by the Issuer or the Trustee (and notice to the Issuer, if the Trustee makes the discovery), send notice (with a copy to the Collateral Manager) to such Non-Permitted Holder demanding that such Non-Permitted Holder transfer its Notes or interest in the Notes to a Person that is not a Non-Permitted Holder within 30 days after the date of such notice. If such Person fails to transfer its Notes (or the required portion of its Notes), the Issuer will have the right to sell such Notes to a purchaser selected by the Issuer. The Issuer (or its agent) will request such Person to provide (within 10 days after such request) the names of prospective purchasers, and the Issuer (or its agent) will solicit bids from any such identified prospective purchasers and may also solicit bids from one or more brokers or other market professionals that regularly deal in securities similar to the Notes. The Issuer agrees that it will accept the highest of such bids, subject to the bidder satisfying the transfer restrictions set forth in this Indenture. If the procedure above does not result in any bids from qualified investors, the Issuer may select a purchaser by any other means determined by it in its sole discretion. 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 sale under this Section 2.11(b) shall be determined in the sole discretion of the Issuer, and none of the Issuer, the Collateral Manager or the Trustee shall be liable to any Person having an interest in the Notes sold as a result of any such sale or the exercise of such discretion.

(c) The Trustee shall promptly notify the Issuer and the Collateral Manager if the Trustee obtains actual knowledge that any Holder or beneficial owner of an interest in a Note is a Non-Permitted Holder.

(d) If such Person fails to transfer its Notes (or the required portion of its Notes) in accordance with clause (b) above, the Issuer will have the right to sell such Notes to a purchaser selected by the Issuer. The Issuer (or its agent) will request such Person to provide (within 10 days after such request) the names of prospective purchasers, and the Issuer (or its agent) will solicit bids from any such identified prospective purchasers and may also solicit bids from one or more brokers or other market professionals that regularly deal in securities similar to the Notes. The Issuer agrees that it will accept the highest of such bids, subject to the bidder satisfying the transfer restrictions set forth in this Indenture.

Section 2.12. Additional Issuance

(a) At any time during the Reinvestment Period, the Issuer, (i) at the written direction of a Majority of the Preferred Interests and with the consent of the Collateral Manager or (ii) with respect to an additional issuance to cure or prevent a Retention Deficiency at the direction of the Originator and with the consent of the Collateral Manager, may issue and sell additional notes of any one or more new classes of notes that are fully subordinated to the existing Rated Notes (or to the most junior class of securities of the Issuer (other than the Reinvesting Holder Notes) issued pursuant to this Indenture, if any class of securities issued pursuant to this Indenture other than the Rated Notes and the Reinvesting Holder Notes is then outstanding) and/or additional notes of any one or more existing Classes (other than Reinvesting Holder Notes and, subject, in the case of additional notes of an existing Class of Rated Notes, to clause (v) below) and use the net proceeds to purchase additional Collateral Obligations or as otherwise permitted under this Indenture, subject to satisfaction by the Issuer of the conditions set forth in Section 3.2 and *provided* that the following conditions are met:

(i) the Collateral Manager consents to such issuance and such issuance is consented to by a Majority of the Preferred Interests;

(ii) in the case of additional notes of an existing Class of Rated Notes, a Majority of the Controlling Class consents to such issuance;

(iii) in the case of additional notes of one or more existing Classes, the Aggregate Outstanding Amount of Notes of such Class issued in all additional issuances may not exceed 100% of the respective original Aggregate Outstanding Amount of the Notes of such Class;

(iv) in the case of additional notes of one or more existing Classes, the terms of the notes issued must be identical to the respective terms of previously issued Notes of the applicable Class (except that the interest due on additional notes will accrue from the issue date of such additional notes and the interest rate and price of such notes do not have to be identical to those of the initial Notes of that Class but the interest rate may not exceed the interest rate applicable to the initial Notes of such Class);

(v) such additional notes must be issued at a cash sales price equal to or greater than the principal amount thereof;

(vi) in the case of additional notes of one or more existing Classes, additional notes of all Classes must be issued and such issuance of additional notes must be proportional across all Classes;

(vii) Rating Agency Confirmation has been obtained from Moody's with respect to any Rated Notes not constituting part of such additional issuance and Fitch has been notified of such additional issuance;

(viii) the proceeds of such additional notes (net of fees and expenses incurred in connection with such issuance) will be treated as Principal Proceeds and used to purchase additional Collateral Obligations, to invest in Eligible Investments or to apply pursuant to the Priority of Payments;

(ix) immediately after giving effect to such issuance, each Coverage Test is satisfied or, with respect to any Coverage Test that was not satisfied immediately prior to giving effect to such issuance and will continue not to be satisfied immediately after giving effect to such issuance, the degree of compliance with such Coverage Test is maintained or improved immediately after giving effect to such issuance and the application of the proceeds thereof;

(x) the issuance of such additional notes does not cause the Issuer to be treated as a publicly traded partnership taxable as a corporation for U.S. federal income tax purposes;

(xi) additional Reinvesting Holder Notes are issued only to holders or beneficial owners that are "United States persons" as defined in Section 7701(a)(30) of the Code and agree to provide the Issuer, the Collateral Manager and the Trustee with a correct, complete and properly executed IRS Form W-9 (or applicable successor form);

(xii) Tax Advice shall be delivered to the Trustee, by or on behalf of the Issuer, to the effect that (A) in the case of additional notes of one or more existing Classes, such issuance would not cause the Holders or beneficial owners of previously issued Notes of such Class to be deemed to have sold or exchanged such Notes under Section 1001 of the Code and (B) any additional Class A Notes will be treated as debt for U.S. federal income tax purposes; and

(xiii) the Issuer has delivered to the Trustee an Officer's Certificate that such additional issuance is permitted under this Indenture and that all conditions thereto have been satisfied.

(b) Any such additional issuance will be issued in a manner that will allow the Issuer to accurately provide the information described in Treasury Regulations section 1.1275-3(b)(1)(i).

(c) Any additional notes of an existing Class issued as described above will, to the extent reasonably practicable, be offered by the Issuer, first to Holders of that Class in such amounts as are necessary to preserve (on an approximate basis) their *pro rata* holdings of Notes of such Class.

(d) The Issuer shall not issue additional Notes if a Retention Deficiency would occur after giving effect to the additional issuance and the receipt by the Issuer of the proceeds thereof.

Section 2.13. Issuer Purchases of Notes

(a) The Issuer, at the direction of the Collateral Manager, may, during the Reinvestment Period, use Principal Proceeds to purchase Notes, in whole or in part, in accordance with, and subject to, the terms described in this Section 2.13. The Trustee shall cancel as described under Section 2.9 any such purchased Notes surrendered to it for cancellation or, in the case of any Global Notes, the Trustee shall decrease the Aggregate Outstanding Amount of such Global Notes in its records by the full par amount of the purchased Notes, and approve any instruction at DTC or its nominee, as the case may be, to conform its records.

(b) To effect a purchase of Rated Notes of any Class, the Collateral Manager on behalf of the Issuer shall by notice to the Holders of the Notes of such Class offer to purchase all or a portion of the Notes (the "Note Purchase Offer"). The Note Purchase Offer shall specify (i) the purchase price (as a percentage of par) at which such purchase will be effected, (ii) the maximum amount of Principal Proceeds that will be used to effect such purchase, (iii) the length of the period during which such offer will be open for acceptance, (iv) that pursuant to the terms of the offer each such Holder shall have the right, but not the obligation, to accept such offer in accordance with its terms and (v) if the Aggregate Outstanding Amount of Notes of the relevant Class held by Holders who accept such offer exceeds the amount of Principal Proceeds specified in such offer, a portion of the Notes of each accepting Holder shall be purchased pro rata based on the respective principal amount held by each such Holder.

(c) An Issuer purchase of the Notes may not occur unless each of the following conditions is satisfied:

(i) (A) such purchases of Rated Notes occur in the order of priority set out in the Note Payment Sequence;

(B) each such purchase is effected only at prices discounted from par;

(C) each Coverage Test is satisfied immediately prior to each such purchase and will be satisfied after giving effect to such purchase;

(D) no Event of Default has occurred and be continuing;

(E) with respect to each such purchase, Rating Agency Confirmation has been obtained with respect to any Rated Notes that will remain Outstanding following such purchase;

(F) each such purchase is otherwise conducted in accordance with applicable law; and

(G) no such purchase will result in the occurrence of a Retention Deficiency.

(ii) the Issuer and the Trustee have received an Officer's certificate of the Collateral Manager to the effect that the Note Purchase Offer has been provided to the holders of the Class of Notes subject to the purchase offer and the conditions in Section 2.13(c)(i) have been satisfied.

(d) Any Notes purchased by the Issuer shall be surrendered to the Trustee for cancellation in accordance with Section 2.9; *provided* that any Notes purchased by the Issuer on a date that is later than a Record Date but prior to the related Payment Date will not be cancelled until the day following the Payment Date.

(e) In connection with any purchase of Notes pursuant to this Section 2.13, the Issuer, or the Collateral Manager on its behalf, may by Issuer Order provide direction to the Trustee to take actions it deems necessary to give effect to the other provisions of this Indenture that may be affected by such purchase of Notes; *provided* that no such direction may conflict with any express provision of this Indenture, including a requirement to obtain the consent of Holders or Rating Agency Confirmation prior to taking any such action.

ARTICLE III
CONDITIONS PRECEDENT

Section 3.1. Conditions to Issuance of Notes on Closing Date

(a) (1) The Notes to be issued on the Closing Date may be registered in the names of the respective Holders thereof and may be executed by the Issuer and delivered to the Trustee for authentication and thereupon the same shall be authenticated and delivered by the Trustee, in each case upon Issuer Order and upon receipt by the Trustee of the following:

(i) Officers' Certificates of the Issuer Regarding Limited Liability Company Matters. An Officer's certificate of the Issuer (A) evidencing the authorization by Resolution of the execution and delivery of this Indenture, the Collateral Management Agreement, the Collateral Administration Agreement, the Fiscal Agency Agreement and related transaction documents, the execution, authentication and delivery of the Notes applied for by it and specifying the Stated Maturity, principal amount of each Class of Rated Notes applied for by it and (B) certifying that (1) the attached copy of the Resolution is a true and complete copy thereof, (2) such resolutions have not been rescinded and are 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.

(ii) Governmental Approvals. From the Issuer either (A) a certificate of the Issuer 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 Issuer that no other authorization, approval or consent of any governmental body is required for the performance by the Issuer of its obligations under this Indenture, the Collateral Management Agreement, the Collateral Administration Agreement and the Fiscal Agency Agreement or (B) an Opinion of Counsel of the Issuer that no such authorization, approval or consent of any governmental body is required for the performance by the Issuer of its obligations under this Indenture, the Collateral Management Agreement, the Collateral Administration Agreement and the Fiscal Agency Agreement except as has been given.

(iii) U.S. Counsel Opinions. Opinions of Cleary Gottlieb Steen & Hamilton LLP, special U.S. counsel to the Issuer, Richards, Layton & Finger, P.A., special Delaware counsel to the Issuer, Nixon Peabody LLP, counsel to the Trustee, Collateral Administrator and Fiscal Agent, and Latham & Watkins LLP, counsel to the Originator and the Collateral Manager, each dated the Closing Date.

(iv) Officers' Certificates of Issuer Regarding Indenture and Fiscal Agency Agreement. An Officer's certificate of the Issuer stating that, to the best of the signing Officer's knowledge, the Issuer is not in default under this Indenture or the Fiscal Agency Agreement and that the issuance of the 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; that all conditions precedent provided in this Indenture 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 all of its representations and warranties contained herein are true and correct as of the Closing Date.

(v) Collateral Management Agreement, Collateral Administration Agreement, Fiscal Agency Agreement and Account Agreement. An executed counterpart of the Collateral Management Agreement, the Collateral Administration Agreement, the Fiscal Agency Agreement and the Account Agreement.

(vi) Certificate of the Collateral Manager. An Officer's certificate of the Collateral Manager, dated as of the Closing Date, to the effect that with respect to each Collateral Obligation to be Delivered by the Issuer on the Closing Date, and each Collateral Obligation with respect to which the Collateral Manager on behalf of the Issuer has entered into a binding commitment prior to the Closing Date for settlement on or after the Closing Date, to the best of the Collateral Manager's knowledge:

(A) in the case of (x) each such Collateral Obligation to be Delivered on the Closing Date, immediately prior to the Delivery thereof on the Closing Date, it satisfies the requirements of the definition of Collateral Obligation in this Indenture, and (y) each Collateral Obligation that the Collateral Manager on behalf of the Issuer committed to acquire on or prior to the Closing Date, each such Collateral Obligation, upon its acquisition, will satisfy the requirements of the definition of Collateral Obligation in this Indenture; and

(B) the Aggregate Principal Balance of the Collateral Obligations which the Issuer has acquired or has entered into binding commitments prior to the Closing Date for settlement on or after the Closing Date is at least equal to the Closing Date Committed Par Amount.

(vii) Grant of Collateral Obligations. 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 Trustee for inclusion in the Assets on the Closing Date shall be effective, and Delivery of such Collateral Obligations as contemplated by Section 3.3 shall have been effected.

(viii) Certificate of the Issuer Regarding Assets. A certificate of an Authorized Officer of the Issuer, dated as of the Closing Date, with respect to each Collateral Obligation pledged by the Issuer to the effect that:

(A) the Issuer is the owner of such Collateral Obligation free and clear of any liens, claims or encumbrances of any nature whatsoever except for those which are being released on the Closing Date and except for those Granted pursuant to or permitted by this Indenture and encumbrances arising from due bills, if any, with respect to interest, or a portion thereof, accrued on such Collateral Obligation prior to the first payment date and owed by the Issuer to the seller of such Collateral Obligation;

(B) the Issuer has acquired its ownership in such Collateral Obligation in good faith without notice of any adverse claim, except as described in clause (A) above;

(C) 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;

(D) based on the certificate of the Collateral Manager delivered pursuant to Section 3.1(a)(vii), the Issuer has full right to Grant a security interest in and assign and pledge all of its right, title and interest in such Collateral Obligation to the Trustee;

(E) based on the certificate of the Collateral Manager delivered pursuant to Section 3.1(a)(vii), each such Collateral Obligation satisfies the requirements of the definition of Collateral Obligation;

(F) upon Grant by the Issuer, the Trustee has a first priority perfected security interest in such Collateral Obligation (assuming that any Clearing Corporation, Intermediary or other entity not within the control of the Issuer involved in the Delivery of such Collateral Obligation takes the actions required of it for perfection of that interest); and

(G) based on the certificate of the Collateral Manager delivered pursuant to Section 3.1(a)(vii), the Aggregate Principal Balance of the Collateral Obligations which the Issuer has acquired, or has entered into binding commitments prior to the Closing Date for settlement on or after the Closing Date is at least equal to the Closing Date Committed Par Amount.

(ix) Rating Letters. An Officer's certificate of the Issuer to the effect that attached thereto with respect to the applicable Class of Rated Notes is a true and correct copy of a letter signed by Fitch (in respect of the Class A-1 Notes) and a copy of a letter signed by Moody's (in respect of each Class of Rated Notes) assigning the applicable Initial Rating.

(x) Accounts. Evidence of the establishment of each of the Accounts.

(xi) Delivery of Closing Date Certificate for Deposit of Funds into Accounts. The Issuer has delivered to the Trustee the Closing Date Certificate specifying the amount of proceeds of the issuance of the Notes to be deposited in the Accounts specified therein.

(xii) Other Documents. Such other documents as the Trustee may reasonably require; *provided* that nothing in this clause (xii) shall imply or impose a duty on the part of the Trustee to require any other documents.

Section 3.2. Conditions to Additional Issuance

(a) Any additional notes to be issued during the Reinvestment Period in accordance with Section 2.12 may be executed by the Issuer and delivered to the Trustee for authentication and thereupon the same shall be authenticated and delivered by the Trustee upon Issuer Order and upon receipt by the Trustee of the following:

(i) Officers' Certificates of the Issuer Regarding Limited Liability Company Matters. An Officer's certificate of the Issuer (A) evidencing the authorization by Resolution of the execution, authentication and delivery of the notes applied for by it and specifying the Stated Maturity, principal amount and Interest Rate (if applicable) of the notes applied for by it and (B) certifying that (1) the attached copy of the Resolution is a true and complete copy thereof, (2) such resolutions have not been rescinded and are in full force and effect on and as of the date of issuance and (3) the Officers authorized to execute and deliver such documents hold the offices and have the signatures indicated thereon.

(ii) Governmental Approvals. From the Issuer either (A) a certificate of the Issuer 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 Issuer 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 Issuer 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.

(iii) Officers' Certificates of Issuer Regarding Indenture and Fiscal Agency Agreement. An Officer's certificate of the Issuer stating that, to the best of the signing Officer's knowledge, the Issuer is not in default under this Indenture or the Fiscal Agency Agreement and that 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; that 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; 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 additional issuance have been paid or reserves therefor have been made. The Officer's certificate of the Issuer shall also state that all of its representations and warranties contained herein are true and correct as of the date of additional issuance.

(iv) Supplemental Indenture. A fully executed counterpart of any supplemental indenture making such changes to this Indenture if necessary to permit such additional issuance.

(v) Rating Agency Confirmation from Moody's; Notice to Fitch. An Officer's certificate of the Issuer confirming that Rating Agency Confirmation has been obtained from Moody's and that Fitch has been notified with respect to the additional issuance.

(vi) Issuer Order for Deposit of Funds into Accounts. An Issuer Order signed in the name of the Issuer by an Authorized 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 Collection Account for use pursuant to Section 10.2.

(vii) Evidence of Required Consents. A certificate of the Collateral Manager consenting to such additional issuance and satisfactory evidence of the consent of a Majority of the Preferred Interests to such issuance (which may be in the form of an Officer's certificate of the Issuer).

(viii) Issuer Order for Deposit of Funds into Expense Reserve Account. An Issuer Order signed in the name of the Issuer by an Authorized Officer of the Issuer, dated as of the date of the additional issuance, authorizing the deposit of approximately 1% of the proceeds of such additional issuance into the Expense Reserve Account for use pursuant to Section 10.3(d).

(ix) Other Documents. Such other documents as the Trustee may reasonably require; *provided* that nothing in this clause (ix) shall imply or impose a duty on the part of the Trustee to require any other documents.

Section 3.3. Delivery of Assets

(a) Except as otherwise provided in this Indenture, the Trustee shall hold all Collateral Obligations purchased in accordance with this Indenture in the relevant Account established and maintained pursuant to Article X, as to which in each case the Trustee shall have entered into an Account Agreement, providing, inter alia, that the establishment and maintenance of such Account will be governed by the law of a jurisdiction satisfactory to the Issuer and the Trustee.

(b) Each time that the Issuer (or the Collateral Manager on behalf of the Issuer) directs or causes the acquisition of any Collateral Obligation, Eligible Investment or other investment, the Issuer (or the Collateral Manager on behalf of the Issuer) shall, if such Collateral Obligation, Eligible Investment or other investment is required to be, but has not already been, transferred to the relevant Account, cause such Collateral Obligation, Eligible Investment or other investment to be Delivered. The security interest of the Trustee in the funds or other property used in connection with such acquisition shall, immediately and without further action on the part of the Trustee, be released. The security interest of the Trustee shall nevertheless come into existence and continue in the Collateral Obligation, Eligible Investment or other investment so acquired, including all rights of the Issuer in and to any contracts related to and proceeds of such Collateral Obligation, Eligible Investment or other investment.

(c) The Issuer (or the Collateral Manager on its behalf) shall cause any other Assets acquired by the Issuer to be Delivered.

ARTICLE IV
SATISFACTION AND DISCHARGE; ILLIQUID ASSETS; LIMITATION ON ADMINISTRATIVE EXPENSES

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 of Rated Notes to receive payments of principal thereof and interest that accrued prior to Maturity (and to the extent lawful and enforceable, interest on due and unpaid accrued interest) thereon as provided for under the Priority of Payments, subject to Section 2.7(i), (iv) the rights, obligations and immunities of the Collateral Manager hereunder and under the Collateral Management Agreement and of the Collateral Administrator under the Collateral Administration Agreement, (v) the rights of the Fiscal Agent under the Fiscal Agency Agreement, (vi) the rights of Holders as beneficiaries hereof with respect to the property deposited with the Trustee and payable to all or any of them (subject to Section 2.7(i)) and (vii) the rights and immunities of the Trustee hereunder, and the obligations of the Trustee hereunder in connection with the foregoing clauses (i) through (vi) and otherwise under this Article IV (and the Trustee, on demand of and at the expense of the Issuer, shall execute proper instruments acknowledging satisfaction and discharge of this Indenture) when:

(a) (x) either:

(i) all Notes theretofore authenticated and delivered to Holders (other than (A) Notes which have been mutilated, defaced, destroyed, lost or stolen and which have been replaced or paid as provided in Section 2.6 or, (B) 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; or

(ii) all Notes not theretofore delivered to the Trustee for cancellation (A) have become due and payable, or (B) will become due and payable at their Stated Maturity within one year, or (C) are to be called for redemption pursuant to Article IX under an arrangement satisfactory to the Trustee for the giving of notice of redemption by the Issuer pursuant to Sections 9.4 or 9.7 and the Issuer has irrevocably deposited or caused to be deposited with the Trustee, in trust for such purpose, Cash or non-callable direct obligations of the United States of America (*provided* that the obligations are entitled to the full faith and credit of the United States of America or are debt obligations which have the Eligible Investment Required Ratings, in an amount sufficient, as recalculated in writing by a firm of Independent certified public accountants which are nationally recognized) sufficient to pay and discharge the entire indebtedness on such Notes, for principal and interest payable thereon under this Indenture to the date of such deposit (in the case of Notes which have become due and payable), or to their Stated Maturity or Redemption Date, as the case may be, and shall have Granted to the Trustee a valid perfected security interest in such cash or obligations that is of first priority or free of any adverse claim, as applicable, and shall have furnished an Opinion of Counsel with respect to the creation and perfection of such security interest; *provided* that this subsection (ii) shall not apply if an election to act in accordance with the provisions of Section 5.5(a) shall have been made and not rescinded; and

(y) the Issuer has paid or caused to be paid all other sums payable by the Issuer hereunder and under the Collateral Administration Agreement, the Fiscal Agency Agreement and the Collateral Management Agreement; or

(b) (1) all Assets of the Issuer that are subject to the lien of this Indenture have been realized, (2) all funds on deposit in the Accounts have been distributed in accordance with the terms of this Indenture and (3) the Accounts have been closed;

provided that, in each case, the Issuer has delivered to the Trustee Officer's certificates (which may rely on information provided by the Trustee or the Collateral Administrator as to the Cash, Collateral Obligations, Equity Securities and Eligible Investments included in the Assets and any paid and unpaid obligations of the Issuer), 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 Issuer, the Trustee, 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 and 14.16 shall survive.

Section 4.2. Application of Trust Money

All Cash and obligations deposited with the Trustee pursuant to Section 4.1 shall be held in trust and applied by it in accordance with the provisions of the Notes 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 Interests), either directly or through any Paying Agent (including, in the case of distributions on the Preferred Interests, the Fiscal Agent), as the Trustee 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 Notes, all Monies then held by any Paying Agent other than the Trustee under the provisions of this Indenture shall, upon demand of the Issuer, be paid to the Trustee to be held and applied pursuant to Section 7.3 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. Disposition of Illiquid Assets

(a) Notwithstanding Article XII (or any other term to the contrary contained herein), if at any time the Assets consist exclusively of Illiquid Assets, Eligible Investments and/or Cash, the Collateral Manager may request bids with respect to each such Illiquid Asset as described below after providing notice to the Holders of Securities and requesting that any Holder of Securities that wishes to bid on any such Illiquid Asset notify the Trustee (with a copy to the Collateral Manager) of such intention within 15 Business Days after the date of such notice. The Trustee shall, after the end of such 15 Business Day period, offer the Illiquid Assets for public or private sale as determined and directed by the Collateral Manager (in a manner and according to terms determined by the Collateral Manager and pursuant to sale documentation provided by the Collateral Manager) and, if any Holder of Securities so notifies the Trustee (with the copy to the Collateral Manager) that it wishes to bid, such Holder of Securities shall be included in the distribution of sale offering or bid solicitation material in connection therewith and thereby given an opportunity to participate with other bidders, if any. The Trustee shall request bids for the sale of each such Illiquid Asset, in accordance with the procedures established by the Collateral Manager, from (i) at least three Persons identified to the Trustee by the Collateral Manager that make a market in or specialize in obligations of the nature of such Illiquid Asset, (ii) the Collateral Manager, (iii) each Holder of Securities that so notified the Trustee that it wishes to bid and (iv) in the case of a public sale, any other participating bidders, and the Trustee shall have no responsibility for the sufficiency or acceptability of such procedures for any purpose or for any results obtained. The Trustee shall notify the Collateral Manager promptly of the results of such bids. Subject to the requirements of applicable law, (x) if the aggregate amount of the highest bids received

(if any) is greater than or equal to U.S.$100,000, the Issuer shall sell each Illiquid Asset to the highest bidder (which may include the Collateral Manager and its Affiliates) and (y) if the aggregate amount of the highest bids received is less than U.S.$100,000 or no bids are received, the Trustee shall dispose of the Illiquid Assets as directed by the Collateral Manager in its reasonable business judgment, which may include (with respect to each Illiquid Asset) (I) selling it to the highest bidder (which may include the Collateral Manager and its Affiliates) if a bid was received; (II) donating it to a charitable organization designated by the Collateral Manager; or (III) returning it to its issuer or obligor for cancellation. The proceeds of the sale of Illiquid Assets (after payment of fees and expenses of the Trustee and the Collateral Manager incurred in connection with dispositions under this Section 4.4), if any, shall be applied to pay or provide for Administrative Expenses without regard to the limitations thereon set forth in the Priority of Payments (including any dissolution and discharge expenses) and, notwithstanding Section 11.1, any remaining amounts shall be applied to the payment of unpaid principal and interest on the highest Priority Class of Securities until each such Class has been paid in full or such net proceeds have been exhausted.

(b) Notwithstanding the foregoing, the Trustee shall not be under any obligation to dispose of or offer for sale any Illiquid Assets pursuant to clause (a) above if the Trustee is not reasonably satisfied that payment of all expenses, costs and liabilities to be incurred by the Trustee in connection with such disposition or offer, as the case may be, are indemnified or provided for in a manner acceptable to the Trustee. The Collateral Manager shall not dispose of Illiquid Assets in accordance with clause (a) above if directed not to do so, at any time following the notice of disposals prior to release, or acceptance of an offer for sale, of such Illiquid Asset of Illiquid Assets, by a Majority of the Controlling Class or a Majority of the Preferred Interests. The Trustee will not be required to dispose of Illiquid Assets if satisfactory arrangements have not been made for the reimbursement or any expenses, costs or liabilities of the Trustee relating to such disposition. The Trustee will have no liability for the results of any such sale or disposition of Illiquid Assets, including, without limitation, if the proceeds received, if any, are insufficient to pay all outstanding Administrative Expenses in full.

Section 4.5. Limitation on Obligation to Incur Administrative Expenses

If at any time the sum of (i) the amount of the 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 Dissolution 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 (or any other capacity in which the Bank is acting pursuant to the Transaction Documents) and their Affiliates, including for Opinions of Counsel in connection with supplemental indentures pursuant to Article VIII, annual opinions under Section 7.6, services of accountants under Sections 10.9 and fees of the Rating Agencies under Section 7.14, failure to pay such amounts or provide or obtain such opinions, reports or services shall not constitute a Default hereunder, and the Trustee shall have no liability for any failure to obtain or receive any of the foregoing opinions, reports or services. The foregoing shall not, however, limit, supersede or alter any right afforded to the Trustee under this Indenture to refrain from taking action in the absence of its receipt of any such opinion, report or service which it reasonably determines is necessary for its own protection.

ARTICLE V
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 Note and the continuation of any such default for five Business Days or (ii) any principal of, or interest on, or any Redemption Price in respect of, any Rated Note at its Stated Maturity or on any Redemption Date; *provided* that, in the case of a default resulting from a failure to disburse due to an administrative error or omission by the Collateral Manager, the Trustee, the Collateral Administrator, the Fiscal Agent, the Registrar or any Paying Agent, such default will not be an Event of Default unless such failure continues for seven Business Days, after a Trust Officer of the Trustee receives written notice or has actual knowledge of such administrative error or omission (irrespective of whether the cause of such administrative error or omission has been determined); *provided*, further, that for the avoidance of doubt, the failure to effect an Optional Redemption, Tax Redemption, Partial Redemption, Re-Pricing Redemption or Re-Pricing shall not constitute an Event of Default;

(b) the failure on any Payment Date to disburse amounts in excess of U.S.$1,000 that are available in the Payment Account in accordance with the Priority of Payments and continuation of such failure for a period of 10 Business Days; *provided* that, in the case of a default resulting from a failure to disburse due to an administrative error or omission by the Collateral Manager, Trustee, Collateral Administrator, the Fiscal Agent, the Registrar or any Paying Agent or due to another non-credit reason, such default will not be an Event of Default unless such failure continues for 10 Business Days after a trust officer of the Trustee receives written notice or has actual knowledge of such administrative error or omission, irrespective of whether the cause of such administrative error or omission has been determined;

(c) the Issuer or the Assets becomes an investment company required to be registered under the Investment Company Act (and such requirement has not been eliminated after a period of 45 days);

(d) except as otherwise provided in this Section 5.1, a default in the performance, or breach, of any other covenant or other agreement of the Issuer in this Indenture (it being understood, without limiting the generality of the foregoing, that any failure to meet any Concentration Limitation, Collateral Quality Test, Coverage Test or Interest Diversion Test is not an Event of Default and any failure to satisfy the requirements of Section 7.18

is not an Event of Default, except in either case to the extent provided in clause (f) below), or the failure of any material representation or warranty of the Issuer made in this Indenture or in any certificate or other writing delivered pursuant hereto or in connection herewith to be correct in all material respects when the same shall have been made, which default or failure has a material adverse effect on the holders of the Securities, and the continuation of such default, breach or failure for a period of 45 days after notice by the Trustee at the direction of the Holders of a Majority of the Controlling Class to the Issuer, the Trustee and the Collateral Manager, specifying such default, breach or failure and requiring it to be remedied and stating that such notice is a "Notice of Default" hereunder;

(e) the occurrence of a Bankruptcy Event; or

(f) on any Measurement Date on which any Class A-1 Notes are Outstanding, failure of the percentage equivalent of a fraction, (i) the numerator of which is equal to the sum of (x) the Aggregate Principal Balance of the Collateral Obligations, excluding Defaulted Obligations, (y) without duplication, the amounts on deposit in the Collection Account, the Reinvestment Amount Account, and the Ramp-Up Account (including Eligible Investments therein) representing Principal Proceeds and (z) 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 Notes, to equal or exceed 102.5%.

Promptly upon obtaining knowledge of the occurrence of an Event of Default, each of (i) the Issuer, (ii) the Trustee and (iii) the Collateral Manager shall notify each other. Upon the occurrence of an Event of Default known to a Trust Officer of the Trustee, the Trustee shall, not later than three Business Days thereafter, notify the Noteholders, each Paying Agent, DTC, each of the Rating Agencies and the Irish Stock Exchange (for so long as any Class of Rated Notes is listed on the Irish Stock Exchange and so long as the guidelines of such exchange so require) 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 a Bankruptcy Event), the Trustee may (with the written consent of a Majority of the Controlling Class), and shall (upon the written direction of a Majority of the Controlling Class), by notice to the Issuer, each Rating Agency and the Collateral Manager, declare the principal of all the Rated Notes to be immediately due and payable, and upon any such declaration such principal, together with all accrued and unpaid interest thereon through the date of acceleration and other amounts payable hereunder, shall become immediately due and payable. If a Bankruptcy Event occurs, all unpaid principal, together with all accrued and unpaid interest thereon, of all the Rated Notes, and other amounts payable thereunder and hereunder, shall automatically become due and payable without any declaration or other act on the part of the Trustee or any Noteholder.

(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 Trustee as hereinafter provided in this Article V, a Majority of the Controlling Class by written notice to the Issuer, the Trustee and the Collateral Manager, may rescind and annul such declaration and its consequences if:

(i) the Issuer has paid or deposited with the Trustee a sum sufficient to pay:

(A) all unpaid installments of interest and principal then due and payable on the Rated Notes (other than the non-payment of amounts that have become due and payable solely due to acceleration); and

(B) all unpaid taxes and Administrative Expenses of the Issuer and other sums paid, incurred or advanced by the Trustee hereunder, by the Collateral Administrator under the Collateral Administration Agreement, by the Fiscal Agent under the Fiscal Agency Agreement or hereunder, accrued and unpaid Base Management Fee and any other amounts then payable by the Issuer hereunder prior to such Administrative Expenses and such Base Management Fees; and

(ii) it has been determined that all Events of Default, other than the nonpayment of the interest on or principal of the Rated Notes that has become due solely by such acceleration, have (A) been cured, and a Majority of the Controlling Class by written notice to the Trustee, with a copy to the Collateral Manager, has 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.

Section 5.3. Collection of Indebtedness and Suits for Enforcement by Trustee

The Issuer covenants that if a default shall occur in respect of the payment of any principal of or interest when due and payable on any Rated Note, the Issuer will, upon demand of the Trustee, pay to the Trustee, for the benefit of the Holder of such Rated Note, the whole amount, if any, then due and payable on such Rated Note 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 Trustee and its agents and counsel.

If the Issuer fails to pay such amounts forthwith upon such demand, the Trustee, in its own name and as trustee of an express trust, may, and shall 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 Issuer or any other obligor upon the Rated Notes 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 or Enforcement Event occurs and is continuing, the Trustee may in its discretion, and shall (subject to its rights hereunder, including pursuant to Section 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 Trustee) or as the Trustee 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 in this Indenture 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 Trustee by this Indenture or by law.

In case there shall be pending Proceedings relative to the Issuer or any other obligor upon the Rated Notes under the Bankruptcy Law 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 or their respective property or such other obligor or its property, or in case of any other comparable Proceedings relative to the Issuer or other obligor upon the Rated Notes, or the creditors or property of the Issuer or such other obligor, the Trustee, without regard to whether the principal of any Rated Note shall then be due and payable as therein expressed or by declaration or otherwise and without regard to whether the Trustee 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 Rated Notes 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 Trustee (including any claim for reasonable compensation to the Trustee and each predecessor Trustee, and their respective agents, attorneys and counsel, and for reimbursement of all reasonable expenses and liabilities incurred, and all advances made, by the Trustee and each predecessor Trustee, except as a result of negligence or bad faith) and of the Rated Noteholders allowed in any Proceedings relative to the Issuer or other obligor upon the Rated Notes or to the creditors or property of the Issuer or such other obligor;

(b) unless prohibited by applicable law and regulations, to vote on behalf of the Rated Noteholders 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 and of the Trustee on their behalf; and any trustee, receiver or liquidator, custodian or other similar official is hereby authorized by each of the Rated Noteholders to make payments to the Trustee, and, in the event that the Trustee shall consent to the making of payments directly to the Rated Noteholders to pay to the Trustee such amounts as shall be sufficient to cover reasonable compensation to the Trustee, each predecessor Trustee and their respective agents, attorneys and counsel, and all other reasonable expenses and liabilities incurred, and all advances made, by the Trustee and each predecessor Trustee except as a result of negligence or bad faith.

Nothing herein contained shall be deemed to authorize the Trustee to authorize or consent to or vote for or accept or adopt on behalf of any Rated Noteholders, any plan of reorganization, arrangement, adjustment or composition affecting the Rated Notes or any Holder thereof, or to authorize the Trustee to vote in respect of the claim of any Rated Noteholders, 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 Trustee on behalf of the Holders of the Rated Notes (and any such Proceedings involving the interpretation of any provision of this Indenture to which the Trustee shall be a party), the Trustee shall be held to represent all the Holders of the Rated Notes.

Notwithstanding anything in this Section 5.3 to the contrary, the Trustee 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 the maturity of the Rated Notes has been accelerated as provided in Section 5.2(a) and such acceleration and its consequences have not been rescinded and annulled as provided in Section 5.2(b) or if the Rated Notes have become due and payable at Stated Maturity or on any Redemption Date and shall remain unpaid (either such event, an "Enforcement Event"), the Issuer agrees that the Trustee may, and shall, upon written direction (with a copy to the Collateral Manager) of a Majority of the Controlling Class (subject to the Trustee's rights hereunder, including pursuant to Section 6.3(e)), 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 Rated Notes or otherwise payable under this Indenture, 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;

(iii) institute Proceedings from time to time for the complete or partial foreclosure of this Indenture 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 Trustee and the Holders of the Rated Notes hereunder (including exercising all rights of the Trustee under the Account Agreement); and

(v) exercise any other rights and remedies that may be available at law or in equity;

provided that the Trustee 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 Trustee may, but need not, obtain and rely upon an opinion or advice of an Independent investment banking firm of national reputation (the cost of which shall be payable as an Administrative Expense) experienced in structuring and distributing securities similar to the Rated Notes, which may be the Initial Purchaser or other appropriate advisors, 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 Rated Notes, which opinion or advice shall be conclusive evidence as to such feasibility or sufficiency.

(b) If an Event of Default as described in Section 5.1(d) has occurred and is continuing the Trustee may, and at the direction of the Holders of not less than 25% of the Aggregate Outstanding Amount of the Controlling Class in accordance with Section 5.8(b) shall (subject to the Trustee's rights hereunder, including pursuant to 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 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 Trustee, 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 Issuer, the Trustee and the Holders of the Rated 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 beneficial owners or Holders of any Notes may (and the beneficial owners and Holders of each Class of Notes agree, for the benefit of all beneficial owners and Holders of each Class of Notes, that they shall not), prior to the date which is one year (or if longer, any applicable preference period then in effect) *plus* one day after the payment in full of all Securities, 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 5.4 shall preclude, or be deemed to estop, the Trustee, any Secured Party or any Noteholder (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 Trustee, such Secured Party or such Noteholder, respectively, or (ii) from commencing against the Issuer or any of their respective properties any legal action which is not a bankruptcy, reorganization, arrangement, insolvency, winding-up, moratorium or liquidation Proceeding.

Section 5.5. Optional Preservation of Assets

(a) If an Enforcement Event has occurred and is continuing (unless the Trustee has commenced remedies pursuant to Section 5.4), then (x) the Collateral Manager may continue to direct sales and other dispositions, and purchases, of Collateral Obligations in accordance with and to the extent permitted pursuant to Article XII and (y) the Trustee shall retain the Assets intact, collect and cause the collection of the proceeds thereof and make and apply all payments and deposits and maintain all accounts in respect of the Assets and the Notes in accordance with the Priority of Payments and the provisions of Article X, Article XII and Article XIII, unless:

(i) the Trustee, pursuant to Section 5.5(c), determines that the anticipated proceeds of a sale or liquidation of the Assets (after deducting the anticipated 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 Rated Notes for principal and interest, and all other amounts payable prior to payment of principal on such Rated Notes (including amounts due and owing, and amounts anticipated to be due and owing, as Administrative Expenses (without regard to the Administrative Expense Cap), and the Collateral Manager and a Majority of the Controlling Class agrees with such determination;

(ii) in the case of an Event of Default specified in clause (a) or clause (f) of the definition thereof, a Majority of the Controlling Class directs the sale and liquidation of the Assets; or

(iii) a Supermajority of each Class of the Rated Notes (voting separately by Class) directs the sale and liquidation of the Assets.

Directions by Holders under clause (ii) or (iii) above will be effective when delivered to the Issuer, the Trustee and the Collateral Manager.

(b) Nothing contained in Section 5.5(a) shall be construed to require the Trustee to sell the Assets 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 Trustee to preserve the Assets if prohibited by applicable law.

(c) In determining whether the condition specified in Section 5.5(a)(i) exists, the Trustee shall obtain, with the cooperation and assistance of the Collateral Manager, bid prices with respect to each security contained in the Assets from two nationally recognized dealers (as specified by the Collateral Manager in writing) at the time making a market in such securities and shall compute the anticipated proceeds of sale or liquidation on the basis of the lower of such bid prices for each such security. 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 Trustee may retain and rely on an opinion or advice of an Independent investment banking firm of national reputation or other appropriate advisors (the cost of which shall be payable as an Administrative Expense).

The Trustee shall deliver to the Noteholders 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 Trustee shall make the determinations required by Section 5.5(a)(i) at the written request of a Majority of the Controlling Class at any time during which the second sentence of Section 5.5(a) applies; *provided* that any such request made more frequently than once in any 90-day period shall be at the expense of such requesting party or parties.

Section 5.6. Trustee May Enforce Claims Without Possession of Notes

All rights of action and claims under this Indenture or under any of the Rated Notes may be prosecuted and enforced by the Trustee without the possession of any of the Rated 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.

Section 5.7. Application of Money Collected

Following the commencement of exercise of remedies by the Trustee pursuant to Section 5.4, any money collected by the Trustee with respect to the Notes pursuant to this Article V and any money that may then be held or thereafter received by the Trustee with respect to the Notes hereunder shall be applied, subject to Section 13.1 and in accordance with the provisions of the Priority of Payments, at the date or dates fixed by the Trustee. Upon the final distribution of all proceeds of any liquidation effected hereunder, the provisions of 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 a Note shall have any right to institute any Proceedings, judicial or otherwise, with respect to the Notes or this Indenture, or for the appointment of a receiver or trustee, or for any other remedy thereunder or hereunder, unless:

(a) such Holder has previously given to the Trustee (with a copy to the Collateral Manager) written notice of an Event of Default;

(b) the Holders of not less than 25% of the then Aggregate Outstanding Amount of the Controlling Class shall have made written request to the Trustee to institute Proceedings in respect of such Event of Default in its own name as Trustee hereunder and such Holder or Holders have provided the Trustee indemnity reasonably satisfactory to the Trustee against the costs, expenses (including reasonable attorneys' fees and expenses) and liabilities to be incurred in compliance with such request;

(c) the Trustee, 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 Trustee during such 30-day period by a Majority of the Controlling Class; it being understood and intended that no one or more Holders of Notes shall have any right in any manner whatever by virtue of, or by availing itself of, any provision of this Indenture to affect, disturb or prejudice the rights of any other Holders of Notes of the same Class or to obtain or to seek to obtain priority or preference over any other Holders of the Notes of the same Class or to enforce any right under this Indenture, except in the manner herein provided and for the equal and ratable benefit of all the Holders of Notes of the same Class subject to and in accordance with Section 13.1 and the Priority of Payments.

In the event the Trustee 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 Trustee 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. If all such groups represent the same percentage, the Trustee, in its sole discretion, may determine what action, if any, shall be taken.

Section 5.9. Unconditional Rights of Holders to Receive Principal and Interest

(a) Subject to Section 2.7(i), but notwithstanding any other provision of this Indenture, the Holder of any Rated Note shall have the right, which is absolute and unconditional, to receive payment of the principal of and interest on such Rated Note, 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 5.4 and 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 Rated Notes ranking junior to Notes still Outstanding shall have no right to institute Proceedings for the enforcement of any such payment until such time as no Rated Note ranking senior to such Rated Note remains Outstanding, which right shall be subject to the provisions of Section 5.4(d) and Section 5.8, and shall not be impaired without the consent of any such Holder.

(b) Subject to Section 2.7(i), but notwithstanding any other provision of this Indenture, the Holder of any Reinvesting Holder Notes shall have the right, which is absolute and unconditional, to receive payment of the principal of such Reinvesting Holder Notes, as such principal becomes due and payable in accordance with the Priority of Payments. Holders of Reinvesting Holder Notes shall have no right to institute proceedings for the enforcement of any such payment until such time as no Rated Note remains Outstanding, which right shall be subject to the provisions of Sections 5.4(d) and 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.

Section 5.10. Restoration of Rights and Remedies

If the Trustee or any Noteholder 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 Trustee or to such Noteholder, then and in every such case the Issuer, the Trustee and the Noteholder 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 Trustee 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 Trustee 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 Trustee or any Holder of Rated Notes to exercise any right or remedy accruing upon any Event of Default or Enforcement Event shall impair any such right or remedy or constitute a waiver of any such Event of Default or Enforcement Event or an acquiescence therein or of a subsequent Event of Default or Enforcement Event. Every right and remedy given by this Article V or by law to the Trustee or to the Holders of the Rated Notes may be exercised from time to time, and as often as may be deemed expedient, by the Trustee or by the Holders of the Rated Notes.

Section 5.13. Control by Majority of Controlling Class

Notwithstanding any other provision of this Indenture, a Majority of the Controlling Class shall have the right following the occurrence, and during the continuance of, an Event of Default or Enforcement Event to cause the institution of and direct 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; *provided* that:

(a) such direction shall not conflict with any rule of law or with any express provision of this Indenture;

(b) the Trustee may take any other action deemed proper by the Trustee that is not inconsistent with such direction; *provided* that subject to Section 6.1, the Trustee need not take any action that it determines might involve it in liability (unless the Trustee has received the indemnity as set forth in (c) below);

(c) the Trustee shall have been provided with indemnity reasonably satisfactory to it; and

(d) notwithstanding the foregoing, any direction to the Trustee to undertake a Sale of the Assets must satisfy the requirements of 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 Trustee, as provided in this Article V, a Majority of the Controlling Class may on behalf of the Holders of all the Notes waive (i) any past Event of Default, (ii) any occurrence that is, or with notice or the lapse of time or both would become, an Event of Default and (iii) any future occurrence that would give rise to an Event of Default of a type previously waived and its consequences, except any such Event of Default or occurrence:

(a) in the payment of the principal of or interest on any Rated Note (which may be waived only with the consent of the Holder of such Rated Note);

(b) in the payment of interest on the Rated Notes of the Controlling Class (which may be waived only with the consent of the Holders of 100% of the Controlling Class);

(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 the Holder of each Outstanding Security 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.

In the case of any such waiver, the Issuer, the Trustee and the Holders of the Notes shall be restored to their former positions and rights hereunder, respectively, but no such waiver shall extend to any subsequent or other Event of Default or impair any right consequent thereto. The Trustee shall promptly give written notice of any such waiver to each Rating Agency, the Collateral Manager and each Holder.

Upon any such waiver (other than a waiver of a future event), such Event of 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. Any waiver of any future occurrence must be revocable by a Majority of the Controlling Class, and may also be specifically limited to a designated period of time.

Section 5.15. Undertaking for Costs

All parties to this Indenture agree, and each Holder of any Note 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 Trustee for any action taken, or omitted by it as Trustee, 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 Trustee, to any suit instituted by any Noteholder, or group of Holders, holding in the aggregate

more than 10% in Aggregate Outstanding Amount of the Controlling Class, or to any suit instituted by any Holder for the enforcement of the payment of the principal of or interest on any Note on or after the applicable Stated Maturity (or, in the case of redemption, on or after the applicable Redemption Date).

Section 5.16. Waiver of Stay or Extension Laws

The Issuer covenants (to the extent that they may lawfully do so) that they 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 marshaling law or rights, in each case wherever enacted, now or at any time hereafter in force, which may affect the covenants, the performance of or any remedies under this Indenture; and the Issuer (to the extent that it may lawfully do so) hereby expressly waives all benefit or advantage of any such law or rights, and covenant that it will not hinder, delay or impede the execution of any power herein granted to the Trustee, 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 Trustee may upon notice to the Noteholders (with a copy to the Collateral Manager), 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 Trustee hereby expressly waives its rights to any amount fixed by law as compensation for any Sale; *provided* that the Trustee shall be authorized to deduct the reasonable costs, charges and expenses, if any, incurred by the Trustee and the Collateral Manager in connection with such Sale from the proceeds thereof notwithstanding the provisions of Section 6.7.

(b) The Trustee 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 Notes 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 incurred by the Trustee in connection with such Sale notwithstanding the provisions of Section 6.7. The Rated 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 Notes. The Trustee may hold, lease, operate, manage or otherwise deal with any property so acquired in any manner permitted by law in accordance with this Indenture. Holders of Notes may bid for and acquire any portion of the Assets in connection with a public Sale thereof.

(c) If any portion of the Assets consists of securities issued without registration under the Securities Act ("Unregistered Securities"), the Trustee 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 Trustee 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 Trustee'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 Trustee's right to seek and recover judgment on the Notes or under this Indenture shall not be affected by the seeking or obtaining of or application for any other relief under or with respect to this Indenture. Neither the lien of this Indenture nor any rights or remedies of the Trustee or the Noteholders shall be impaired by the recovery of any judgment by the Trustee 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 Issuer.

ARTICLE VI
THE TRUSTEE

Section 6.1. Certain Duties and Responsibilities

(a) Except during the occurrence and continuation 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 in this Indenture, 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 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 (with a copy to the Collateral Manager).

(b) If 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 shall be construed to relieve the Trustee from liability for its own negligent action, its own negligent failure to act, its own willful misconduct or its own bad faith, 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 Issuer 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 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 providing notices under Article V, under this Indenture; and

(v) in no event shall the Trustee be liable for special, indirect, punitive or consequential loss or damage (including lost profits) even if the Trustee has been advised of the likelihood of such damages and without regard to such action.

(d) For all purposes under this Indenture, the Trustee shall not be deemed to have notice or knowledge of any 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 Issuer, the Assets or this Indenture. For purposes of determining the Trustee'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 Trustee is deemed to have notice as described in this Section 6.1.

(e) The Trustee will deliver all notices to the Holders forwarded to the Trustee by the Issuer or the Collateral Manager for such purpose. 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 will, not later than three Business Days thereafter, notify the Noteholders.

(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.

(g) The Trustee shall, upon reasonable (but no less than three Business Days') prior written notice to the Trustee, permit any representative of a Holder of a Note, during the Trustee's normal business hours, to examine all books of account, records, reports and other papers of the Trustee (other than items protected by attorney-client privilege) relating to the Notes, 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 Trustee by such Holder) and to discuss the Trustee's actions, as such actions relate to the Trustee's duties with respect to the Notes, with the Trustee's Officers and employees responsible for carrying out the Trustee's duties with respect to the Notes, with the Trustee's Officers and employees responsible for carrying out the Trustee's duties with respect to the Notes; *provided* that no reports prepared by the Issuer's Independent certified public accountants will be available for examination in violation of any confidentiality provisions contained therein or in any agreed upon procedures letters executed pursuant to Section 10.9.

(h) If within 80 calendar days of delivery of financial information or disbursements (which delivery may be via posting to the Bank's website) the Bank receives written notice of an error or omission related thereto and within five calendar days of the Bank's receipt of such notice the Collateral Manager or the Issuer confirms 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. In no such 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 security or indemnity reasonably satisfactory to it against the costs, expenses, and liabilities which might reasonably be incurred by it in connection with such request or direction.

(i) The Issuer and the Collateral Manager will have the right to obtain a complete list of Holders (and, subject to confidentiality requirements, beneficial owners) at any time upon five Business Days' prior written notice to the Trustee. At the direction of the Issuer or the Collateral Manager (and at the expense of the Issuer), the Trustee will request a list of participants holding interests in the Notes from one or more book-entry depositories and provide such list to the Issuer or Collateral Manager, respectively. Upon the request of any Holder or beneficial owner, the Trustee shall provide an electronic copy of this Indenture, the Collateral Management Agreement, the Fiscal Agency Agreement, the Collateral Administration Agreement and any agreements referenced as a supplement to this Indenture that is in the possession of, or reasonably available to, the Trustee.

Section 6.2. Notice of Default

Promptly (and in no event later than three Business Days) after the occurrence of any 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 notify the Collateral Manager, each Rating Agency and all Holders of all Defaults hereunder known to the Trustee, unless such 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 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 (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 (which may or may not be the Independent certified public accountants selected by the Issuer pursuant to Section 10.9(a)), 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 and securities quotation services;

(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, 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 shall (subject to the right of the Trustee hereunder to be satisfactorily indemnified), 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 Issuer 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 Issuer's 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 and (ii) 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 appointed, 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;

(i) nothing herein shall be construed to impose an obligation on the part of the Trustee to recalculate, evaluate, monitor or verify or independently determine the accuracy of any report, certificate or information received from the Issuer or Collateral Manager (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 rely upon) instruction from the Issuer or the Issuer's accountants which may or may not be the Independent certified public accountants selected by the Issuer pursuant to Section 10.9(a) (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 Issuer, DTC, Euroclear, Clearstream or any other clearing agency or depository or any Paying Agent (other than the Trustee), 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 or of the Collateral Management 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) 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) to the contrary, neither the Trustee nor the Intermediary shall be under a duty or obligation in connection with the acquisition or Grant by the Issuer to the Trustee 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 Instrument, 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 also acting in the capacity of Paying Agent, Registrar, Transfer Agent, Calculation Agent or 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 Account 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 in this Indenture 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;

(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 the extent not inconsistent herewith, the rights, protections and immunities afforded to the Trustee pursuant to this Indenture also shall be afforded to the Collateral Administrator; *provided* that such rights, immunities and indemnities shall be in addition to any rights, immunities and indemnities provided in the Collateral Administration Agreement and the Fiscal Agency Agreement;

(s) 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 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;

(t) 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;

(u) the Trustee shall have no duty (i) to see to any recording, filing, 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; and

(v) neither the Trustee nor the Collateral Administrator shall have any responsibility to the Issuer or the Secured Parties to make any inquiry or investigation as to, and shall have no obligation in respect of, the terms of any engagement of Independent accountants by the Issuer (or the Collateral Manager on behalf of the Issuer); *provided* that the Trustee is hereby authorized to execute (and shall upon receipt from the Issuer or the Collateral Manager on behalf of the Issuer execute) any acknowledgement or other agreement with the Independent accountants required for the Trustee to receive any of the reports or instructions provided for herein, which acknowledgement or agreement may include, among other things, (i) acknowledgements with respect to the sufficiency of the agreed upon procedures to be performed by the Independent accountants by the Issuer, (ii) releases of claims (on behalf of itself and the Holders) and other acknowledgements of limitations of liability in favor of the Independent accountants or (iii) restrictions or prohibitions on the disclosure of the information or documents provided to it by such firm of Independent accountants (including to the Holders). It is understood and agreed that the Trustee will deliver such acknowledgment or other agreement in conclusive reliance on the foregoing Issuer Order, and the Trustee shall make no inquiry or investigation as to, and shall have no obligation in respect of, the sufficiency, validity or correctness of such procedures. Notwithstanding the foregoing, in no event shall the Trustee be required to execute any agreement in respect of the Independent accounts that the Trustee determines adversely affects it in its individual capacity.

Section 6.4. Not Responsible for Recitals or Issuance of Notes

The recitals contained herein and in the Notes, other than the Certificate of Authentication thereon, shall be taken as the statements of the Issuer; 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 Notes. The Trustee shall not be accountable for the use or application by the Issuer of the Notes or the proceeds thereof or any money paid to the Issuer pursuant to the provisions hereof.

Section 6.5. May Hold Securities

The Trustee, the Fiscal Agent, any Paying Agent, Registrar or any other agent of the Issuer, in its individual or any other capacity, may become the owner or pledgee of Securities and may otherwise deal with the Issuer or any of its Affiliates with the same rights it would have if it were not Trustee, Fiscal Agent, Paying Agent, 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 Trustee on each Payment Date reasonable compensation, as set forth in a separate fee schedule, for all services rendered by it hereunder (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 Trustee in a timely manner upon its request for all reasonable expenses, disbursements and advances incurred or made by the Trustee 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 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 Trustee and its Officers, directors, employees and agents for, and to hold them harmless against, any loss, liability or expense (including reasonable attorney's fees and costs) incurred without negligence, willful misconduct or bad faith on their part, arising out of or in connection with the acceptance or administration of this trust or the performance of duties hereunder, including the costs and expenses of defending themselves against any claim or liability in connection with the exercise or performance of any of their powers or duties hereunder and under any other agreement or instrument related hereto; 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.

(b) The Trustee shall receive amounts pursuant to this Section 6.7 and any other amounts payable to it under this Indenture only as provided in Sections 11.1(a)(i), (ii) and (iii) and 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 expense shall be payable to the Trustee pursuant to this Indenture insufficient funds are available for the payment thereof, any portion of a fee not so paid shall be deferred and payable on such later date on which a fee shall be payable and sufficient funds are available therefor.

(c) The Trustee hereby agrees not to cause the filing of a petition in bankruptcy or winding-up with respect to the Issuer until at least one year (or if longer the applicable preference period then in effect) *plus* one day, after the payment in full of all Securities issued under this Indenture or the Limited Liability Company Agreement.

(d) The Issuer's payment obligations to the Trustee under this Section 6.7 shall be secured by the lien of this Indenture, 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 Bankruptcy Event, the expenses are intended to constitute expenses of administration under Bankruptcy Law or any other applicable federal or state bankruptcy, insolvency or similar law.

Section 6.8. Corporate Trustee Required; Eligibility

There shall at all times be a Trustee hereunder which shall 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, having a rating of at least "Baa1" by Moody's 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 6.8, 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) The Trustee may resign at any time by giving not less than 60 days' written notice thereof to the Issuer, the Collateral Manager, the Holders of the Notes and each Rating Agency. Upon receiving such notice of resignation, the Issuer shall promptly appoint a successor trustee or trustees satisfying the requirements of Section 6.8 by written instrument, in duplicate, executed by an Authorized Officer of the Issuer and an Authorized Officer of the Issuer, 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 written consent of a Majority of the Rated Notes of each Class or, at any time when an Event of Default or Enforcement Event has occurred and is continuing or when a successor Trustee has been appointed pursuant to Section 6.9(e), 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 30 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 by Act of a Majority of each Class of Rated Notes or, at any time when an Event of Default or Enforcement Event has occurred and is continuing by an Act of a Majority of the Controlling Class, delivered to the Trustee and to the Issuer.

(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 Issuer 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 Issuer, 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 Issuer, by Issuer Order, shall promptly appoint a successor Trustee. If the Issuer shall fail to appoint a successor Trustee within 30 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 Issuer. If no successor Trustee shall have been so appointed by the Issuer 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 Issuer shall give prompt notice of each resignation and each removal of the Trustee and each appointment of a successor Trustee by providing notice of such event to the Collateral Manager, to each Rating Agency and to the Holders of the Notes. Each notice shall include the name of the successor Trustee and the address of its Corporate Trust Office. If the Issuer fails to provide 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 Issuer.

(g) If the Bank shall resign or be removed as Trustee, the Bank shall also resign or be removed as Paying Agent, Calculation Agent, 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 and shall execute, acknowledge and deliver to the Issuer and the retiring Trustee an instrument accepting such appointment. 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 Issuer or a Majority of any Class of Rated Notes or the successor Trustee, 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 Issuer 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 has 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, for the purpose of meeting the legal requirements of any jurisdiction in which any part of the Assets may at the time be located, the Issuer and the Trustee shall have power to appoint one or more Persons satisfying the requirements of Section 6.8 to act as co-trustee, 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 Issuer 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 Issuer 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 Issuer 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 Issuer. The Issuer agrees to pay as Administrative Expenses, to the extent funds are available therefor under the Priority of Payments, 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 Issuer 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 or Enforcement Event 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 Issuer. 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 Holders delivered to the Trustee shall be deemed to have been delivered to each co-trustee.

The Issuer shall notify each Rating Agency and the Collateral Manager of the appointment of a co-trustee hereunder.

Section 6.13. Certain Duties of Trustee Related to Delayed Payment of Proceeds

In the event that 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 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 Instrument or 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. In the event that 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. 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, such release and/or substitution shall be subject to Section 10.8 and Article XII, 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 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.

Section 6.14. Authenticating Agents

Upon the request of the Issuer, the Trustee shall, and if the Trustee so chooses the Trustee may, appoint one or more Authenticating Agents 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 corporation into which any Authenticating Agent may be merged or converted or with which it may be consolidated, or any corporation resulting from any merger, consolidation or conversion to which any Authenticating Agent shall be a party, or any corporation 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 corporation.

Any Authenticating Agent may at any time resign by giving written notice of resignation to the Trustee and the Issuer (with a copy to the Collateral Manager). 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 Issuer (with a copy to the Collateral Manager). Upon receiving such notice of resignation or upon such a termination, the Trustee shall promptly appoint a successor Authenticating Agent and shall give written notice of such appointment to the Issuer (with a copy to the Collateral Manager).

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 tax is imposed on the Issuer's payment (or allocations of income) under the Notes by law or pursuant to the Issuer's agreement with a governmental authority, such tax shall reduce the amount otherwise distributable to the relevant Holder or beneficial owner. The Trustee is hereby authorized and directed to retain from amounts otherwise distributable to any Holder or beneficial owner sufficient funds for the payment of any tax that is legally owed or required to be withheld by the Issuer by law or pursuant to the Issuer's agreement with a governmental authority (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) and to timely remit such amounts to the appropriate taxing authority. The amount of any withholding tax imposed by law or pursuant to the Issuer's agreement with a governmental authority with respect to any Note shall be treated as Cash distributed to the relevant Holder or beneficial owner 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 Paying Agent or the Trustee 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 Asset to the Trustee is to the Trustee as representative (as defined in Article I of the UCC) of the Noteholders and agent for each other Secured Party. In furtherance of the foregoing, the possession by the Trustee of any Asset, 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 hereby represents and warrants as follows:

(a) Organization. The Bank has been duly organized and is validly existing as a trust company with trust powers under the laws of the Commonwealth of Massachusetts and has the power to conduct its business and affairs as a trustee, paying agent, registrar, transfer agent, custodian, calculation agent, bank and Securities Intermediary.

(b) Authorization; Binding Obligations. The Bank has the corporate power and authority to perform the duties and obligations of Trustee, Paying Agent, Registrar, Transfer Agent, Calculation Agent, Collateral Administrator and Intermediary. The Bank has taken all necessary corporate action to authorize the execution, delivery and performance of this Indenture, and all of the documents required to be executed by the Bank pursuant hereto. This Indenture has been duly authorized, executed and delivered by the Bank and constitutes 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 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. 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, nor the consummation of the transactions contemplated by this Indenture, (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.

ARTICLE VII
COVENANTS

Section 7.1. Payment of Principal and Interest

The Issuer will duly and punctually pay the principal of and interest on the Rated Notes in accordance with the terms of such Notes and this Indenture 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 Reinvesting Holder Notes and Preferred Interests, in accordance with the terms of the Reinvesting Holder Notes and this Indenture.

Amounts properly withheld under the Code or other applicable law or pursuant to the Issuer's agreement with a governmental authority 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 Issuer hereby appoints the Trustee as a Paying Agent for payments on the Notes and the Issuer hereby appoint the Trustee at its applicable Corporate Trust Office, as the Issuer's agent where Notes may be surrendered for registration of transfer or exchange. The Issuer may at any time and from time to time appoint additional paying agents; *provided* that 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 or its location. If at any time the Issuer shall fail to maintain the appointment of a paying agent, 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 sentence), and Notes may be presented and surrendered for payment, to the Trustee at its main office.

The Issuer hereby appoints National Corporate Research, Ltd. 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 "Process Agent"). The Issuer may at any time and from time to time vary or terminate the appointment of such Process Agent or appoint an additional Process Agent; *provided* that the Issuer will maintain in the Borough of Manhattan, The City of New York, an office or agency where notices and demands to or upon the Issuer in respect of such Notes and this Indenture may be served. If at any time the Issuer shall fail to maintain any required office or agency in the Borough of Manhattan, The City of New York, or shall fail to furnish the Trustee with the address thereof, notices and demands may be served on the Issuer by mailing a copy thereof by registered or certified mail or by overnight courier, postage prepaid, to the Issuer at its address specified in Section 14.3 for notices.

Section 7.3. Money for Note Payments to be Held in Trust

All payments of amounts due and payable with respect to any Notes that are to be made from amounts withdrawn from the Payment Account shall be made on behalf of the Issuer by the Trustee or a Paying Agent with respect to payments on the Notes.

When the Issuer shall have a Paying Agent that is not also the Registrar, they shall furnish, or cause the 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 Issuer shall have a Paying Agent other than the Trustee, they shall, on or before the Business Day next preceding each Payment Date and any Redemption Date, as the case may be, direct the Trustee 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 Trustee) the Issuer shall promptly notify the Trustee, with a copy to the Collateral Manager, of its action or failure so to act. Any Monies deposited with a Paying Agent (other than the Trustee) 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 Trustee for application in accordance with Article X.

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, with a copy to the Collateral Manager. So long as the Notes of any Class are rated by a Rating Agency, (i) any Paying Agent must have (x) a rating of at least "A1" and "P-1" by Moody's and (y) (A) a long-term debt rating of at least "A" and a short-term debt rating of at least "F1" by Fitch or (B) if such institution is not rated by Fitch, a long-term debt rating of at least "A+" by S&P or a long-term debt rating of at least "A" by S&P and a short-term debt rating of at least "A-1" by S&P or (ii) Rating Agency Confirmation must be obtained with respect to such Paying Agent. If any successor Paying Agent ceases to have such ratings, the Issuer shall notify each Rating Agency of such change and either obtain Rating Agency Confirmation or promptly remove such Paying Agent and appoint a successor Paying Agent with such ratings. The Issuer 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 Issuer shall cause each Paying Agent other than the Trustee to execute and deliver to the Trustee an instrument in which such Paying Agent shall agree with the Trustee (and if the Trustee 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 (including any Redemption Date) among such Holders 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 Trustee, immediately resign as a Paying Agent and forthwith pay to the Trustee 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 Trustee, immediately give the Trustee, with a copy to the Collateral Manager, notice of any default by the 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 Trustee, during the continuance of any such default, upon the written request of the Trustee, forthwith pay to the Trustee all sums so held in trust by such Paying Agent.

The Issuer 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 Trustee all sums held in trust by the Issuer or such Paying Agent, such sums to be held by the Trustee upon the same trusts as those upon which such sums were held by the Issuer or such Paying Agent; and, upon such payment by any Paying Agent to the Trustee, 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.

Section 7.4. Existence of Issuer

(a) The Issuer shall, to the maximum extent permitted by applicable law, maintain in full force and effect its existence and rights as a limited liability company organized under the laws of the State of Delaware and shall obtain and preserve its qualification to do business as foreign corporations in each jurisdiction in which such qualifications are or shall be necessary to protect the validity and enforceability of this Indenture, the Notes, or any of the Assets; *provided* that the Issuer shall be entitled to change its jurisdiction of organization from the State of Delaware to any other jurisdiction reasonably selected by the Issuer so long as (i) the Issuer has received a legal opinion (upon which the Trustee 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 by the Issuer, which notice shall be forwarded by the Trustee to the Holders, the Collateral Manager and each Rating Agency and (iii) on or prior to the 15th Business Day following receipt of such notice the Trustee shall not have received written notice from a Majority of the Controlling Class objecting to such change.

(b) The Issuer shall ensure that all organizational or other formalities regarding its existence (including holding regular board of directors' and shareholders', or other similar, meetings to the extent required by applicable law) are followed. The Issuer shall not 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 and (ii) (x) the Issuer shall not (A) have any employees (other than its directors or officers to the extent they are employees), (B) except as contemplated by the Collateral Management Agreement or the Limited Liability Company Agreement, engage in any transaction with any shareholder that would constitute a conflict of interest; *provided* that the foregoing shall not prohibit the Issuer from entering into the Fiscal Agency Agreement with the Preferred Interest Registrar, in its capacity as such or (C) pay dividends other than in

accordance with the terms of this Indenture, the Fiscal Agency Agreement and the Limited Liability Company Agreement and (y) the Issuer shall (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 (if any), (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 Issuer (or the Collateral Manager on its behalf) will cause the taking of such action as is reasonably necessary in order to maintain the perfection and priority of the security interest of the Trustee in the Assets; *provided* that the Issuer (or the Collateral Manager on its behalf) 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(a)(iii) and (iv) to determine what actions are reasonably necessary, and shall be fully protected in so relying on such an Opinion of Counsel, unless the Issuer (or the Collateral Manager on its behalf) 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 in the appropriate jurisdiction, and shall take such other action as may be necessary or advisable or desirable to secure the rights and remedies of the Secured Parties 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 Secured Parties against the claims of all Persons and parties;

(vi) pay or cause to be paid any and all taxes levied or assessed upon all or any part of the Assets; or

(vii) deliver or cause to be delivered an applicable U.S. Internal Revenue Service Form W-9 or successor applicable form and if reasonably able to do so, other

properly completed and executed documentation, agreements, and certifications to each issuer, counterparty, paying agent, and/or to any applicable governmental authority, and enter into any agreements with a governmental authority, as necessary to permit the Issuer to receive payments without withholding or deduction or at a reduced rate of withholding or deduction (or, for so long as all the Preferred Interests and Reinvesting Holder Notes and other interests treated as equity in the Issuer are held by a Sole Equity Owner, will cause such Sole Equity Owner to deliver such items).

The Issuer will register the security interest granted under this Indenture in its books and records.

The Issuer hereby designates the Trustee as its agent and attorney in fact to prepare and file any Financing Statement, continuation statement and all other instruments in the appropriate jurisdiction, and take all other actions, as may be required pursuant to this Section 7.5. Such designation shall not impose upon the Trustee, or release or diminish, the Issuer's obligations under this Section 7.5. The Issuer further authorizes and shall cause the Issuer's United States counsel to file without the Issuer's signature a Financing Statement in the appropriate jurisdiction that names the Issuer as debtor and the Trustee, on behalf of the Secured Parties, as secured party and that describes "all assets" of the Issuer as the Assets in which the Trustee has a Grant.

(b) The Trustee shall not, except in accordance with this Indenture, 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 Trustee'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(a)(iii)) unless the Trustee 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) If the Issuer shall at any time hold or acquire a "commercial tort claim" (as defined in the UCC) for which the Issuer (or predecessor in interest) has filed a complaint in a court of competent jurisdiction, the Issuer shall promptly provide notice to the Trustee in writing containing a sufficient description thereof (within the meaning of Section 9-108 of the UCC). If the Issuer shall at any time hold or acquire any timber to be cut, the Issuer shall promptly provide notice to the Trustee in writing containing a description of the land concerned (within the meaning of Section 9-203(b) of the UCC). Any commercial tort claim or timber to be cut so described in such notice to the Trustee will constitute an Asset and the description thereof will be deemed to be incorporated into the reference to commercial tort claim or to goods in Granting Clause I. If the Issuer shall at any time hold or acquire any letter-of-credit rights, other than letter-of-credit rights that are supporting obligations (as defined in Section 9-102(a)(78) of the UCC), it shall obtain the consent of the issuer of the applicable letter of credit to an assignment of the proceeds of such letter of credit to the Trustee in order to establish control (pursuant to Section 9-107 of the UCC) of such letter-of-credit rights by the Trustee.

Section 7.6. Opinions as to Assets

So long as the Rated Notes are Outstanding, on or before March 31 in each calendar year, commencing in 2016, the Issuer shall furnish to the Trustee, Moody's and Fitch an Opinion of Counsel relating to the security interest granted by the Issuer to the Trustee, stating that, as of the date of such opinion, the lien and security interest created by this Indenture with respect to the Assets remain in effect and that no further action (other than as specified in such opinion) needs to be taken to ensure the continued effectiveness of such lien over the next year.

Section 7.7. Performance of Obligations

(a) The Issuer 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 normal course amendments or waivers and 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 Indenture or as otherwise required hereby.

(b) The Issuer may, with the prior written consent of a Majority of each Class of Rated Notes (except in the case of the Collateral Management Agreement, the Collateral Administration Agreement and the Fiscal Agency Agreement, in which case no consent shall be required), contract with other Persons, including the Collateral Manager, the Trustee, the Collateral Administrator and the Fiscal Agent for the performance of actions and obligations to be performed by the Issuer hereunder and under the Collateral Management Agreement by such Persons. Notwithstanding any such arrangement, the Issuer shall remain primarily liable with respect thereto. In the event of such contract, the performance of such actions and obligations by such Persons shall be deemed to be performance of such actions and obligations by the Issuer; and the Issuer will punctually perform, and use their commercially reasonable best efforts to cause the Collateral Manager, the Trustee, the Fiscal Agent, the Collateral Administrator and such other Person to perform, all of their obligations and agreements contained in the Collateral Management Agreement, this Indenture, the Collateral Administration Agreement, the Fiscal Agency Agreement or any such other agreement.

(c) The Issuer shall notify each Rating Agency (with a copy to the Collateral Manager) within 10 Business Days after obtaining actual knowledge of any material breach of any Transaction Document, following any applicable cure period for such breach.

Section 7.8. Negative Covenants

(a) From and after the Closing Date, the Issuer will not:

(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 any other applicable jurisdiction);

(iii) (A) incur or assume or guarantee any indebtedness, other than the Notes, this Indenture and the transactions contemplated hereby, or (B)(1) issue any additional class of notes except in accordance with Section 2.12 and 3.2 or (2) issue any additional membership interests, *provided* that this clause (iii) shall not restrict the issuance of Preferred Interests in accordance with the terms of the Limited Liability Company Agreement and Fiscal Agency Agreement;

(iv) (A) permit the validity or effectiveness of this Indenture 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 or the Notes 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;

(vi) dissolve or liquidate in whole or in part, except as permitted hereunder or required by applicable law;

(vii) other than as otherwise expressly provided herein, pay any distributions other than in accordance with the Priority of Payments and the Fiscal Agency Agreement;

(viii) permit the formation of any subsidiaries;

(ix) conduct business under any name other than its own;

(x) have any employees (other than directors or managers to the extent they are employees);

(xi) fail to maintain an independent manager under the Limited Liability Company Agreement;

(xii) 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;

(xiii) if any Rated Notes are Outstanding, amend its organizational documents unless Rating Agency Confirmation has been received from Moody's with respect to such amendment; or

(xiv) elect to be taxable for U.S. federal income tax purposes as other than a disregarded entity or a partnership.

(b) The Issuer will not be party to any agreements under which it has a future payment obligation 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 Collateral Obligations or Eligible Investments 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 Issuer shall not enter into any agreement amending, modifying or terminating any Transaction Document without giving prior written notice to each Rating Agency (with a copy to the Collateral Manager).

(d) The Issuer may not acquire any of the Notes (including any Notes surrendered or abandoned) other than pursuant to and in accordance with Section 2.13. This Section 7.8(d) shall not be deemed to limit an optional, special or mandatory redemption pursuant to the terms of this Indenture.

Section 7.9. Statement as to Compliance

On or before December 15 in each calendar year commencing in 2015, or immediately if there has been a Default under this Indenture and prior to the issuance of any additional notes pursuant to Section 2.12, the Issuer shall deliver to the Trustee (to be forwarded by the Trustee to the Collateral Manager, 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. Issuer May Consolidate, etc., Only on Certain Terms

The Issuer (the "Merging Entity") shall not consolidate or merge with or into any other Person or transfer or convey all or substantially all of its assets to any Person, unless permitted by United States and Delaware law and unless:

(a) the Merging Entity shall be the surviving corporation, 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 formed and existing under the laws of the State of Delaware 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) in any case shall expressly assume, by an indenture supplemental hereto, executed and delivered to the Trustee and each Holder, the due and punctual payment of the principal of and interest on all Rated Notes and the performance and observance of every covenant of this Indenture on its part to be performed or observed, all as provided herein;

(b) Each Rating Agency shall have been notified in writing of such consolidation and Rating Agency Confirmation shall have been obtained from Moody's;

(c) if the Merging Entity is not the Successor Entity, the Successor Entity shall have agreed with the Trustee (i) to observe the same legal requirements for the recognition of such formed or surviving corporation 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 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 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) above and to execute and deliver an indenture supplemental hereto for the purpose of assuming such obligations; that such Person has duly authorized the execution, delivery and performance of an indenture supplemental hereto 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 (without regard to whether such enforceability is considered in a proceeding in equity or at law); if the Merging Entity is the Issuer, that, 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, to the Assets securing all of the Notes, (ii) the Trustee continues to have a

valid perfected first priority security interest in the Assets securing all of the Notes and (iii) such Successor Entity will not be subject to U.S. net income tax; and in each case as to such other matters as the Trustee or any Noteholder may reasonably require; *provided* that nothing in this clause (d) shall imply or impose a duty on the Trustee to require such other documents;

(e) immediately after giving effect to such transaction, no Default, Event of Default or Enforcement Event has and is continuing;

(f) the Merging Entity shall have notified the Collateral Manager of such consolidation, merger, transfer or conveyance and shall have delivered to the Trustee and each Holder 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 consolidation, merger, transfer or conveyance will not cause the Issuer to be subject to U.S. net income tax and will not, for any purpose, cause any Class of Rated Notes to be deemed retired and reissued or otherwise exchanged; and

(g) the Merging Entity shall have delivered to the Trustee an Opinion of Counsel stating that after giving effect to such transaction, the Issuer (or, if applicable, the Successor Entity) will not be required to register as an investment company under the Investment Company 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, in accordance with Section 7.10 in which the Merging Entity is not the surviving corporation, 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 herein. In the event of any such consolidation, merger, transfer or conveyance, the Person named as the "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 from its liabilities as obligor and maker on all the Notes and from its obligations under this Indenture.

Section 7.12. No Other Business

The Issuer shall not have any employees and shall not engage in any business or activity other than issuing, paying and redeeming the Notes and any additional notes issued pursuant to this Indenture, acquiring, holding, selling, exchanging, redeeming and pledging, solely for its own account, Collateral Obligations and Eligible Investments and other activities incidental thereto, including entering into the Purchase Agreement and the Transaction Documents to which it is a party. The Issuer shall not hold itself out as originating loans, lending funds, making a market in loans or other assets or selling loans or other assets to customers or as willing to enter into, assume, offset, assign or otherwise terminate positions in derivative financial instruments with customers.

Section 7.13. Maintenance of Listing

So long as any Listed Notes remain Outstanding, the Issuer shall use reasonable efforts to maintain the listing of such Notes on the Irish Stock Exchange.

Section 7.14. Ratings; Review of Credit Estimates

(a) The Issuer shall promptly notify the Trustee and the Collateral Manager in writing (and the Trustee shall promptly provide the Holders with a copy of such notice) if at any time the rating of any Class of Rated Notes has been, or is known will be, changed or withdrawn.

(b) The Issuer shall obtain and pay for (i) an annual review of any DIP Collateral Obligation and (ii) a review of any Collateral Obligation for which the Issuer has obtained a Moody's Credit Estimate or a credit opinion provided by Fitch and upon which the Issuer intends to continue to rely (A) annually and (B) upon the occurrence of a material amendment of the Underlying Instruments of such Collateral Obligation or a restructuring of the obligor.

Section 7.15. Reporting

At any time when the Issuer is 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 written request of any Holder or Certifying Person, the Issuer shall promptly furnish or cause to be furnished Rule 144A Information to such Holder or Certifying Person, to a prospective purchaser of such Note designated by such Holder or Certifying Person, or to the Trustee for delivery upon an Issuer Order to such Holder or Certifying Person or a prospective purchaser designated by such Holder or Certifying Person, as the case may be, in order to permit compliance by such Holder or Certifying Person 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 or regulatory interpretation thereto).

Section 7.16. Calculation Agent

(a) The Issuer hereby agrees that for so long as any Rated Notes remain 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 in respect of each Interest Accrual Period (or portion thereof) in accordance with the terms of Exhibit D hereto (the "Calculation Agent"). The Issuer hereby appoints the Trustee as the 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. The Calculation Agent may not resign its duties or be removed without a successor having been duly appointed.

(b) 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 Rate Notes during the related Interest Accrual Period (or, in the case of the first Interest Accrual Period, for the relevant portion thereof) and the Note Interest Amount (in each case, rounded to the nearest cent, with half a cent being rounded upward) payable on the related Payment Date in respect of such Class of Rate Notes and the related Interest Accrual Period. At such time, the Calculation Agent will communicate such rates and amounts to the Issuer, the Trustee, each Paying Agent, the Collateral Manager, Euroclear, Clearstream and the Irish Stock Exchange by email to rates@ise.ie. The Calculation Agent will also specify to the Issuer the quotations upon which the foregoing rates and amounts are based, and in any event the Calculation Agent shall notify the Issuer (with a copy to the Collateral Manager) 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 Note Interest Amount together with its reasons therefor. The Calculation Agent's determination of the foregoing rates and amounts for any Interest Accrual Period (or portion thereof) will (in the absence of manifest error) be final and binding upon all parties.

Section 7.17. Certain Tax Matters

(a) The Issuer intends to be treated as a pass-through entity for U.S. federal income tax purposes. For so long as all of the Preferred Interests, Reinvesting Holder Notes and any other interests that are treated as equity of the Issuer for U.S. federal income tax purposes are held by Carlyle GMS Finance, Inc. (the "Carlyle Owner") or any applicable Sole Equity Owner, as the case may be, the Issuer will be disregarded as separate from the Carlyle Owner or such Sole Equity Owner for U.S. federal income tax purposes. If and when the Preferred Interests, the Reinvesting Holder Notes and any other interests that are treated as equity of the Issuer for U.S. federal income tax purposes are transferred such that those interest are considered held by two or more tax owners for U.S. federal income tax purposes, the Issuer intends to treat itself as a partnership for U.S. tax purposes. Each Holder or beneficial owner of a Note or interest therein, by investing in a Note, is deemed to agree to such treatment.

(b) The Issuer has not and will not elect to be treated other than as a partnership or disregarded entity for U.S. federal, state or local income or franchise tax purposes and shall make any election or take any action necessary to avoid classification as a corporation for U.S. federal, state or local tax purposes.

(c) The Issuer will provide, upon request of a Holder of Reinvesting Holder Notes, any information reasonably available to the Issuer that such Holder reasonably requests in order for such Holder to comply with its U.S. federal, state or local tax return filing and information reporting obligations.

(d) Notwithstanding anything herein to the contrary, the Collateral Manager, the Issuer, the Trustee, the Collateral Administrator, the Initial Purchaser, the Holders and beneficial owners of the Note and each employee, representative or other agent of those Persons, may disclose to any and all Persons, without limitation of any kind, the U.S. tax treatment any kind, including opinions or other tax analyses, that are provided to those Persons. This authorization to disclose the U.S. tax treatment and tax structure does not permit disclosure of information identifying the Collateral Manager, the Issuer, the Trustee, the Collateral Administrator, the Initial Purchaser or any other party to the transactions contemplated by this Indenture, the Offering or the pricing (except to the extent such information is relevant to U.S. tax structure or tax treatment of such transactions).

(e) In the case of any Notes issued with original issue discount for U.S. federal income tax purposes, upon the Issuer's receipt of a written request therefor by a Holder or by a Person certifying that it is an owner of a beneficial interest in a Note for the information described in U.S. Treasury Regulations Section 1.1275-3(b)(1)(i) that is applicable to such Notes, the Issuer shall cause its Independent accountants to provide promptly to such requesting Holder or owner of a beneficial interest in such a Note all of such information. Any additional issuance of additional notes shall be accomplished in a manner that shall allow the Independent accountants of the Issuer to accurately calculate original issue discount income to Holders of the additional notes.

(f) If the Issuer is aware that it has purchased an interest in a "reportable transaction" within the meaning of Section 6011 of the Code, and a Holder of a Reinvesting Holder Note requests in writing information about any such transactions in which the Issuer is an investor, the Issuer shall provide, or cause its Independent accountants to provide, such information it has reasonably available that is required to be obtained by such Holder under the Code as soon as practicable after such request.

(g) If and when the Preferred Interests, Reinvesting Holder Notes and any other interests that are treated as equity of the Issuer for U.S. federal income tax purposes are transferred such that those interests are considered held by two or more tax owners for U.S. federal income tax purposes, the following provisions shall apply (but, for the avoidance of doubt, the following provisions shall have no force or effect while the Preferred Interests, Reinvesting Holder Notes and the other interests that are treated as equity of the Issuer for U.S. federal income tax purposes are held by a Sole Equity Owner):

(i) Each Holder or beneficial owner of a Reinvesting Holder Note or other interest that is treated as equity of the Issuer for U.S. federal income tax purposes (each such interest, a "Partnership Interest" and each such Holder, a "Partner") agrees to treat the Issuer as a partnership and this Indenture as part of the Issuer's partnership agreement for purposes of Subchapter K and any related provisions of the Code and any Treasury Regulations promulgated thereunder.

(ii) The Carlyle Owner shall be the initial "tax matters partner" as defined in section 6231(a)(7) of the Code (the "Tax Matters Partner") for the Issuer for all U.S. federal income tax purposes set forth in the Code with the power and authority to take all actions and do such things as required or as it shall deem appropriate

under the Code or the Treasury Regulations promulgated thereunder. The Carlyle Owner shall remain the Tax Matters Partner for the Issuer with respect to all periods in which the Carlyle Owner holds Preferred Interests or Reinvesting Holder Notes. For periods in which the Carlyle Owner holds no Preferred Interests or Reinvesting Holder Notes, the Carlyle Owner shall cease to be the Tax Matters Partner for the Issuer, and the Holders of a majority of the Preferred Interests and Reinvesting Holder Notes shall appoint a different Tax Matters Partner. Any action taken by the Tax Matters Partner in connection with audits of the Issuer under the Code will, to the extent permitted by law, be binding upon the Partners of the Issuer. Each such Partner agrees that it will treat any Issuer item on such Partner's individual income tax return consistently with the treatment of the item on the Issuer's tax return and that such Partner will not independently act with respect to tax audits or tax litigation affecting the Issuer, unless previously authorized to do so in writing by the Tax Matters Partner, which authorization may be withheld in the complete discretion of the Tax Matters Partner.

(iii) Without limiting the foregoing, the Tax Matters Partner shall make or cause to be made any and all elections on behalf of the Issuer under any applicable tax law as the Tax Matters Partner shall deem, in its discretion, to be in the best interests of the Issuer, including an election under section 754 of the Code.

(iv) (A) The Tax Matters Partner shall establish and maintain or cause to be established and maintained on the books and records of the Issuer an individual capital account for each Partner in accordance with section 704(b) of the Code and Treasury Regulations section 1.704-1(b)(2)(iv).

(B) For capital account purposes, all items of income, gain, loss and deduction shall be allocated among the Partners in a manner such that, if the Issuer were dissolved, its affairs wound up, its assets sold for their respective "book values" (within the meaning of Treasury regulations section 1.704-1(b)(2)(iv)) and its liabilities satisfied in full (except that nonrecourse liabilities with respect to an asset shall be satisfied only to the extent that such nonrecourse liabilities do not exceed the book value of such asset) and its assets distributed to the Partners in accordance with their respective capital account balances immediately after making such allocation, such distributions would, as nearly as possible, be equal to the distributions that would be made pursuant to the provisions of this Indenture. Any special allocations provided for in Section 7.17(g)(iv)(E)-(G) shall be taken into account for capital account purposes.

(C) For U.S. federal, state and local income tax purposes, items of income, gain, loss, deduction and credit shall be allocated to the Partners in accordance with the allocations of the corresponding items for capital account purposes under this Section 7.17(g)(iv), except that items with respect to which there is a difference between tax and book basis will be allocated in accordance with section 704(c) of the Code, the Treasury Regulations thereunder, and Treasury Regulation section 1.704- 1(b)(4)(i).

(D) The provisions of this Section 7.17(g)(iv) relating to the maintenance of capital accounts are intended to comply with Treasury Regulation section 1.704-1(b) and shall be interpreted and applied in a manner consistent with such regulations. The Tax Matters Partner shall be authorized to make appropriate amendments to the allocations of items pursuant to this Section 7.17(g)(v) if necessary in order to comply with section 704 of the Code or applicable Treasury Regulations thereunder.

(E) Notwithstanding any other provision set forth in this Section 7.17(g)(iv), no item of deduction or loss shall be allocated to a Partner to the extent the allocation would cause a negative balance in the Partner's capital account (after taking into account the adjustments, allocations and distributions described in Treasury Regulations sections 1.704-1(b)(2)(ii)(d)(4), (5) and (6)) that exceeds the amount that such Partner would be required to reimburse the Issuer pursuant to this Indenture or under applicable law. In the event some but not all of the Partners would have such excess capital account deficits as a consequence of such an allocation of loss or deduction, the limitation set forth in this Section 7.17(g)(iv)(E) shall be applied on a Partner by Partner basis so as to allocate the maximum permissible deduction or loss to each such Partner under Treasury Regulation section 1.704-1(b)(2)(ii)(d). In the event any loss or deduction is specially allocated to a Partner pursuant to either of the two preceding sentences, an equal amount of income of the Issuer shall be specially allocated to such Partner prior to any allocation pursuant to Section 7.17(g)(iv)(B).

(F) In the event any Partner unexpectedly receives any adjustments, allocations, or distributions described in Treasury Regulations sections 1.704-1(b)(2)(ii)(d)(4), (5) and (6), items of Issuer income and gain shall be specially allocated to such Partner in an amount and manner sufficient to eliminate as quickly as possible any deficit balance in its capital account in excess of that permitted under Section 7.17(g)(iv)(E) created by such adjustments, allocations or distributions. Any special allocations of items of income or gain pursuant to this Section 7.17(g)(iv)(F) shall be taken into account in computing subsequent allocations pursuant to this Section 7.17(g)(iv)(F) so that the net amount of any items so allocated and all other items allocated to each Partner pursuant to this Section 7.17(g)(iv)(F) shall, to the extent possible, be equal to the net amount that would have been allocated to each such Partner pursuant to the provisions of this Section 7.17(g)(iv)(F) if such unexpected adjustments, allocations or distributions had not occurred.

(G) In the event the Issuer incurs any nonrecourse liabilities, income and gain shall be allocated in accordance with the "minimum gain chargeback" provisions of Treasury Regulations sections 1.704-1(b)(4)(iv) and 1.704-2.

(H) The capital accounts of the Partners shall be adjusted in accordance with Treasury Regulations Section 1.704-1(b)(2)(iv)(f) to reflect the fair market value of Issuer property whenever a Partnership Interest is relinquished to the Issuer, whenever an additional Person becomes a Partner as permitted under this

Indenture, upon any termination of the Issuer within the meaning of Section 708 of the Code, and when the Issuer is liquidated as permitted under this Indenture, and shall be adjusted in accordance with Treasury Regulations Section 1.704-1(b)(2)(iv)(e) in the case of a distribution of any property (other than cash).

(v) To the extent the Issuer is required by law to withhold or to make tax payments on behalf of or with respect to any Partner (e.g., backup withholding) ("Tax Advances"), the Issuer may cause such amounts to be withheld and such tax payments to be made as so required. All Tax Advances made on behalf of a Partner shall, at the option of the Issuer, (i) be promptly paid to the Issuer by the Partner on whose behalf such Tax Advances were made (such payment not to constitute a capital contribution), or (ii) be repaid by reducing the amount of the current or next succeeding distribution or distributions which would otherwise have been made to such Partner or, if such distributions are not sufficient for that purpose, by so reducing the proceeds of liquidation otherwise payable to such Partner. Whenever the Issuer selects option (ii) pursuant to the preceding sentence for repayment of a Tax Advance by a Partner, for all other purposes of this Indenture such Partner shall be treated as having received all distributions (whether before or upon liquidation) unreduced by the amount of such Tax Advance and interest thereon. Each Partner hereby agrees, to the extent permitted by applicable state and federal law, to reimburse the Issuer for any liability with respect to Tax Advances required on behalf of or with respect to such Partner.

(vi) 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 Tax Advice, the ownership of such debt obligations will not cause the Issuer to be treated as a taxable mortgage pool for U.S. federal income tax purposes.

Section 7.18. Effective Date; Purchase of Additional Collateral Obligations

(a) The Issuer will use commercially reasonable efforts to purchase or acquire (or enter into commitments to purchase or acquire), on or before the Effective Date Cut-Off, Collateral Obligations, such that the Target Initial Par Condition is satisfied.

(b) During the period from the Closing Date to and including the Effective Date, the Issuer will use the following funds to purchase additional Collateral Obligations in the following order: (i) to pay for the principal portion of any Collateral Obligation, any amounts on deposit in the Ramp-Up Account and any Principal Proceeds on deposit in the Collection Account and (ii) to pay for accrued interest on any such Collateral Obligation, any amounts on deposit in the Ramp-Up Account. In addition, the Issuer will use commercially reasonable efforts to acquire such Collateral Obligations that will satisfy or comply with, on the Effective Date, the Concentration Limitations, the Collateral Quality Test and the Overcollateralization Ratio Test.

(c) Unless clause (e) below is applicable, within 10 Business Days after the Effective Date, the Issuer shall provide, or cause the Collateral Manager to provide, the following documents: (i) to each Rating Agency, a report identifying the Collateral Obligations; (ii) to the Trustee, each Rating Agency and all holders of Notes, (x) a report (which the Issuer shall cause the Collateral Administrator to prepare on its behalf in accordance with, and subject to the terms of, the Collateral Administration Agreement) stating the following information (the "Effective Date Report"): (A) the issuer, principal balance, coupon/spread, stated maturity, Moody's Default Probability Rating, Moody's Industry Classification, Fitch Rating and country of Domicile with respect to each Collateral Obligation as of the Effective Date and substantially similar 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 and (B) as of the Effective Date, the level of compliance with, and 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 and (y) a certificate of the Issuer (such certificate, the "Effective Date Issuer Certificate") substantially in the form of Exhibit G hereto, certifying that the Issuer has received an Accountants' Report that compares the items specified in Section 7.18(c)(ii)(x)(A) set forth in the Effective Date Report (such Accountants' Report, the "Effective Date Accountants' Comparison Report") and recalculates the items specified in Section 7.18(c)(ii)(x)(B) set forth in the Effective Date Report (such Accountants' Report, the "Effective Date Accountants' Recalculation Report" and together with the Effective Date Accountants' Comparison Report, the "Effective Date Accountants' Report"); and (iii) to the Trustee, the Effective Date Accountants' Report.

(d) Upon receipt of the Effective Date Report, the Trustee shall compare the information contained in such Effective Date Report to the information contained in its records with respect to the Assets and shall, within three Business Days after receipt of such Effective Date Report, notify the Issuer, the Collateral Administrator, the Rating Agencies and the Collateral Manager if the information contained in the Effective Date Report does not conform to the information maintained by the Trustee with respect to the Assets. If any discrepancy exists, the Trustee 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 Trustee shall within five Business Days of its initial notice to the Issuer, Collateral Administrator, Rating Agencies and the Collateral Manager of the discrepancy notify the Collateral Manager who shall, on behalf of the Issuer, request that the Independent accountants selected by the Issuer pursuant to Section 10.9 perform agreed-upon procedures on the Effective Date Report and the Trustee's records to determine the cause of such discrepancy. If such procedures reveals an error in the Effective Date Report or the Trustee's records, the Effective Date Report or the Trustee's records shall be revised accordingly and notice of any error in the Effective Date Report shall be sent as soon as practicable by the Issuer to all recipients of such report.

(e) If (1) the Issuer or the Collateral Manager, as the case may be, has not provided to Moody's both (A) an Effective Date Report described in Section 7.18(c)(ii) that shows that the Target Initial Par Condition was satisfied, each Overcollateralization Ratio Test was satisfied, the Concentration Limitations were complied with and the Collateral Quality Test was satisfied and (B) the Effective Date Issuer Certificate (such an Effective Date Report, together with such Effective Date Issuer Certificate, a "Passing Report")

prior to the date 10 Business Days after the Effective Date or (2) any of the tests referred to in Section 7.18(c)(ii)(x)(B) above are not satisfied on or before the second Determination Date, ((1) or (2) constituting a "Moody's Ramp-Up Failure") then the Issuer (or the Collateral Manager on the Issuer's behalf) shall provide notice of such Moody's Ramp-Up Failure to Fitch and either (i) provide a Passing Report to Moody's or (ii) obtain Rating Agency Confirmation from Moody's, in each case on or before the first Determination Date; *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 designating Interest Proceeds 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) provide to Moody's a Passing Report or (2) obtain Rating Agency Confirmation from Moody's; and

(f) At any time prior to the earlier of the Effective Date and the second Payment Date, the Issuer (or the Collateral Manager on the Issuer's behalf) may apply Interest Proceeds to purchase additional Collateral Obligations in an amount sufficient to enable the Issuer (or the Collateral Manager on the Issuer's behalf) to (A) provide a Passing Report to Moody's or (B) obtain Rating Agency Confirmation from Moody's. Notwithstanding the foregoing, Interest Proceeds may only be applied to purchase additional Collateral Obligations or in connection with a Special Redemption if, in the Collateral Manager's reasonable judgment, after giving effect to such transfer the amounts available pursuant to the Priority of Payments on the next succeeding Payment Date would be sufficient to pay the full amount of the accrued and unpaid interest on all Classes of Rated Notes on such next succeeding Payment Date (and all other amounts payable prior to the payment of interest on such Rated Notes).

(g) 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) and the Issuer, or the Collateral Manager acting on behalf of the Issuer, has acted in bad faith. The proceeds of the issuance of the Notes which are not applied to pay for the purchase of Collateral Obligations purchased by the Issuer on or before the Closing Date or to pay other applicable fees and expenses will be deposited in the Ramp-Up Account as Principal Proceeds on the Closing Date. At the direction of the Issuer (or the Collateral Manager on behalf of the Issuer), the Trustee shall apply 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) Minimum Diversity Score/Maximum Rating/Minimum Spread Matrix. On or prior to the Effective Date, the Collateral Manager shall elect the Matrix Combination that shall on and after the Effective Date apply to the Collateral Obligations for purposes of determining compliance with the Moody's Diversity Test, the Maximum Moody's Rating Factor Test and the Minimum Moody's Floating Spread Test, and if such Matrix Combination differs from the Matrix Combination chosen to apply as of the Closing Date, the Collateral Manager will so notify the Trustee, the Collateral Administrator and

Fitch. Thereafter, at any time on written notice of one Business Day to the Trustee and the Rating Agencies, the Collateral Manager may elect a different Matrix Combination to apply to the Collateral Obligations; *provided* that if: (i) the Collateral Obligations are currently in compliance with the Matrix Combination then applicable to the Collateral Obligations, the Collateral Obligations comply with the Matrix Combination to which the Collateral Manager desires to change or (ii) the Collateral Obligations are not currently in compliance with the Matrix Combination then applicable to the Collateral Obligations or would not be in compliance with any other Matrix Combination, the Collateral Obligations need not comply with the Matrix Combination to which the Collateral Manager desires to change, so long as the level of compliance with the Matrix Combination being selected maintains or improves the level of compliance immediately prior to such change; *provided* that if subsequent to such election the Collateral Obligations comply with any Matrix Combination, the Collateral Manager shall elect a Matrix Combination in which the Collateral Obligations are in compliance. If the Collateral Manager does not notify the Trustee and the Collateral Administrator that it will alter the Matrix Combination chosen on the Effective Date in the manner set forth above, the Matrix Combination chosen on or prior to the Effective Date shall continue to apply.

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 Trustee hereunder):

(i) The Issuer owns such Asset free and clear of any lien, claim or encumbrance of any person, other than such as are created under, or permitted by, this Indenture.

(ii) Other than the security interest Granted to the Trustee 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 Trustee 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 Accounts constitute "securities accounts" under Article 8 of the UCC or related "deposit accounts" as defined in Article 9 of the UCC.

(iv) This Indenture creates a valid and continuing security interest (as defined in Article 1 of the UCC) in such Assets in favor of the Trustee, 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 this Indenture), and is enforceable as such against creditors of and purchasers from the Issuer, except as otherwise permitted under this Indenture; *provided* that this Indenture will only create a security interest in those commercial tort claims, if any, and timber to be cut, if any, that are described in a notice delivered to the Trustee as contemplated by Section 7.5(c).

(v) 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 Assets granted to the Trustee, for the benefit and security of the Secured Parties.

(vi) 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 Trustee, for the benefit of the Secured Parties.

(vii) The Issuer has received any consents or approvals required by the terms of the Assets to the pledge hereunder to the Trustee of its interest and rights in the Assets.

(viii) All Assets with respect to which a security entitlement may be created by the Intermediary have been credited to one or more Accounts.

(ix) (A) The Issuer has delivered to the Trustee a fully executed Account Agreement pursuant to which the Intermediary has agreed to comply with all instructions originated by the Trustee relating to the Accounts without further consent by the Issuer or (B) the Issuer has taken all steps necessary to cause the Intermediary to identify in its records the Trustee as the person having a security entitlement against the Intermediary in each of the Accounts, or as the person who is the "customer" (within the meaning of Section 4-104(a)(c) of the UCC with respect to each of the Accounts).

(x) The Accounts are not in the name of any Person other than the Issuer or the Trustee. The Issuer has not consented to the Intermediary to comply with the Entitlement Order or other instructions of any Person other than the Trustee.

(b) The Issuer agrees to notify the Rating Agencies, with a copy to the Collateral Manager, promptly if it becomes aware of the breach of any of the representations and warranties contained in this Section 7.19 and shall not waive any of the representations and warranties in this Section 7.19 or any breach thereof.

Section 7.20. Rule 17g-5 Compliance

(a) To enable the Rating Agencies to comply with their obligations under Rule 17g-5, the Issuer shall cause to be posted on the 17g-5 Website, at the same time such information is provided to the Rating Agencies, all information the Issuer provides to the Rating Agencies for the purposes of determining the initial credit rating of the Rated Notes or undertaking credit rating surveillance of the Rated Notes.

(b) Pursuant to the Collateral Administration Agreement, the Issuer has appointed the Collateral Administrator as its agent (in such capacity, the "Information Agent") to post to the 17g-5 Website any information that the Information Agent receives from the Issuer, the Trustee or the Collateral Manager (or their respective representatives or advisors) that is designated as information to be so posted.

(c) The Issuer and the Trustee agree that any notice, report, request for Rating Agency Confirmation or other information provided by the Issuer or the Trustee (or any of their respective representatives or advisors) to any Rating Agency hereunder or under any other Transaction Document for the purposes of undertaking credit rating surveillance of the Rated Notes shall be provided, substantially concurrently, by the Issuer or the Trustee, as the case may be, to the Information Agent for posting on the 17g-5 Website.

(d) The Trustee shall have no obligation to engage in or respond to any oral communications with respect to the transactions contemplated hereby, any transaction documents relating hereto or in any way relating to the Notes or for the purposes of determining the initial credit rating of the Notes or undertaking credit rating surveillance of the Notes with any Rating Agency or any of its respective officers, directors or employees.

(e) The Trustee will not be responsible for creating or maintaining the 17g-5 Website, posting any 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 by the 17g-5 Website with this Indenture, Rule 17g-5 or any other law or regulation.

(f) The Information Agent and the Trustee shall not 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, a nationally recognized statistical rating organization ("NRSRO"), any of their respective agents or any other party. Additionally, neither the Information Agent nor the Trustee shall be liable for the use of the information posted on the 17g-5 Website, whether by the Issuer, the Rating Agencies, an NRSRO or any other third party that may gain access to the 17g-5 Website or the information posted thereon.

(g) Notwithstanding anything therein to the contrary, the maintenance by the Trustee of the Trustee's Website described in Article X 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.

Section 7.21. Contesting Insolvency Filings

The Issuer, upon receipt of notice of any Bankruptcy Filing, shall, provided funds are available for such purpose, timely file an answer and any other appropriate pleading objecting to such Bankruptcy Filing. The reasonable fees, costs, charges and expenses incurred by the Issuer (including reasonable attorneys' fees and expenses) in connection with taking any such action will constitute "Petition Expenses" and shall be paid as "Administrative Expenses" unless paid on behalf of the applicable entity. Petition Expenses in an amount up to U.S.$250,000 in the aggregate (such limit to be in effect throughout the transaction and until the dissolution of the Issuer) will constitute "Special Petition Expenses" and shall be paid without regard to the Administrative Expense Cap.

ARTICLE VIII
SUPPLEMENTAL INDENTURES

Section 8.1. Supplemental Indentures Without Consent of Holders of Securities

(a) Without the consent of the Holders of any Notes, but with the consent of the Collateral Manager, the Issuer, when authorized by Resolutions, at any time and from time to time, may, without an officer's certificate of the Issuer, the Collateral Manager or any investment banking firm or other independent expert familiar with the market for the Securities being provided to the Issuer or the Trustee as to whether or not any Class of Securities would be materially and adversely affected thereby, enter into one or more indentures supplemental hereto, in form satisfactory to the Trustee for any of the following purposes:

(i) to evidence the succession of another Person to the Issuer and the assumption by any such successor Person of the covenants of the Issuer herein and in the Securities;

(ii) to add to the covenants of the Issuer or the Trustee for the benefit of the Secured Parties;

(iii) to convey, transfer, assign, mortgage or pledge any property to or with the Trustee or add to the conditions, limitations or restrictions on the authorized amount, terms and purposes of the issue, authentication and delivery of the Securities;

(iv) to evidence and provide for the acceptance of appointment hereunder by a successor Trustee and to add to or change any of the provisions of this Indenture as is necessary to facilitate the administration of the trusts hereunder by more than one Trustee, pursuant to the requirements of Sections 6.9, 6.10 and 6.12;

(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 Trustee 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 Securities to reflect any changes in ERISA or other applicable law or regulation (or the interpretation thereof) or to enable the Issuer to rely upon any exemption from registration under the Securities Act or the Investment Company Act or to remove restrictions on resale and transfer to the extent not required thereunder;

(vii) to make such changes as will be necessary or advisable in order for the Rated Notes to be or remain listed on an exchange, including the Irish Stock Exchange, *provided* that any such listing will not cause the Issuer to be treated as a publicly traded partnership taxable as a corporation for U.S. federal income tax purposes;

(viii) otherwise to correct any inconsistency or cure any ambiguity, omission or manifest errors in this Indenture or to conform the provisions of this Indenture to the Offering Circular;

(ix) to take any action necessary or advisable to prevent the Issuer, the Trustee, any paying agent or any Class from becoming subject to (or otherwise minimize) withholding or other taxes, fees or assessments;

(x) at any time during the Reinvestment Period (except with respect to clause (C) below), to facilitate the issuance by the Issuer in accordance with Sections 2.12, 3.2 and 9.1 (for which any required consent has been obtained) of (A) additional notes of any one or more new classes that are fully subordinated to the existing Rated Notes (or to the most junior class of securities of the Issuer (other than the Preferred Interests), if any class of securities other than the Rated Notes, the Reinvesting Holder Notes and the Preferred Interests is then outstanding); (B) additional notes of any one or more existing Classes (other than the Reinvesting Holder Notes); or (C) replacement notes in connection with a Refinancing (which supplemental indenture, in the case of this clause (C), may effect a new non-call period and may also occur at any time during or after the Reinvestment Period);

(xi) to accommodate the issuance of any Notes in book-entry form through the facilities of DTC or otherwise;

(xii) to change the name of the Issuer in connection with any change in name or identity of the Collateral Manager or as otherwise required pursuant to a contractual obligation or to avoid the use of a trade name or trademark in respect of which the Issuer does not have a license;

(xiii) to amend, modify or otherwise accommodate changes to this Indenture to comply with any rule or regulation enacted by any regulatory agency of the United States federal government after the Closing Date that is applicable to the Notes;

(xiv) to make modifications determined by the Collateral Manager to be necessary in order for a Refinancing or Re-Pricing not to be subject to the U.S. Risk Retention Requirements; or

(xv) to make any modification to comply with changes to the Retention Requirements.

(b) In addition, the Issuer and the Trustee may enter into supplemental indentures to (A) evidence any waiver by any Rating Agency of Rating Agency Confirmation required hereunder, (B) conform to ratings criteria and other guidelines relating generally to collateral debt obligations published by any Rating Agency, including any alternative methodology published by any Rating Agency or (C) effect a Re-Pricing; *provided*,

however, that any supplemental indenture pursuant to this clause (b) that necessitates a modification or waiver in the definition or application of the term "Concentration Limitations" and/or the definitions related to the Concentration Limitations, any Collateral Quality Test, any definition related to the Coverage Tests, the provisions of this Indenture governing Maturity Amendments, or the definitions of "Defaulted Obligation," "Credit Improved Obligation," "Credit Impaired Obligation" and/or "Collateral Obligation" shall meet the modification requirements in Section 8.2(b); *provided*, *further*, that any supplemental indenture pursuant to this Section 8.1(b) shall be subject to Section 8.1(c).

(c) Subject to Rating Agency Confirmation from the applicable Rating Agency, the Trustee and the Issuer may amend this Indenture to modify all applicable Rating Agency matrices in connection with any Re-Pricing or Refinancing in which the interest rate applicable with respect to any of the Rated Notes is reduced which results in a reduced amount of interest due on such Rated Notes.

(d) Any supplemental indenture entered into for a purpose other than the purposes set forth in this Section 8.1 must be executed pursuant to Section 8.2 with the consent of the percentage of Holders specified therein.

Section 8.2. Supplemental Indentures With Consent of Holders

(a) With the consent of the Collateral Manager and a Majority of the Securities of each Class materially and adversely affected thereby, if any, and subject to clauses (b) and (c) below, the Trustee and the Issuer may execute one or more indentures supplemental hereto to add any 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 the Securities of any Class under this Indenture; *provided* that notwithstanding anything in this Indenture to the contrary, no such supplemental indenture shall, without the consent of 100% of the Outstanding Aggregate Amount of each Class materially and adversely affected thereby:

(i) change the Stated Maturity of the principal of or the due date of any installment of interest on any Rated Note, reduce the principal amount thereof or reduce the Redemption Price with respect to any Security or, other than in connection with a Re-Pricing, reduce the rate of interest thereon or reduce the Redemption Price with respect to any Note, or change the earliest date on which Securities of any Class 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 the Rated Notes or distributions on the Preferred Interests (other than, following a redemption in full of the Rated Notes, an amendment to permit distributions in respect of Preferred Interests on dates other than Payment Dates) or change any place where, or the coin or currency in which, Securities 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), *provided* that with respect to lowering the rate of interest payable on a Class of Securities, the consent of Holders of the other Classes of Securities shall not be required, *provided*, *further*, that any supplemental indenture entered into in connection with a Refinancing or a Re-Pricing may effect a new non-call period;

(ii) reduce or increase 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 in this Indenture;

(iii) 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 thereto or deprive the Holder of any Rated Note of the security afforded by the lien of this Indenture;

(iv) reduce or increase the percentage of the Aggregate Outstanding Amount of Holders of any Class of Rated Notes whose consent is required to request the Trustee to preserve the Assets or rescind the Trustee'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;

(v) modify any of the provisions of this Indenture with respect to entering into supplemental indentures, except to increase the percentage of Outstanding Securities 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 the Holder of each Security Outstanding and affected thereby; or

(vi) modify the definition of the term Controlling Class, the definition of the term Class, the definition of the term Outstanding or the Priority of Payments set forth in Section 11.1(a).

(b) With the consent of the Collateral Manager and a Majority of the Controlling Class but without the consent of any other Class of Securities, the Trustee and the Issuer may execute one or more supplemental indentures to modify (i) the definition of the term "Concentration Limitations" and/or the definitions related to the Concentration Limitations, (ii) the Collateral Quality Test or the definitions related thereto, (iii) any of the Investment Criteria, (iv) any definitions related to the Coverage Tests, (v) provisions governing Maturity Amendments or (vi) the definition of "Defaulted Obligation," "Credit Improved Obligation," "Credit Impaired Obligation" and/or "Collateral Obligation."

(c) With the consent of the Collateral Manager and a Majority of the Preferred Interests, without regard to whether such Class would be materially and adversely affected thereby, the Trustee and the Issuer may execute one or more indentures supplemental hereto to modify the Subordinated Management Fee or the Incentive Management Fee.

Section 8.3. Execution of Supplemental Indentures

(a) The Trustee shall join in the execution of any such supplemental indenture and to make any further appropriate agreements and stipulations which may be therein contained, but the Trustee shall not be obligated to enter into any such supplemental indenture which affects the Trustee's own rights, duties, liabilities or immunities under this Indenture or otherwise, except to the extent required by law.

(b) 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 will be entitled to receive, and (subject to Sections 6.1 and 6.3) will be fully protected in relying in good faith 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 complied with; *provided* that if such Opinion of Counsel relies upon a written certification as to whether one or more Classes are materially adversely affected by such supplemental indenture, the Trustee shall also be entitled to rely on such written certification; *provided further, however*, that if a Majority of such Class or Classes has provided written notice to the Trustee pursuant to Section 8.3(i) of their determination that a proposed amendment would have material and adverse effect on such Class, the Trustee will be bound by such determination.

(c) At the cost of the Issuer, for so long as any Securities remain Outstanding, not later than 15 Business Days prior to the execution of any proposed supplemental indenture pursuant to Section 8.1 or Section 8.2, the Trustee will provide to the Collateral Manager, the Collateral Administrator, the Rating Agencies, the Noteholders and the Fiscal Agent a notice attaching a copy of such supplemental indenture. Following such delivery by the Trustee, if any changes are made to such supplemental indenture other than to correct typographical errors, to complete or change dates, or to adjust formatting, then at the cost of the Issuer, for so long as any Securities shall remain Outstanding, not later than five Business Days prior to the execution of such proposed supplemental indenture (*provided* that the execution of such proposed supplemental indenture shall not in any case occur earlier than the date 20 Business Days after the initial distribution of such proposed supplemental indenture pursuant to the first sentence of this paragraph), the Trustee shall provide to the Collateral Manager, the Collateral Administrator, the Rating Agencies, the Noteholders and the Fiscal Agent a copy of such supplemental indenture as revised, indicating the changes that were made. If any Class of Notes are Outstanding and are rated by Moody's, Rating Agency Confirmation must be obtained from Moody's for any supplemental indenture that modifies or amends any component of the Minimum Diversity Score/Maximum Rating/Minimum Spread Matrix or the definitions related thereto.

(d) Notwithstanding any provision of Section 8.1 or Section 8.2 to the contrary, if any supplemental indenture permits the Issuer to enter into a Synthetic Security or other hedge, swap or derivative transaction (each, a "Hedge Agreement"), the consent of a Majority of the Controlling Class and the consent of a Majority of the Preferred Interests must be obtained and the supplemental indenture shall require that, before entering into any such Hedge Agreement, the following additional conditions must be satisfied: (A) the

Issuer receives a written opinion of counsel that either (1) the Issuer entering into such Hedge Agreement will not cause it to be considered a "commodity pool" as defined in Section 1a(10) of the Commodity Exchange Act, as amended or (2) if the Issuer would be a commodity pool, (a) that the Collateral Manager, and no other party, would be the "commodity pool operator" and "commodity trading adviser;" and (b) with respect to the Issuer as the commodity pool, the Collateral Manager is eligible for an exemption from registration as a commodity pool operator and commodity trading adviser and all conditions precedent to obtaining such an exemption have been satisfied; (B) the Collateral Manager agrees in writing (or the supplemental indenture requires) that for so long as the Issuer is a commodity pool it will take all action necessary to ensure ongoing compliance with the applicable exemption from registration as a commodity pool operator and commodity trading adviser with respect to the Issuer, and any other actions required as a commodity pool operator and commodity trading adviser with respect to the Issuer; (C) the Issuer receives a written opinion of counsel that the Issuer entering into such Hedge Agreement will not, in and of itself, cause the Issuer to become a "covered fund" as defined by the Volcker Rule; and (D) the Issuer has received Rating Agency Confirmation with respect to any Rated Notes currently rated by Moody's. The Issuer or the Collateral Manager shall provide a draft of any proposed Hedge Agreement to Fitch for so long as Fitch is rating any Class of Notes.

(e) At the cost of the Issuer, the Trustee will provide to the Holders, the Rating Agencies and the Fiscal Agent a copy of the executed supplemental indenture after its execution. Any failure of the Trustee to provide such notice, or any defect therein, will not in any way impair or affect the validity of any such supplemental indenture.

(f) 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.

(g) The Collateral Manager shall not be bound to follow any amendment or supplement to this Indenture unless it has received written notice of such supplement and a copy of such supplement from the Issuer or the Trustee. The Issuer agrees that it shall not permit to become effective any supplement or modification to this Indenture which would, as reasonably determined by the Collateral Manager, (i) increase the duties or liabilities of, reduce or eliminate any protection, right or privilege of (including as a result of an effect on the amount or priority of any fees or other amounts payable to the Collateral Manager), or adversely change the economic consequences to, the Collateral Manager; (ii) modify the Investment Criteria, Collateral Quality Test, Coverage Tests or the restrictions on the Sales of Collateral Obligations; or (iii) materially expand or restrict the Collateral Manager's discretion; however, the Collateral Manager shall not be bound thereby unless the Collateral Manager shall have consented in advance thereto in writing, and such consent shall not be unreasonably withheld or delayed; *provided* that the Collateral Manager may withhold its consent in its sole discretion if such amendment or supplement affects the amount, timing or priority of payment of the fees or other amounts payable to the Collateral Manager or increases or adds to the obligations of the Collateral Manager, and the Issuer will not enter into any such amendment or supplement unless the

Collateral Manager has given its prior written consent. The Trustee will not be obligated to enter into any amendment or supplement that, as determined by the Trustee, adversely affects its duties, obligations, liabilities or protections under this Indenture. 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. No amendment or supplement to this Indenture shall amend or modify this Section 8.3(g) without the Collateral Manager's prior written consent in its sole and absolute discretion.

(h) If Holders of a Majority of any Class of Securities have provided notice to the Trustee (with a copy to the Collateral Manager) at least one Business Day prior to the proposed execution date of any supplemental indenture (other than a supplemental indenture described under Sections 8.1(a)(v), (vi), (ix), (x), (xiii) or (xv) or Section 8.2(b)) that such Class would be materially and adversely affected thereby, the Trustee and the Issuer shall not enter into such supplemental indenture unless consent is obtained from (x) a Majority of such Class and (y) in the case of Sections 8.2(a) and (c), the specified percentages.

(i) Notwithstanding anything to the contrary herein, no supplemental indenture hereto shall be effective, and the Issuer agrees that it shall not consent to or enter into any indenture supplemental hereto, without the consent of the Originator if such amendment would adversely affect the Issuer's ability to comply with the Retention Requirements.

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 Notes theretofore and thereafter authenticated and delivered hereunder shall be bound thereby.

Section 8.5. Reference in Notes to Supplemental Indentures

Notes authenticated and delivered, including 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 Issuer shall so determine, new Notes, so modified as to conform in the opinion of the Issuer to any such supplemental indenture, may be prepared and executed by the Issuer and authenticated and delivered by the Trustee in exchange for Outstanding Notes.

Section 8.6. Re-Pricing Amendment

In connection with a Re-Pricing, the Issuer and the Trustee may, without regard for the provisions of this Article VIII, enter into a supplemental indenture solely to reduce the interest rate applicable with respect to the Re-Priced Class and/or, in the case of an issuance of Re-Pricing Replacement Notes, solely to issue such Re-Pricing Replacement Notes.

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 pursuant to the Priority of Payments on the related Payment Date to make payments on the Notes.

Section 9.2. Optional Redemption

(a) On any Business Day occurring after the Non-Call Period, (i) at the written direction of a Majority of the Preferred Interests and the approval of the Collateral Manager, the Rated Notes shall be redeemed in whole (with respect to all Classes of Rated Notes) but not in part from Sale Proceeds and/or all other available funds; and (ii) at the written direction of a Majority of the Preferred Interests, one or more (but fewer than all) Classes of the Rated Notes shall be redeemed in a Partial Redemption from Refinancing Proceeds (so long as any Class of Rated Notes to be redeemed represents the entire Class of such Rated Notes). In connection with any such redemption, the Rated Notes to be redeemed shall be redeemed at the applicable Redemption Prices. To effect an Optional Redemption, a Majority of the Preferred Interests, with the consent of the Collateral Manager, must provide the above described written direction to the Issuer and the Trustee not later than 30 Business Days prior to the proposed Redemption Date, or such shorter period as the Collateral Manager may agree; *provided* that all Rated Notes to be redeemed must be redeemed simultaneously.

(b) Upon receipt of a notice of redemption of the Rated Notes in whole but not in part pursuant to Section 9.2(a), the Collateral Manager shall direct the sale (and the manner thereof), acting in a commercially reasonable manner to maximize the proceeds of such sale, 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 Rated Notes to be redeemed, all amounts senior in right of payment to the Securities and all accrued and unpaid Administrative Expenses (regardless of the Administrative Expense Cap) payable under the Priority of Payments (collectively, the "Required Redemption Amount"). 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 at least equal to the Required Redemption Amount, the Rated Notes 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) The Preferred Interests and the Reinvesting Holder Notes may be redeemed, in whole but not in part, on any Business Day on or after the redemption or repayment in full of the Rated Notes, at the direction of (x) a Majority of the Preferred Interests or (y) the Collateral Manager.

(d) 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), the Rated Notes may at the written direction of a Majority of the Preferred Interests, with the consent of the Collateral Manager, after the Non-Call Period, be redeemed in whole from Refinancing Proceeds and all other available funds or in a Partial Redemption from Refinancing Proceeds by obtaining a loan from one or more financial or other institutions and/or issuing replacement notes, whose terms in the case of such loan or replacement notes will be negotiated by the Collateral Manager on behalf of the Issuer; it being understood that any rating of such replacement notes by a Rating Agency will be based on a credit analysis specific to such replacement notes and independent of the Rated Notes being refinanced (any such redemption and refinancing, a "Refinancing"); *provided* that the terms of such Refinancing must be acceptable to the Collateral Manager and a Majority of the Preferred Interests and such Refinancing otherwise satisfies the conditions described below.

(e) In the case of a Refinancing upon a redemption of the Rated Notes in whole but not in part pursuant to Section 9.2(d), 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 will be at least equal to the Required Redemption Amount (including reasonable fees and expenses incurred in connection with such Refinancing), (ii) the Sale Proceeds, Refinancing Proceeds and other available funds 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(d) and Section 2.7(i).

(f) In the case of a Refinancing upon a Partial Redemption pursuant to Section 9.2(d), such Refinancing will be effective only if: (i) Rating Agency Confirmation has been obtained from Moody's with respect to any Outstanding Notes not the subject of the Refinancing and Fitch shall have been notified of the Refinancing, (ii) the Refinancing Proceeds will be at least sufficient to pay in full the aggregate Redemption Prices of the entire Class or Classes of Rated Notes subject to Refinancing, (iii) the Refinancing Proceeds 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 5.4(d) and Section 2.7(i), (v) the Aggregate Principal Balance of any obligations providing the Refinancing is equal to the Aggregate Outstanding Amount of the Rated Notes being redeemed with the proceeds of such obligations, (vi) the stated maturity of each class of obligations providing the Refinancing is no earlier than the corresponding Stated Maturity of each Class of Rated Notes being refinanced, (vii) the reasonable fees, costs, charges and expenses incurred in connection with the Refinancing have been paid or will be adequately provided for from the Refinancing Proceeds (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), (viii) the interest rate of any obligations providing the Refinancing will not be greater than the interest rate of the Rated 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 Rated Notes being refinanced, (x) the voting rights, consent rights, redemption

rights and all other rights of the obligations providing the Refinancing are materially the same as the rights of the corresponding Class of Rated Notes being refinanced and (xi) Tax Advice shall be delivered to the Trustee to the effect that (A) any obligations providing the Refinancing will be treated as debt for U.S. federal income tax purposes and (B) the Refinancing will not alter the U.S. federal income tax characterization, as expressed at the time of issuance, of the Rated Notes that will be Outstanding after such refinancing.

(g) If a Refinancing is obtained meeting the requirements specified above as certified by the Collateral Manager, the Issuer and, at the direction of the Collateral Manager, the Trustee shall amend this Indenture to the extent necessary to reflect the terms of the Refinancing (which terms may include a new non-call period) and no further consent for such amendments shall be required from the Holders of Notes other than Holders of the Preferred Interests directing the redemption. The Trustee shall not be obligated to enter into any amendment that, as determined by the Trustee, adversely affects its duties, obligations, liabilities or protections hereunder, and the Trustee shall be entitled to conclusively rely upon an Officer's certificate and, as to matters of law, 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 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).

(h) The Trustee shall have the authority to take such actions as may be directed by the Issuer or the Collateral Manager, as the Issuer or Collateral Manager shall deem necessary or desirable to effect a Refinancing. The Trustee shall be entitled to receive, and shall be fully protected in relying upon a certificate of the Issuer stating that the Refinancing is authorized or permitted by this Indenture and that all conditions precedent thereto have been complied with.

(i) Holders of a Majority of the Aggregate Outstanding Amount of the Preferred Interests may elect to include, in a notice of Refinancing, a direction to the Collateral Manager to designate Principal Proceeds up to the Excess Par Amount as of the related Determination Date as Interest Proceeds for payment on the Redemption Date. If the Collateral Manager consents to such direction, the Collateral Manager will, on behalf of the Issuer, make such designation by Issuer Order to the Trustee (with copies to the Rating Agencies) on or before the related Determination Date, in which case the Trustee will, on or before the Business Day immediately preceding the related Payment Date, make such designation.

(j) In connection with a Refinancing, upon a redemption of Rated Notes in whole or in part, any Refinancing Proceeds that remain after paying the applicable Redemption Prices and related Administrative Expenses shall be transferred to the Collection Account as Principal Proceeds.

Section 9.3. Tax Redemption

(a) The Securities shall be redeemed in whole but not in part (any such redemption, a "Tax Redemption") on any Business Day at the written direction (delivered to the Trustee, with a copy to the Collateral Manager) of (x) a Majority of any Affected Class or (y) a Majority of the Preferred Interests, in either case following (I) the occurrence and continuation of a Tax Event with respect to payments under one or more Collateral Obligations forming part of the Assets which results in a payment by, or charge or tax burden to, the Issuer that results or will result in the withholding of 5.0% or more of scheduled distributions for any Collection Period or (II) the occurrence and continuation of a Tax Event resulting in a tax burden on the Issuer in an aggregate amount in any Collection Period in excess of U.S.$1,000,000.

(b) 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 Collateral Administrator and the Trustee thereof, and upon receipt of such notice the Trustee shall promptly notify 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 Issuer shall, at least 20 Business Days prior to the Redemption Date (or such shorter period as the Trustee and the Collateral Manager may agree), notify the Trustee in writing (and the Trustee in turn shall, in the name and at the expense of the Issuer, notify the Holders of Notes and each Rating Agency, with a copy to the Collateral Manager, at least 15 Business Days prior to the Redemption Date) of such Redemption Date, the applicable Record Date, the principal amount of Securities to be redeemed on such Redemption Date and the applicable Redemption Prices. In the event of any redemption pursuant to Section 9.3, a notice of redemption shall be provided by the applicable Noteholders to the Issuer, the Trustee and the Collateral Manager not later than five Business Days prior to the applicable Redemption Date and the Trustee will give notice to each Noteholder and each Rating Agency at least five Business Days prior to the applicable Redemption Date. In addition, for so long as any Rated Notes are listed on the Irish Stock Exchange and so long as the guidelines of such exchange so require, notice of redemption pursuant to Sections 9.2 or 9.3 to the Holders of such Rated Notes shall also be given by publication on the Irish Stock Exchange through the companies announcement office thereof.

(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;

(iii) that all of the Rated Notes to be redeemed are to be redeemed in full and that interest on such Rated Notes shall cease to accrue on the Redemption Date specified in the notice;

(iv) the place or places where Notes are to be surrendered for payment of the Redemption Prices, which shall be the office or agency of the Issuer to be maintained as provided in Section 7.2; and

(v) if all Rated Notes are being redeemed, whether the Preferred Interests and the Reinvesting Holder Notes are to be redeemed in full on such Redemption Date and, if so, the place or places where the Preferred Interests and the Reinvesting Holder Notes are to be surrendered for payment of the Redemption Prices, which shall be the office or agency of the Issuer to be maintained as provided in Section 7.2.

The Issuer may withdraw any such notice of redemption delivered pursuant to Section 9.2, by notice to the Trustee, on any day up to and including the day on which the Collateral Manager is required to deliver to the Trustee the sale agreement or agreements or certifications as described in Section 9.4(c), by written notice to the Trustee (with a copy to the Collateral Manager) and such notice will be withdrawn only if the Collateral Manager will be unable to deliver such agreements or certifications. A Majority of the Preferred Interests will have the option to direct the withdrawal of any such notice of redemption delivered pursuant to Section 9.2 by written notice to the Trustee, the Issuer and the Collateral Manager (with a copy to Fitch for so long as Fitch is rating any Class of Notes), *provided* that neither the Issuer nor the Collateral Manager has entered into a binding agreement in connection with the sale of any portion of the Assets or taken any other actions in connection with the liquidation of any portion of the Assets pursuant to such notice of redemption. In addition, the Issuer may cancel any Optional Redemption or Tax Redemption up to the Business Day before the Redemption Date if there will be insufficient funds on the Redemption Date to pay the Redemption Price of each Class of Rated Notes to be redeemed (and all amounts senior in right of payment to the Redemption Prices).

Notice of redemption pursuant to Section 9.2 or 9.3 shall be given by the Issuer or, upon an Issuer Order, by the Trustee in the name and at the expense of the Issuer. Failure to give notice of redemption, or any defect therein, to any Holder of any Note selected for redemption shall not impair or affect the validity of the redemption of any other Notes.

(c) Unless Refinancing Proceeds are being used to redeem the Rated Notes in whole or in part, in the event of any redemption pursuant to Section 9.2 or 9.3, no Rated Notes may be optionally redeemed unless (i) at least five Business Days before the scheduled Redemption Date the Collateral Manager shall have furnished to the Trustee evidence, in a form reasonably satisfactory to the Trustee, that the Collateral Manager on behalf of the Issuer has entered into a binding agreement or agreements with 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 at least "P-1" by Moody's to purchase (directly or by participation or other arrangement), not later than the Business Day immediately preceding the scheduled Redemption Date in immediately available funds, all or part of the Assets at a purchase price that is, when considered together with the Eligible

Investments, at least equal to the Required Redemption Amount, (ii) at least five Business Days before the scheduled Redemption Date, the Issuer shall have received proceeds of disposition of all or part of the Assets at least equal to the Required Redemption Amount, or (iii) prior to selling any Collateral Obligations and/or Eligible Investments, the Collateral Manager shall certify to the Trustee that, in its judgment, the aggregate sum of (A) expected proceeds from the sale or payment of Eligible Investments, and (B) for each Collateral Obligation, its Market Value, shall be at least equal to the Required Redemption Amount. Any certification delivered by the Collateral Manager pursuant to this Section 9.4(c) shall include (1) the prices of, and expected proceeds from, the sale (directly or by participation or other arrangement) or payment of any Collateral Obligations and/or Eligible Investments and (2) all calculations required by this Section 9.4(c). Any Holder of Securities, the Collateral Manager or any of the Collateral Manager's Affiliates shall have the right, subject to the same terms and conditions afforded to other bidders, to bid on Assets to be sold as part of an Optional Redemption or a Tax Redemption.

Section 9.5. Notes Payable on Redemption Date

(a) Notice of redemption pursuant to Section 9.4 or Section 9.7 having been given as set forth therein, the Notes to be redeemed shall, on the Redemption Date, subject to Section 9.4(c) and Section 9.7(b), as applicable, and the Issuer's right to withdraw any notice of redemption pursuant to Section 9.4(b) and 9.7(c), as applicable, 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 Notes that are Rated Notes shall cease to bear interest on the Redemption Date. Holders of Certificated Notes, upon final payment on a Note to be so redeemed, shall present and surrender such Note at the place specified in the notice of redemption on or prior to such Redemption Date; *provided* that in the absence of notice to the Issuer or the Trustee that the applicable Note has been acquired by a Protected Purchaser, such final payment shall be made without presentation or surrender, if the Trustee and the Issuer 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. Payments of interest on Rated Notes and payments in respect of Preferred Interests and Reinvesting Holder Notes so to be redeemed which are payable on or prior to the Redemption Date shall be payable to the Holders, or holders of 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 Rated 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 Holder.

Section 9.6. Special Redemption

Principal payments on the Rated Notes shall be made in part in accordance with the Priority of Payments on any Payment Date (i) in connection with the Effective Date, if the Collateral Manager notifies the Trustee that a redemption is required pursuant to Section 7.18 in order to remedy a Moody's Ramp-Up Failure pursuant to Section 7.18(f) or (ii) during the Reinvestment Period, if the Collateral Manager notifies the Trustee 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 (each, a "Special Redemption"). Any such notice in the case of clause (ii) above shall be based upon the Collateral Manager having attempted, in accordance with the standard of care set forth in the Collateral Management Agreement, to identify additional Collateral Obligations as described above. 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 (1) in the case of a Special Redemption in connection with the Effective Date, all Interest Proceeds and all Principal Proceeds available in accordance with the Priority of Payments, or (2) in the case of any other Special Redemption during the Reinvestment Period, Principal Proceeds which the Collateral Manager has determined cannot be reinvested in additional Collateral Obligations, will in each case be applied in accordance with the Priority of Payments. Notice of Special Redemption shall be given by the Trustee not less than (x) in the case of a Special Redemption described in clause (i) above, one Business Day prior to the applicable Redemption Date and (y) in the case of a Special Redemption described in clause (ii) above, three Business Days prior to the applicable Special Redemption Date in each case to each Holder of Rated Notes and to both Rating Agencies. In addition, for so long as any Rated Notes are listed on the Irish Stock Exchange and so long as the guidelines of such exchange so require, notice of Special Redemption to the Holders of such Rated Notes shall also be given by publication on the Irish Stock Exchange through the companies announcement office thereof.

Section 9.7. Clean-Up Call Redemption

(a) On any Business Day occurring after the Non-Call Period on which the Collateral Principal Amount is less than 20% of the Target Initial Par Amount, the Rated Notes may be redeemed, in whole but not in part (a "Clean-Up Call Redemption"), at the written direction of the Collateral Manager to the Issuer and the Trustee (with copies to the Rating Agencies), delivered not less than 30 Business Days (or such later date as agreed to by the Trustee and the Issuer) prior to the proposed Redemption Date. Promptly upon receipt of such direction, the Issuer will establish the Record Date in relation to such a Redemption, and shall give written notice to the Trustee, the Collateral Administrator, the Collateral Manager and the Rating Agencies of the Redemption Date and the related Record Date no later than 15 Business Days prior to the proposed Redemption Date (and the Trustee in turn shall, in the name and at the expense of the Issuer, notify the Holders of Notes and the Fiscal Agent of the Redemption Date, the applicable Record Date, that the Rated Notes will be redeemed in full, and the Redemption Prices to be paid, at least 10 Business Days prior to the Redemption Date).

(b) A Clean-Up Call Redemption may not occur unless (i) on or before the fifth Business Day immediately preceding the related Redemption Date, the Collateral Manager or any other Person purchases (which may be by participation or otherwise) the Assets of the Issuer (other than the Eligible Investments referred to in clause (A)(3) below) for a price at least equal to the greater of (A) the sum of (1) the aggregate Redemption Price of each Class of Outstanding Rated Notes and (2) all amounts senior in right of payment to distributions in respect of the Preferred Interests in accordance with the Priority of Payments; minus (3) the Aggregate Principal Balance of Eligible Investments; and (B) the Market Value of such Assets being purchased (the "Clean-Up Call Redemption Price"); and (ii) the Collateral Manager certifies in writing to the Trustee prior to the sale of the Assets that subclause (i) shall be satisfied upon such purchase. Upon receipt of the certification from the Collateral Manager described in subclause (ii), the Issuer and, upon receipt of written direction from the Issuer, the Trustee shall take all actions necessary to sell, assign and transfer the Assets to the Collateral Manager or such other Person upon payment in immediately available funds of the Clean-Up Call Redemption Price.

(c) The Issuer may withdraw any notice of Clean-Up Call Redemption delivered pursuant to Section 9.7(a) on any day up to and including the fourth Business Day prior to the proposed Redemption Date by written notice to the Trustee, the Rating Agencies and the Collateral Manager and such notice will only be withdrawn if an amount at least equal to the Clean-Up Call Redemption Price is not received in full in immediately available funds by the fifth Business Day immediately preceding such Redemption Date.

(d) The Trustee will give notice of any such withdrawal of a Clean-Up Call Redemption, at the expense of the Issuer, to each Holder of Notes that were to be redeemed not later than the third Business Day prior to the related scheduled Redemption Date. So long as any Listed Notes are Outstanding and the guidelines of the Irish Stock Exchange so require, the Trustee will also provide a copy of notice of such withdrawal to the Irish Listing Agent for delivery to the Irish Stock Exchange.

Section 9.8. Optional Re-Pricing

(a) On any Business Day after the Non-Call Period, at the direction of a Majority of the Preferred Interests and with the consent of the Collateral Manager, the Issuer shall reduce the interest rate applicable with respect to any Class or Classes of Rated Notes other than the Class A-1 Notes (such reduction, a "Re-Pricing" and any such Class to be subject to a Re-Pricing, a "Re-Priced Class"); *provided* that the Issuer shall not effect any Re-Pricing unless (i) each condition specified below is satisfied with respect thereto and (ii) each Outstanding Rated Note of a Re-Priced Class shall be subject to the related Re-Pricing.

(b) 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 Interests and such Re-Pricing Intermediary shall assist the Issuer in effecting the Re-Pricing. Each Holder of Rated Notes, by its acceptance of an

interest in such Rated Notes, agrees to cooperate with the Issuer, the Collateral Manager, the Re-Pricing Intermediary (if any) and the Trustee in connection with any Re-Pricing and acknowledges that its Rated Notes may be sold or redeemed with or without such Holder's consent and that the sole alternative to any such Re-Pricing or redemption is to commit to sell its interest in the Rated Notes of the Re-Priced Class.

(c) At least 30 Business Days prior to the Business Day selected by a Majority of the Preferred Interests for the Re-Pricing (the "Re-Pricing Date"), the Issuer, or the Re-Pricing Intermediary on behalf of the Issuer, shall deliver notice (the "Re-Pricing Notice") to each Holder of the proposed Re-Priced Class: (i) specifying the proposed Re-Pricing Date and the revised interest rate to be applied with respect to such Class (the "Re-Pricing Rate"), (ii) requesting each Holder or beneficial owner of the Re-Priced Class certify the principal amount of their Re-Priced Notes and approve the proposed Re-Pricing with respect to their Rated Notes, and (iii) specifying the Redemption Price at which Rated Notes of any Holder or beneficial owner of the Re-Priced Class which does not approve the Re-Pricing may be (x) sold and transferred pursuant to the following paragraph or (y) redeemed with Re-Pricing Proceeds and all funds available for such purpose. A copy of the Re-Pricing Notice shall be delivered to the Collateral Manager, the Trustee and each Rating Agency.

(d) In the event that the Issuer receives consents to the proposed Re-Pricing from less than 100% of the Aggregate Outstanding Amount of the Re-Priced Class the date that is 20 Business Days prior to the proposed Re-Pricing Date, the Issuer, or the Re-Pricing Intermediary on behalf of the Issuer, shall notify the consenting Holders or beneficial owners of the Re-Priced Class of the Aggregate Outstanding Amount of the Rated Notes of the Re-Priced Class that have not consented to the proposed Re-Pricing (such notice the "Non-Consent Notice" and such amount the "Non-Consenting Balance"). The Issuer shall request that each such consenting Holder or beneficial owner notify the Issuer, the Trustee, the Collateral Manager and the Re-Pricing Intermediary if such person would elect to (A) purchase all or any portion of the Notes of the Re-Priced Class for which consent of the Re-Pricing has not been received at the Redemption Price (such purchase and sale, a "Re-Pricing Transfer") and/or (B) purchase Re-Pricing Replacement Notes with respect thereto at the price specified in the Re-Pricing Notice or Non-Consent Notice, as applicable, and (C) in each case, the Aggregate Outstanding Amount of such Rated Notes it would agree to acquire (each such notice, an "Exercise Notice"). An Exercise Notice must be received by the Issuer by the 12th Business Day prior to the proposed Re-Pricing Redemption Date.

(e) To the extent there exists a Non-Consenting Balance of greater than zero, the Collateral Manager and the Re-Pricing Intermediary shall, based on Exercise Notices received, consider the potential sources of funds available for, and the means to effect, purchases and/or redemption of Rated Notes of a Re-Priced Class for which consent to the Re-Pricing has not been received.

(i) The Issuer, or the Re-Pricing Intermediary on behalf of the Issuer, as directed by the Collateral Manager, may effect Re-Pricing Transfers of the Rated Notes held by Holders or beneficial owners that have not consented to the Re-Pricing ("Non-Consenting Holders") and that constitute the Non-Consenting Balance (the "Non-Consenting Notes"), without further notice to the Holders or beneficial owners thereof, at the Redemption Price to the Holders or beneficial owners that have delivered Exercise Notices and/or to one or more transferees designated by the Re-Pricing Intermediary on behalf of the Issuer. If the aggregate principal balance in the Exercise Notices received with respect to Re-Pricing Transfers exceeds the Non-Consenting Balance, Re-Pricing Transfers shall be allocated among persons delivering Exercise Notices with respect thereto *pro rata* based on the aggregate principal balance stated in each respective Exercise Notice.

(ii) To the extent that the Collateral Manager determines, in its sole discretion, that less than 100% of the Non-Consenting Notes are expected to be subject to Re-Pricing Transfers, the Issuer may, as directed by the Collateral Manager, conduct a Re-Pricing Redemption of such Non-Consenting Notes, without further notice to the Holders or beneficial owners thereof, on the Re-Pricing Date using the Re-Pricing Proceeds and all other funds available for such purpose.

(iii) Re-Pricing Transfers and sales of Re-Pricing Replacement Notes with respect to each Re-Priced Class shall not in the aggregate result in the Aggregate Outstanding Amount of such Re-Priced Class immediately after the Re-Pricing exceeding the Aggregate Outstanding Amount of such Re-Priced Class immediately prior to the Re-Pricing and shall be allocated among persons delivering Exercise Notices with respect thereto, *pro rata* based on the Aggregate Outstanding Amount of the Rated Notes of a Re-Priced Class or Re-Pricing Replacement Notes, as applicable, such Holders or beneficial owners indicated an interest in purchasing or advancing in their respective Exercise Notice.

(f) All sales, transfers and redemptions of Notes to be effected pursuant to this Section 9.8 shall be made at the Redemption Price with respect to such Notes, and shall be effected only if the related Re-Pricing is effected in accordance with the provisions of this Indenture. The Issuer, or the Re-Pricing Intermediary on behalf of the Issuer, shall deliver written notice to the Trustee and the Collateral Manager not later than 11 Business Days prior to the proposed Re-Pricing Date confirming that the Issuer has received written commitments to purchase.

(g) The Issuer shall not effect any proposed Re-Pricing unless: (i) the Issuer and the Trustee shall have entered into a supplemental indenture dated as of the Re-Pricing Date (such supplemental indenture to be prepared and provided by the Issuer or the Collateral Manager acting on its behalf) to reduce the interest rate applicable to the Re-Priced Class and/or, in the case of an issuance of Re-Pricing Replacement Notes, to issue such Re-Pricing Replacement Notes, to effect a new non-call period and to otherwise effect the Re-Pricing; (ii) each Rating Agency shall have been notified of such Re-Pricing; (iii) all expenses of the Issuer and the Trustee (including the fees of the Re-Pricing Intermediary and fees of counsel) incurred in connection with the Re-Pricing (including in connection with the supplemental indenture described in preceding subclause (i)) shall not exceed the amount of Interest Proceeds available to be applied to the payment thereof under the Priority of Payments on the subsequent Payment Date, after taking into account all

amounts required to be paid pursuant to the Priority of Payments on the subsequent Payment Date prior to distributions in respect of the Preferred Interests, unless such expenses shall have been paid or shall be adequately provided for by an entity other than the Issuer and (iv) in the event of a Re-Pricing Redemption, Tax Advice shall be delivered to the Trustee to the effect that (A) any obligations providing the proceeds for the Re-Pricing Redemption will be treated as debt for U.S. federal income tax purposes and (B) the Re-Pricing will not alter the U.S. federal income tax characterization, as expressed at the time of issuance, of the Rated Notes that will be Outstanding after such Re-Pricing Redemption.

(h) A second notice of a Re-Pricing will be given by the Trustee, at the expense of the Issuer, by first class mail, postage prepaid, mailed not less than 10 Business Days prior to the proposed Re-Pricing Date to each Holder of Notes of the Re-Priced Class, specifying the applicable Re-Pricing Date, Re-Pricing Rate and Redemption Price. Failure to give a notice of Re-Pricing to any Holder of any Re-Priced Class, any failure of a beneficial owners to receive such notice, or any defect with respect to such notice, 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 Interests on or prior to the fourth Business Day prior to the scheduled Re-Pricing Date by written notice to the Issuer, the Trustee and the Collateral Manager for any reason. Upon receipt of such notice of withdrawal, the Trustee shall transmit such notice to the Holders and each Rating Agency. Notwithstanding anything contained herein to the contrary, failure to effect a Re-Pricing, whether or not notice of Re-Pricing has been withdrawn, will not constitute an Event of Default.

(i) The Issuer will direct the Trustee to segregate payments and take other reasonable steps to effect the Re-Pricing, and the Trustee will have the authority to take such actions as may be directed by the Issuer or the Collateral Manager to effect a Re-Pricing. In order to give effect to the Re-Pricing, the Issuer may, to the extent necessary, obtain and assign a separate CUSIP or CUSIPs to the Rated Notes of each Class held by Non-Consenting Holders and Holders consenting to the Re-Pricing.

ARTICLE X
ACCOUNTS, ACCOUNTING 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 Trustee pursuant to this Indenture, including all payments due on the Assets, in accordance with the terms and conditions of such Assets. The Trustee shall segregate and hold all such money and property received by it in trust for the Holders of the Notes and shall apply it as provided in this Indenture. Each Account established under this Indenture shall be an Eligible Account. All Cash deposited in the Accounts may be invested only in Eligible Investments or Collateral Obligations in accordance with the terms of this Indenture. To avoid the consolidation of the Assets of the Issuer with the general assets of the Bank under any circumstances, the Trustee

shall comply, and shall cause the Intermediary to comply, with all law applicable to it as a state chartered bank with trust powers holding segregated trust assets in a fiduciary capacity; *provided* that the foregoing shall not be construed to prevent the Trustee or Intermediary from investing the Assets of the Issuer in Eligible Investments described in clause (b) of the definition thereof that are obligations of the Bank. The accounts established by the Trustee pursuant to this Article X may include any number of subaccounts deemed necessary for convenience in administering the Assets. In the event any Accounts are transferred from one Intermediary to another, the Issuer shall notify Fitch thereof.

Section 10.2. Collection Account

(a) In accordance with this Indenture and the Account Agreement, the Trustee shall, prior to the Closing Date, establish at the Intermediary a single segregated trust account, held in the name of the Trustee, for the benefit of the Secured Parties, which shall be designated as the "Collection Account" and shall consist of a securities account, a related deposit account, all subaccounts related thereto and be maintained with the Intermediary in accordance with the Account Agreement. The Trustee shall immediately upon receipt, or upon transfer from the Reinvestment Amount Account, Expense Reserve Account or Revolver Funding Account deposit into the Collection Account, all funds and property received by the Trustee and (x) designated for deposit in the Collection Account or (y) not designated under this Indenture for deposit in any other Account, including all proceeds received from the disposition of any Assets (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 (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 Trustee 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 (with a copy to the Collateral Manager) and the Issuer shall use its commercially reasonable efforts to, within five Business Days after receipt of such notice from the Trustee (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, subject to the requirements of Section 12.1, the Issuer (i) need not sell such distributions or other proceeds if it delivers an Issuer Order or an Officer's certificate to the Trustee certifying that such distributions or other proceeds constitute Collateral Obligations 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 Trustee 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 Trustee to, and upon receipt of such Issuer Order the Trustee shall, withdraw funds on deposit in the Collection Account representing Principal Proceeds (together with Interest Proceeds but only to the extent used to pay for accrued interest on an additional Collateral Obligation, or to the extent permitted by Section 7.18(f)) and reinvest (or invest, in the case of funds referred to in Section 7.18) such funds in additional Collateral Obligations or exercise a warrant held in the Assets, in each case in accordance with the requirements of Article XII and such Issuer Order; *provided* that amounts deposited in the Collection Account may not be used to purchase Margin Stock or for any other purpose that would constitute the Issuer's extending Purpose Credit under Regulation U and Principal Proceeds deposited in the Collection Account may not be used to exercise a warrant held in the Assets. At any time during the Reinvestment Period, and subject to Section 2.13, the Collateral Manager on behalf of the Issuer may by Issuer Order direct the Trustee to, and upon receipt of such Issuer Order the Trustee shall, withdraw funds on deposit in the Collection Account representing Principal Proceeds for purchases of Notes in accordance with the provisions of Section 2.13. At any time, the Collateral Manager on behalf of the Issuer may by Issuer Order direct the Trustee to, and upon receipt of such Issuer Order the Trustee shall, withdraw funds on deposit in the Collection Account 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 Trustee to, and upon receipt of such Issuer Order the Trustee shall, pay from amounts on deposit in the Collection Account on any Business Day during any Interest Accrual Period (i) any amount required to exercise a warrant or right to acquire securities held in the Assets in accordance with the requirements of Article XII and such Issuer Order, (ii) without limitation to clause (iii) below, 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 and (iii) any Special Petition Expenses. The Trustee shall not be obligated to make such payment pursuant to clause (ii) if, in the reasonable determination of the Trustee, such payment would leave insufficient funds, taking into account the Administrative Expense Cap, for payments anticipated to be or become due or payable on the next Payment Date that are given a higher priority in the definition of Administrative Expenses.

(e) The Trustee shall transfer to the Payment Account, from the Collection Account for application pursuant to the Priority of Payments, 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 Account Agreement, the Trustee shall, prior to the Closing Date, establish at the Intermediary a single, segregated non-interest bearing trust account held in the name of the Trustee, for the benefit of the Secured Parties, which shall be designated as the "Payment Account" and shall consist of a securities account, a related deposit account, all subaccounts related thereto and be maintained with the Intermediary in accordance with the Account Agreement. Except as provided in the Priority of Payments, 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 Rated Notes and to the Fiscal Agent in respect of distributions on the Preferred Interests in accordance with their terms and the provisions of this Indenture and the Fiscal Agency Agreement and, upon Issuer Order, to pay Administrative Expenses, Management Fees and other amounts specified herein, each in accordance with the Priority of Payments. The Issuer shall not have any legal, equitable or beneficial interest in the Payment Account other than in accordance with the Priority of Payments. Amounts in the Payment Account shall remain uninvested.

(b) Custodial Account. In accordance with this Indenture and the Account Agreement, the Trustee shall, prior to the Closing Date, establish at the Intermediary a single, segregated non-interest bearing trust account held in the name of the Trustee, for the benefit of the Secured Parties, which shall be designated as the "Custodial Account" and shall consist of a securities account, a related deposit account, all subaccounts related thereto and be maintained with the Intermediary in accordance with the Account Agreement. All Collateral Obligations and Equity Securities shall be credited to the Custodial Account as provided herein. The only permitted withdrawals from the Custodial Account shall be in accordance with the provisions of this Indenture. The Trustee agrees to give the Issuer, with a copy to the Collateral Manager, immediate notice if (to the actual knowledge of a Trust Officer of the Trustee) 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 Issuer 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. Amounts in the Custodial Account shall remain uninvested.

(c) Ramp-Up Account. The Trustee shall, prior to the Closing Date, establish at the Intermediary a single, segregated non-interest bearing trust account held in the name of the Trustee, for the benefit of the Secured Parties, which shall be designated as the "Ramp-Up Account" and shall consist of a securities account, a related deposit account, all subaccounts related thereto and be maintained with the Intermediary in accordance with the Account Agreement. The Issuer shall direct the Trustee to deposit the amount specified in the Closing Date Certificate to the Ramp-Up Account as Principal Proceeds. In connection with any purchase of an additional Collateral Obligation, the Trustee will apply amounts held in the Ramp-Up Account as provided by Section 7.18(b). On the first Business Day after a trust officer of the Trustee has received written notice from the Collateral Manager making reference to the account transfer required by this paragraph and stating that no Moody's Ramp-Up Failure has occurred, or upon the occurrence of an

Event of Default, the Trustee will deposit any remaining amounts in the Ramp-Up Account (excluding any proceeds that will be used to settle binding commitments entered into prior to such date, and except as provided in the next sentence) into the Collection Account as Principal Proceeds. On or before the second Determination Date, (1) so long as the Target Initial Par Condition has been satisfied and would be satisfied after depositing such amounts, (2) a Moody's Ramp-Up Failure has not occurred or, if one has occurred, is not continuing, (3) the Collateral Quality Test and Concentration Limitations would be satisfied after depositing such amounts, and (4) eight Business Days prior to such deposit, no Event of Default has occurred and is continuing and the Overcollateralization Ratio Test is satisfied, at the direction of the Collateral Manager the Trustee will transfer from amounts remaining in the Ramp-Up Account (excluding, in the case of clause (y) only, any proceeds that will be used to settle binding commitments entered into prior to that date), (x) an amount designated by the Collateral Manager not greater than 0.0% of the Target Initial Par Amount into the Collection Account as Interest Proceeds, and (y) any remaining amounts into the Collection Account as Principal Proceeds. Any income earned on amounts deposited in the Ramp-Up Account will be deposited in the Collection Account as Interest Proceeds. For the avoidance of doubt, so long as amounts in the Ramp-Up Account and Principal Proceeds in the Collection Account will after giving effect to the designations by the Collateral Manager referred to in clause (x) above, collectively be adequate to settle binding commitments entered into prior to such designation, the designation of amounts in the Ramp-Up Account as Interest Proceeds as provided for in such clause (x) shall be made without regard to the requirement to settle such binding commitments.

(d) Expense Reserve Account. In accordance with this Indenture and the Account Agreement, the Trustee shall, prior to the Closing Date, establish at the Intermediary a single, segregated non-interest bearing trust account held in the name of the Trustee, for the benefit of the Secured Parties, which shall be designated as the "Expense Reserve Account" and shall consist of a securities account, a related deposit account, all subaccounts related thereto and be maintained with the Intermediary in accordance with the Account Agreement. The Issuer shall direct the Trustee to deposit to the Expense Reserve Account (i) the amount specified in the Closing Date Certificate and (ii) in connection with any additional issuance of notes, the amount specified in Section 3.2(a)(viii). On any Business Day to and including the Determination Date relating to the first Payment Date following the Closing Date, the Trustee shall apply funds from the Expense Reserve Account, as directed by the Collateral Manager, to pay expenses of the Issuer incurred in connection with the establishment of the Issuer, the acquisition of the Collateral Obligations, the structuring and consummation of the Offering and the issuance of the Notes and any additional issuance. By the Determination Date relating to the first Payment Date following the Closing Date, all funds in the Expense Reserve Account (after deducting any expenses paid on such Determination Date) will be deposited in the Collection Account as Interest Proceeds and/or Principal Proceeds (in the respective amounts directed by the Collateral Manager in its sole discretion). On any Business Day after the Determination Date relating to the first Payment Date following the Closing Date, the Trustee shall apply funds from the Expense Reserve Account (except as provided in the next sentence), as directed by the Collateral Manager, to pay expenses of the Issuer incurred in connection with any additional issuance of notes or as a deposit to the Collection Account as Principal Proceeds. Any income earned on amounts deposited in the Expense Reserve Account will be deposited in the Collection Account as Interest Proceeds as it is paid.

(e) Interest Reserve Account. The Trustee shall, prior to the Closing Date, establish at the Intermediary a single, segregated non-interest bearing trust account held in the name of the Trustee, for the benefit of the Secured Parties which shall be designated as the "Interest Reserve Account" and shall consist of a securities account, a related deposit account, all subaccounts related thereto and be maintained with the Intermediary in accordance with the Account Agreement. The Issuer hereby directs the Trustee to deposit into the Interest Reserve Account the applicable amount specified in the Closing Date Certificate (the "Interest Reserve Amount"). On the Closing Date, at the direction of the Collateral Manager, the Trustee shall transfer proceeds from the offering of the Notes in an amount equal to the Interest Reserve Amount. On or before the Determination Date in the second Collection Period, at the direction of the Collateral Manager, the Issuer may direct that any portion of the then remaining Interest Reserve Amount be transferred to the Collection Account and included as Interest Proceeds or Principal Proceeds for the applicable Collection Period. On the Payment Date relating to the second Collection Period, all amounts on deposit in the Interest Reserve Account shall be transferred to the Payment Account and applied as Interest Proceeds or Principal Proceeds (as directed by the Collateral Manager) in accordance with the Priority of Payments, and the Trustee shall close the Interest Reserve Account. Amounts credited to the Interest Reserve Account shall be reinvested pursuant to Section 10.6(a). Any income earned on amounts deposited in the Interest Reserve Account will be deposited in the Interest Reserve Account.

(f) The Reinvestment Amount Account. The Trustee shall, prior to the Closing Date, establish at the Intermediary a single, segregated non-interest bearing trust account held in the name of the Trustee, for the benefit of the Secured Parties which shall be designated as the "Reinvestment Amount Account" and shall consist of a securities account, a related deposit account, all subaccounts related thereto and be maintained with the Intermediary in accordance with the Account Agreement. Reinvestment Amounts will be deposited in the Reinvestment Amount Account in accordance with Section 11.1(e) and will be withdrawn, not later than the Business Day after the Payment Date on which such Reinvestment Amounts are deposited in the Reinvestment Amount Account, solely to be transferred to the Collection Account as Principal Proceeds to purchase additional Collateral Obligations in accordance with Section 12.2. Amounts in the Reinvestment Amount Account shall remain uninvested.

Section 10.4. The Revolver Funding Account

The Trustee shall, prior to the Closing Date, establish at the Intermediary, a single, segregated non-interest bearing trust account held in the name of the Trustee, for the benefit of the Secured Parties which shall be designated as the "Revolver Funding Account" and shall consist of a securities account, a related deposit account, all subaccounts related thereto and be maintained with the Intermediary in accordance with the Account Agreement. The Issuer shall direct the Trustee to deposit the amount specified in the Closing Date Certificate to the Revolver Funding

Account to be reserved for unfunded funding obligations under the Delayed Drawdown Collateral Obligations and Revolving Collateral Obligations purchased on or before the Closing Date. Upon the purchase of any Delayed Drawdown Collateral Obligation or Revolving Collateral Obligation, Principal Proceeds in an amount equal to the undrawn portion of such obligation shall be withdrawn first from the Ramp-Up Account and, if necessary, from the Collection Account, as directed by the Collateral Manager, and deposited by the Trustee pursuant to such direction in the Revolver Funding Account; *provided* that, if such Delayed Drawdown Collateral Obligation or Revolving Collateral Obligation is a Participation Interest with respect to which the Selling Institution requires funds to be deposited with the Selling Institution or its custodian in an amount equal to any portion of the undrawn amount of such obligation as collateral for the funding obligations under such obligation (such funds, the "Selling Institution Collateral"), the Collateral Manager on behalf of the Issuer shall direct the Trustee to (and pursuant to such direction the Trustee shall) deposit such funds in the amount of the Selling Institution Collateral with such Selling Institution or custodian rather than in the Revolver Funding Account, subject to the following sentence. Any such deposit of Selling Institution Collateral shall satisfy the following requirement (as determined and directed by the Collateral Manager): either (a) the aggregate amount of Selling Institution Collateral deposited with such Selling Institution or its custodian (other than an Eligible Custodian) under all Participation Interests shall not have an Aggregate Principal Balance in excess of 5% of the Collateral Principal Amount and shall not remain on deposit with such Selling Institution or custodian for more than 30 calendar days after such Selling Institution first fails to satisfy the rating requirements set out in the Moody's Counterparty Criteria (and the terms of each such deposit shall permit the Issuer to withdraw the Selling Institution Collateral if such Selling Institution fails at any time to satisfy the rating requirements set out in the Moody's Counterparty Criteria); or (b) such Selling Institution Collateral shall be deposited with an Eligible Custodian.

Upon initial purchase of any Delayed Drawdown Collateral Obligation or Revolving Collateral Obligation, funds deposited in the Revolver Funding Account in respect of such Collateral Obligation and Selling Institution Collateral deposited with the Selling Institution in respect of such Collateral Obligation shall be treated as part of the purchase price therefor. Amounts on deposit in the Revolver Funding Account shall 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 shall be deposited in the Collection Account as Interest Proceeds.

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 such that the amount of funds on deposit in the Revolver Funding Account shall be equal to or greater than the aggregate amount of unfunded funding obligations (disregarding the portion, if any, of any such unfunded funding obligations that is collateralized by Selling Institution Collateral) under all such Delayed Drawdown Collateral Obligations and Revolving Collateral Obligations then included in the Assets, as determined by the Collateral Manager.

Any funds in the Revolver Funding Account (other than earnings from Eligible Investments therein) shall be available solely to cover any drawdowns on the Delayed Drawdown Collateral Obligations and Revolving Collateral Obligations; *provided* that any excess of (i) the amounts on

deposit in the Revolver Funding Account over (ii) the sum of the unfunded funding obligations (disregarding the portion, if any, of any such unfunded funding obligations that is collateralized by Selling Institution Collateral) under all Delayed Drawdown Collateral Obligations and Revolving Collateral Obligations (which excess may occur for any reason, including upon (A) the sale or maturity of a Delayed Drawdown Collateral Obligation or Revolving Collateral Obligation, (B) the occurrence of an event of default with respect to any such Delayed Drawdown Collateral Obligation or Revolving Collateral Obligation or (C) 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 Collection Account.

Section 10.5. [Reserved]

Section 10.6. Reinvestment of Funds in Accounts; Reports by Trustee

(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 Trustee to, and, upon receipt of such Issuer Order, the Trustee shall, invest all funds on deposit in the Collection Account, the Interest Reserve 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 at a time when no Event of Default has occurred and is continuing (without regard to any acceleration of the maturity of the Rated Notes), the Issuer shall not have given any such investment directions, the Trustee shall seek instructions from the Collateral Manager within three Business Days after transfer of any funds to such accounts. If the Trustee 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, but only in one or more Eligible Investments of the type described in clause (b) of the definition of Eligible Investments maturing no later than the Business Day immediately preceding the next Payment Date (or such shorter maturities expressly provided herein). If at a time when an Event of Default has occurred and is continuing, the Issuer shall not have given such investment directions to the Trustee for three consecutive days, the Trustee shall invest and reinvest such Monies as fully as practicable in Eligible Investments of the type described in clause (b) 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). Except to the extent expressly provided otherwise herein, all interest and other income from such investments shall be credited to the Collection Account upon receipt as Interest Proceeds, any gain realized from such investments shall be credited to the Collection Account upon receipt as Principal Proceeds, and any loss resulting from such investments shall be charged to the Collection Account as a reduction in Principal Proceeds. The Trustee 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 Bank of

(i) its obligations or liabilities under any security or obligation issued by the Bank or any Affiliate thereof or (ii) liability for any loss resulting from gross negligence, willful misconduct or fraud on the part of the Bank or any Affiliate thereof. Except as expressly provided herein, the Trustee shall not otherwise be under any duty to invest (or pay interest on) amounts held hereunder from time to time.

(b) The Trustee agrees to give the Issuer, with a copy to the Collateral Manager, immediate notice if any Trust Officer has actual knowledge that 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 Trustee shall supply, in a timely fashion, to the Issuer, each Rating Agency and the Collateral Manager any information regularly maintained by the Trustee that the Issuer, the Rating Agencies 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 Trustee by reason of its acting as Trustee 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 Trustee shall promptly forward to the Collateral Manager copies of notices and other writings received by it from the issuer of any Collateral Obligation or from any Clearing Agency with respect to any Collateral Obligation which notices or writings advise the holders of such Collateral Obligation 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 issuer and Clearing Agencies with respect to such issuer.

(d) In addition to any credit, withdrawal, transfer or other application of funds with respect to any Account set forth in Article X, any credit, withdrawal, transfer or other application of funds with respect to any Account authorized elsewhere in this Indenture is hereby authorized.

(e) Any account established under this Indenture may include (and shall be deemed to include) any number of subaccounts or related deposit accounts (including but not limited to each "securities account" and "deposit account" described herein) deemed necessary or advisable by the Trustee in the administration of the accounts.

Section 10.7. Accountings

(a) Monthly. Not later than the fourth calendar day (or, if such day is not a Business Day, the next succeeding Business Day) of each calendar month (other than a month in which a Payment Date occurs) and commencing in September 2015, the Issuer shall compile and make available (or cause to be compiled and made available) to each Rating Agency, the Trustee, the Collateral Manager and the Initial Purchaser and, upon written instructions (which may be in the form of standing instructions) from the Collateral Manager with all appropriate contact information, the CLO Information Service and,

upon written request therefor, to any Holder and, upon written notice to the Trustee in the form of Exhibit E, any beneficial owner of a Note, a monthly report on a settlement date basis (each such report a "Monthly Report"). As used herein, the "Monthly Report Determination Date" with respect to any calendar month will be the eighth Business Day prior to the 4th calendar day of such calendar month (other than a month in which a Payment Date occurs). 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 Monthly Report Determination Date for such calendar month:

(i) Aggregate Principal Balance of 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 and the LoanX ID thereof;

(C) The Principal Balance thereof (other than any accrued interest that was purchased with Principal Proceeds (but excluding any capitalized interest));

(D) The percentage of the aggregate Collateral Principal Amount represented by such Collateral Obligation;

(E) The related interest rate or spread;

(F) The LIBOR floor, if any (as provided by or confirmed with the Collateral Manager);

(G) The stated maturity thereof;

(H) The related Moody's Industry Classification;

(I) The Moody's Rating, unless such rating is based on a credit estimate unpublished by Moody's (and, in the event of a downgrade or withdrawal of the applicable Moody's Rating, the prior rating and the date such Moody's Rating was changed) and whether such Moody's Rating is derived from a public rating, a private rating, a Moody's Credit Estimate or a Moody's Derived Rating (and, if such rating is based on a Moody's Credit Estimate, the date on which the most recent Moody's Credit Estimate was obtained);

(J) The Moody's Default Probability Rating, unless such rating is based on a credit estimate unpublished by Moody's and whether such Moody's Default Probability Rating is derived from a public rating, a private rating, a Moody's Credit Estimate or a Moody's Derived Rating (and, if such rating is based on a Moody's Credit Estimate, the date on which the most recent Moody's Credit Estimate was obtained);

(K) The Fitch Rating, if such Collateral Obligation is publicly rated;

(L) The country of Domicile;

(M) An indication as to whether each such Collateral Obligation is (1) a Senior Secured Loan, (2) a Second Lien Loan, (3) a Participation Interest (indicating the related Selling Institution and its ratings by each Rating Agency), (4) a Delayed Drawdown Collateral Obligation, (5) a Revolving Collateral Obligation, (6) a Fixed Rate Obligation, (7) a Current Pay Obligation, (8) a DIP Collateral 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 Bridge Loan, (12) a First Lien Last Out Loan, (13) a Cov-Lite Loan or (14) a Partial Deferring Obligation;

(N) 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;

(III) the Moody's Default Probability Rating assigned to the purchased Collateral Obligation and the Moody's Default Probability Rating assigned to the Collateral Obligation the proceeds of whose sale are used to purchase the purchased Collateral Obligation; and

(IV) 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 clause (z) of the proviso to the definition of Discount Obligation;

(O) The Aggregate Principal Balance of all Broadly Syndicated Cov-Lite Loans and Middle Market Cov-Lite Loans;

(P) The Moody's Recovery Rate;

(Q) The Fitch Recovery Rate;

(R) The Market Value of such Collateral Obligation, if such Market Value was calculated based on a bid price determined by a loan or bond pricing service, and the name of such loan or bond pricing service (including such disclaimer language as a loan or bond pricing service may from time to time require, as provided by the Collateral Manager to the Trustee and the Collateral Administrator); and

(S) The purchase price (as a percentage of par) of such Collateral Obligation.

(v) For each of the limitations and tests specified in the definitions of Concentration Limitations and Collateral Quality Test, (1) the result, (2) the related minimum or maximum test level (including any Moody's Weighted Average Recovery Adjustment, if applicable, indicating to which test such Moody's Weighted Average Recovery Adjustment was allocated) and (3) a determination as to whether such result satisfies the related test.

(vi) 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); and

(C) The Interest Diversion Test (and setting forth the percentage required to pass such test).

(vii) The calculation specified in Section 5.1(f).

(viii) For each Account, (A) a schedule showing the beginning balance, each credit or debit specifying the nature, source and amount, and the ending balance, and (B) the ending balance adjusted to take into account any amounts (I) to be expended to acquire Collateral Obligations in transactions to which the Issuer has committed but that have not yet settled and (II) expected to be received in connection with any sales or other dispositions of Collateral Obligations to which the Issuer has committed but that have not yet settled.

(ix) A schedule showing for each of the following the beginning balance, the amount of Interest Proceeds received from the date of determination of the immediately preceding Monthly Report, and the ending balance for the current Measurement Date:

(A) Interest Proceeds from Collateral Obligations; and

(B) Interest Proceeds from Eligible Investments.

(x) Purchases, prepayments, and sales:

(A) The identity, Principal Balance (other than any accrued interest that was purchased with Principal Proceeds (but excluding any capitalized interest)), Principal Proceeds and Interest Proceeds received, and date for (X) each Collateral Obligation that was released for sale or other 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, and 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 (but excluding any capitalized interest)), and Principal Proceeds and Interest Proceeds expended to acquire each Collateral Obligation acquired pursuant to Section 12.2 since the last Monthly Report Determination Date;

(C) On a dedicated page in the data file, the information set forth in Section 10.7(a)(iv)(A) and (B) with respect to each Collateral Obligation the Issuer has committed to acquire or release for sale, but has not settled, since the prior Monthly Report;

(D) The identity and Principal Balance (other than any accrued interest that was purchased with Principal Proceeds (but excluding any capitalized interest)) of each Collateral Obligation purchased or sold by the Issuer since the last Monthly Report Determination Date in a transaction between the Issuer and another Person for which the Collateral Manager or an Affiliate of the Collateral Manager serves as an investment adviser; and

(xi) The identity of each Defaulted Obligation, the Moody's Collateral Value and Market Value of each such Defaulted Obligation and date of default thereof.

(xii) The identity of each Collateral Obligation with a Moody's Default Probability Rating of "Caa1" or below and the Market Value of each such Collateral Obligation.

(xiii) The identity of each Deferring Obligation, the Moody's Collateral Value and Market Value of each Deferring Obligation, and the date on which interest was last paid in full in Cash thereon.

(xiv) 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.

(xv) The identity of any Asset acquired from or disposed of to the Collateral Manager, any Affiliate of the Collateral Manager, or any entity or account, the investments of which are managed by the Collateral Manager or any Affiliate of the Collateral Manager.

(xvi) The Aggregate Principal Balance, measured cumulatively from the Closing Date onward, of all Collateral Obligations that would have been acquired through a Distressed Exchange but for the operation of the proviso in the definition of Distressed Exchange.

(xvii) The Weighted Average Moody's Rating Factor, the Adjusted Weighted Average Moody's Rating Factor, the Weighted Average Fitch Rating Factor and the Weighted Average Fitch Recovery Rate.

(xviii) On a dedicated page, whether any Trading Plans were entered into since the last Monthly Report Determination Date and the identity of any Assets acquired and/or disposed of in connection with each such Trading Plan.

(xix) For each Eligible Investment, the obligor, credit rating, and maturity date.

(xx) Such other information as any Rating Agency or the Collateral Manager may reasonably request.

(xxi) An indication as to whether the Originator has provided confirmation that it (i) continues to hold the Retention Securities and (ii) has not sold, hedged or otherwise mitigated its credit risk under or associated with the Retention Securities or the underlying portfolio of Collateral Obligations, in each case except to the extent permitted in accordance with the Retention Requirements.

(xxii) The identity of any Collateral Obligation that was subject to a Maturity Amendment since the immediately preceding Monthly Report.

(xxiii) The identity of any Collateral Obligation that the Issuer purchased or sold in a Cross Transaction since the immediately preceding Monthly Report.

Upon receipt of each Monthly Report, the Trustee shall 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 Trustee with respect to the Assets. In the event that any discrepancy exists, the Trustee 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 Trustee shall within five 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 perform the agreed-upon procedures on such Monthly Report and the Trustee's records to determine the cause of such discrepancy. If such review reveals an error in the Monthly Report or the Trustee's records, the Monthly Report or the Trustee'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 Manager, the Initial Purchaser, the CLO Information Service, each Rating Agency and, upon written request therefor, any Holder or Certifying Person, 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 the Rated Notes of each Class at the beginning of the Interest Accrual Period and such amount as a percentage of the original Aggregate Outstanding Amount of the Rated Notes of such Class, (b) the amount of principal payments to be made on the Rated Notes of each Class on the next Payment Date and such amount as a percentage of the original Aggregate Outstanding Amount of the Rated Notes of such Class, and (c) the amount of distributions to be paid on the Preferred Interests on the next Payment Date and the Aggregate Outstanding Amount of the Preferred Interests on the next Payment Date;

(iii) the Interest Rate and accrued interest for each Class of Rated Notes for such Payment Date;

(iv) the amounts payable pursuant to each clause of the Priority of Payments , on the related Payment Date;

(v) for the Collection Account:

(A) the Balance of Principal Proceeds on deposit in the Collection Account at the end of the related Collection Period and the Balance of Interest Proceeds on deposit in the Collection Account on the next Business Day following 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 the Priority of Payments on the next Payment Date (net of amounts which the Collateral Manager intends to reinvest in additional Collateral Obligations pursuant to Article XII); and

(C) the Balance remaining in the Collection Account immediately after all 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 Trustee 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 Priority of Payments and Article XIII.

(c) Interest Rate Notice. The Trustee shall include in the Monthly Report a notice setting forth the Interest Rate for each Class of Rated Notes for the Interest Accrual Period preceding the next Payment Date.

(d) Failure to Provide Accounting. If the Trustee 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 Trustee, the Trustee 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 Certifying Person shall contain, or be accompanied by, the following notices:

The Notes may be beneficially owned only by Persons that (a) (i) are not U.S. persons (within the meaning of Regulation S under the United States Securities Act of 1933, as amended) and are purchasing their beneficial interest in an offshore transaction and are also QIB/QPs or (ii) are (A) Qualified Institutional Buyers or (solely in the case of the Reinvesting Holder Notes) Accredited Investors and (B) either Qualified Purchasers or (solely in the case of the Reinvesting Holder Notes) Knowledgeable Employees (or corporations, partnerships, limited liability companies or other entities (other than trusts) each shareholder, partner, member or other equity owner of which is a Qualified Purchaser or (solely in the case of the Reinvesting Holder Notes) Knowledgeable Employees) and (b) can make the representations set forth in Section 2.5 or the appropriate Exhibit to this Indenture. Beneficial ownership interests in the Global Notes may be transferred only to a Person that is both a Qualified Institutional Buyer and a Qualified Purchaser and that can make the representations referred to in clause (b) of the preceding sentence. 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.

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 this Indenture.

(f) Distribution of Reports and Documents. The Trustee will make the Monthly Report, the Distribution Report, this Indenture and the Collateral Management Agreement available through the Trustee's Website. Upon receipt of notice of a Trading Plan, the Trustee shall promptly provide notice of such Trading Plan on the Trustee's Website. The Trustee shall provide the CLO Information Service with access to the Trustee's Website. Parties that are unable to use the above distribution option are entitled to have a paper copy mailed to them by first-class mail by calling the Trustee's customer service desk. The Trustee shall have the right to change the way such statements and documents are distributed in order to make such distribution more convenient and/or more accessible to the above parties, and the Trustee shall provide timely and adequate notification to all above parties regarding any such changes. As a condition to access to the Trustee's Website, the Trustee may require registration and the acceptance of a disclaimer. The Trustee 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 Trustee disseminates in accordance with this Indenture and may affix thereto any disclaimer it deems appropriate in its reasonable discretion.

Section 10.8. Release of Assets

(a) The Collateral Manager may, by Issuer Order delivered to the Trustee no later than the settlement date of any sale of an obligation (or, in the case of physical settlement, no later than the Business Day preceding such date), certifying with respect to settlements after the Effective Date that the applicable conditions set forth in Article XII have been met, direct the Trustee to deliver such obligation against receipt of payment therefor.

(b) The Collateral Manager may, by Issuer Order delivered to the Trustee no later than the settlement date of any redemption or payment in full of a Collateral Obligation or Eligible Investment (or, in the case of physical settlement, no later than the Business Day preceding such date) certifying that such obligation is being redeemed or paid in full, direct the Trustee or, at the Trustee's instruction, the Intermediary, to deliver such obligation, if in physical form, duly endorsed, or, if such obligation is a Clearing Corporation Security, to cause it to be presented (or in the case of a general intangible or a participation, cause such actions as are necessary to transfer such obligation to the designated transferee free of liens, claims or encumbrances created by this Indenture), to the appropriate paying agent therefor on or before the date set for redemption or payment, in each case against receipt of the redemption price or payment in full thereof.

(c) Subject to Article XII, the Collateral Manager may, by Issuer Order delivered to the Trustee no later than the settlement date of an exchange, tender or sale (or, in the case of physical settlement, no later than the Business Day preceding such date), certifying that a

Collateral Obligation is subject to a tender offer, voluntary redemption, exchange offer, conversion or other similar action (an "Offer") and setting forth in reasonable detail the procedure for response to such Offer, direct the Trustee or, at the Trustee's instructions, the Intermediary, to deliver such obligation, if in physical form, duly endorsed, or, if such obligation is a Clearing Corporation Security, to cause it to be delivered, in accordance with such Issuer Order, in each case against receipt of payment therefor; *provided*, that, unless such Offer is in connection with a distressed exchange or the workout or restructuring of such Collateral Obligation, the Collateral Manager may not direct the Trustee to accept or participate in such Offer if, as a result of the Issuer's acceptance of or participation in such Offer, such Collateral Obligation (or any other Asset received in connection with such Offer) would not satisfy the criteria set forth in the definition of "Collateral Obligation" or the definition of "Eligible Investment."

(d) Subject to Article XII, the Collateral Manager may, by Issuer Order delivered to the Trustee no later than the settlement date of an exchange (or in the case of physical settlement, no later than the Business Day preceding such date), direct the Trustee to deliver such obligation, if in physical form, duly endorsed, or, if such obligation is a Clearing Corporation Security, to cause it to be delivered, in accordance with the Issuer Order, in each case against receipt of another debt obligation therefor.

(e) The Trustee shall deposit any proceeds received by it from the disposition of a Collateral Obligation or Eligible Investment in the Collection Account, unless such proceeds are simultaneously applied to the purchase of Collateral Obligations or Eligible Investments.

(f) The Trustee shall, (i) upon receipt of an Issuer Order, release any Illiquid Assets sold, distributed or disposed of pursuant to Article IV, and (ii) upon receipt of an Issuer Order at such time as there are no Notes Outstanding and all obligations of the Issuer hereunder have been satisfied, release the Assets.

(g) The Trustee shall, upon receipt of an Issuer Order, release from the lien of this Indenture any Selling Institution Collateral in accordance with Section 10.4.

(h) Following delivery of any obligation pursuant to clauses (a) through (c) and (e) through (g), such obligation shall be released from the lien of this Indenture without further action by the Trustee or the Issuer.

(i) Satisfaction of the requirements under Section 12.3 will be deemed to constitute delivery of an Issuer Order for purposes of this Section 10.8.

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 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 of Notes. 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 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 Trustee, with a copy to the Collateral Manager, of such failure in writing. If the Issuer shall not have appointed a successor within ten days thereafter, the Trustee 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 Trustee to agree to the procedures performed by such firm, the Issuer hereby directs the Trustee to so agree; it being understood and agreed that the Trustee will deliver such letter of agreement in conclusive reliance on the foregoing direction of the Issuer, and the Trustee shall make no inquiry or investigation as to, and shall have no obligation in respect of, the sufficiency, validity or correctness of such procedures.

(b) On or before August 31 of each year commencing in 2016, the Issuer shall cause to be delivered to the Trustee a report (subject to the terms of an agreed upon procedures letter) from a firm of Independent certified public accountants for each Distribution Report received since the last statement or, in the case of the first report since the Closing Date, (i) indicating that the calculations within those Distribution Reports have been recalculated and compared to the information provided by the Issuer in accordance with the applicable provisions of this Indenture and (ii) recalculating the Aggregate Principal Balance of the Assets and the Aggregate Principal Balance of the Collateral Obligations securing the Notes as of the immediately preceding 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. To the extent a Holder or a beneficial owner of a Note requests the yield to maturity in respect of the relevant Note in order to determine any "original issue discount" in respect thereof, the Trustee shall request that the firm of Independent certified public accountants appointed by the Issuer recalculate such yield to maturity. The Trustee shall have no responsibility to calculate the yield to maturity nor to verify the accuracy of such Independent certified public accountants' calculation. In the event that the firm of Independent certified public accountants fails to calculate such yield to maturity, the Trustee shall have no responsibility to provide such information to Holder or a Certifying Person. In the event such firm of Independent public accountants requires the Bank, in any of its capacities including but not limited to Trustee or Collateral Administrator, to agree to the procedures performed by such firm, the Issuer hereby directs the Bank to so agree; it being understood that the Bank shall deliver and comply with such letter of agreement in conclusive reliance on the foregoing direction and the Bank shall make no inquiry or investigation as to, and shall have no obligation in respect of, the sufficiency, validity, or correctness of such procedures. The Bank, in each of its capacities, shall not disclose any information or documents provided to it by such firm of Independent accountants.

(c) Upon the written request of the Trustee, or any Holder of a Preferred Interest, the Issuer will cause the firm of Independent certified public accountants appointed pursuant to Section 10.9(a) to provide any Holder of Preferred Interests with all of the information required to be provided by the Issuer pursuant to Section 7.17 or assist the Issuer in the preparation thereof.

Section 10.10. Reports to Rating Agencies and Additional Recipients

(a) In addition to the information and reports specifically required to be provided to each Rating Agency pursuant to the terms of this Indenture and subject to subsection (b) below, the Issuer shall provide each Rating Agency with all information or reports delivered to the Trustee hereunder (with the exception of any Effective Date Accountants' Report, any other Accountants' Report or any certificates, letters or other reports prepared by Independent accountants), and such additional information as either Rating Agency may from time to time reasonably request, including notification to Moody's of any modification of the Underlying Instrument related to a DIP Collateral Obligation or any release of collateral thereunder not permitted by such Underlying Instrument. The Issuer (or the Collateral Manager on behalf of the Issuer) shall deliver to GMOCreditEstimatesAmericas@moodys.com in connection with each Distribution Report, a file containing the current RiskCalc estimates, the rating date and rating for applicable Collateral Obligations.

(b) Notwithstanding the foregoing, in connection with the Effective Date Accountants' Comparison Report, and in accordance with SEC Release No. 34-72936, the Independent Accountants shall provide to the Issuer Form 15-E in its complete and unedited form (and only in such form), which includes the Effective Date Accountants' Comparison Report as an attachment, and the Issuer shall post (or cause to be posted) such form 15-E, except for the redaction of any sensitive information, on the 17g-5 Website.

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 shall cause the Intermediary establishing such accounts to enter into an Account Agreement and, if the Intermediary is the Bank, shall cause the Bank to comply with the provisions of such Account Agreement. The Trustee may open such subaccounts of any such Account and such related deposit accounts for any such Account as it deems necessary or appropriate for convenience of administration.

Section 10.12. Section 3(c)(7) Procedures

(a) DTC Actions. The Issuer will direct DTC to take the following steps in connection with the Global Notes (or such other appropriate steps regarding legends of restrictions on the Global Notes under Section 3(c)(7) of the Investment Company Act and Rule 144A as may be customary under DTC procedures at any given time):

(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.

(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 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 "3c7" and "144A" indicators, as applicable, attached to such CUSIP number.

(b) 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 restrictions on the Global Notes under Section 3(c)(7) of the Investment Company Act and Rule 144A.

ARTICLE XI
APPLICATION OF MONIES

Section 11.1. Disbursements of Monies from Payment Account

(a) Notwithstanding any other provision in this Indenture, but subject to the other subsections of this Section 11.1 and to Section 13.1, on each Payment Date, the Trustee shall disburse amounts transferred from the Collection Account to the Payment Account pursuant to Section 10.2 (and in respect of the first Payment Date, amounts transferred from the Interest Reserve Account to the Payment Account pursuant to Section 10.3(e)) in accordance with the following priorities.

(i) On each Payment Date, 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 (the "Priority of Interest Proceeds"):

(A) (1) first, to the payment of taxes and governmental fees owing by the Issuer, if any, and (2) second, to the payment of the accrued and unpaid Administrative Expenses, in the priority stated in the definition thereof, up to the Administrative Expense Cap, *provided* that Special Petition Expenses shall be payable without regard to the Administrative Expense Cap;

(B) to the payment on a pro rata basis of the following amounts based on the respective amounts due on such Payment Date: (1) to the extent not deferred by the Collateral Manager pursuant to Section 11.1(d), to the payment of the Base Management Fee due and payable to the Collateral Manager (including any accrued and unpaid interest thereon) and any unpaid Deferred Base Management Fee that has been deferred with respect to prior Payment Dates which the Collateral Manager elects to have paid on such Payment Date pursuant to Section 11.1(d), and (2) the accrued and unpaid Carlyle Holders First Distribution Amount plus any Carlyle Holders First Distribution Amount that remains due and unpaid in respect of any prior Payment Dates (including any accrued and unpaid interest thereon) to the Carlyle Holders of the Preferred Interests; *provided* that amounts paid as any Deferred Base Management Fee pursuant to clause (1) may not exceed the Deferred Base Management Fee Cap; *provided further* that any accrued and unpaid interest on the Base Management Fee or Carlyle Holders First Distribution Amount shall be paid solely to the extent that, after giving effect on a pro forma basis to such payment, sufficient Interest Proceeds remain to pay in full all amounts due under clauses (C) through (E) below;

(C) to the payment of accrued and unpaid interest on the Class A-1A Notes, the Class A-1B Notes and the Class A-1C Notes, allocated *pro rata* in proportion to the amount of accrued and unpaid interest thereon;

(D) to the payment of accrued and unpaid interest on the Class A-2 Notes;

(E) if either of the Coverage Tests (except, in the case of the Interest Coverage Test, if such Payment Date is the first Payment Date after the Closing Date) is not satisfied on the related Determination Date, to make payments in accordance with the Note Payment Sequence to the extent necessary to cause all 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 (E);

(F) if, with respect to any Payment Date following the Effective Date, Rating Agency Confirmation has not been obtained from Moody's (unless the Moody's Effective Date Rating Condition is satisfied pursuant to Section 7.18(1),) amounts available for distribution pursuant to this clause (F) shall be used for application in accordance with the Note Payment Sequence on such Payment Date in an amount required to obtain Rating Agency Confirmation from Moody's;

(G) on a sequential basis, *first*, to the payment of any Deferred Base Management Fee not paid pursuant to clause (B)(1) above due to the limitations contained therein; and *second*, to the payment on a *pro rata* basis of the following amounts based on the respective amounts due on such Payment Date: (1) to the extent not deferred by the Collateral Manager pursuant to Section 11.1(d), to the payment of the Subordinated Management Fee due and payable to the Collateral Manager (including any accrued and unpaid interest thereon) and any unpaid Deferred Subordinated Management Fee that has been deferred with respect to prior Payment Dates which the Collateral Manager elects to have paid on such Payment Date pursuant to Section 11.1(d) and (2) any accrued and unpaid Carlyle Holders Second Distribution Amount plus any Carlyle Holders Second Distribution Amount that remains due and unpaid in respect of any prior Payment Dates (including any accrued and unpaid interest thereon) to the Carlyle Holders of the Preferred Interests;

(H) during the Reinvestment Period, if the Interest Diversion Test is not satisfied on the related Determination Date, to the Collection Account as Principal Proceeds to invest in Eligible Investments (pending the purchase of additional Collateral Obligations) and/or to apply toward the purchase of additional Collateral Obligations, in an amount equal to the lesser of (i) 50% of available Interest Proceeds and (ii) the amount necessary to restore compliance with such Interest Diversion Test;

(I) to the payment (in the same manner and order of priority as stated in the definition thereof) of any Administrative Expenses not paid pursuant to clause (A)(2) above due to the limitation contained therein;

(J) to make payments in respect of the Preferred Interests until the Incentive Management Fee Threshold has been met; *provided*, that, during the Reinvestment Period, to the extent that any Reinvesting Holder has so directed, any Reinvestment Amounts designated by such Holder in respect of its Preferred Interests shall not be paid to such Holder, but shall be deposited on such Payment Date in the Reinvestment Amount Account and be deemed to have been paid to such Holder pursuant to this Indenture);

(K) to the payment on a *pro rata* basis of the following amounts based on the respective amounts due on such Payment Date: (i) to the payment of any Incentive Management Fee due and payable to the Collateral Manager and, if applicable, any terminated collateral manager (allocated as set forth in the Collateral Management Agreement), and (ii) any accrued and unpaid Carlyle Holders Third Distribution Amount to the Carlyle Holders of the Preferred Interests; and

(L) any remaining Interest Proceeds shall be paid in respect of the Preferred Interests; *provided* that, during the Reinvestment Period, to the extent that any Reinvesting Holder has so directed, any Reinvestment Amounts designated by such Holder in respect of its Preferred Interests shall not be paid to such Holder, but shall be deposited on such Payment Date in the Reinvestment Amount Account and be deemed to have been paid to such Holder pursuant to this Indenture).

(ii) On each Payment Date, 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 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 and (ii) during the Reinvestment Period, Principal Proceeds designated for reinvestment by the Collateral Manager and in the case of the first or second Payment Dates, Principal Proceeds on deposit in the Interest Reserve Account that are transferred to the Payment Account, shall be applied in the following order of priority (the "Priority of Principal Proceeds"):

(A) to pay the amounts referred to in clauses (A) through (D) of the Priority of Interest Proceeds (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 (E) of the Priority of Interest Proceeds but only to the extent not paid in full thereunder and to the extent necessary to cause the Coverage Tests 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) with respect to any Payment Date following the Effective Date, if after the application of Interest Proceeds as provided in clause (F) under the Priority of Interest Proceeds, Rating Agency Confirmation has not been obtained from Moody's (unless the Moody's Effective Date Rating Condition is satisfied pursuant to Section 7.18(f)), amounts available for distribution pursuant to this clause (C) shall be used for application in accordance with the Note Payment Sequence on such Payment Date in an amount required to obtain such Rating Agency Confirmation from Moody's;

(D) (1) if such Payment Date is a Redemption Date (other than a Special Redemption Date, a Partial Redemption Date or a Re-Pricing Redemption Date), to make payments in accordance with the Note Payment Sequence; (2) if such Payment Date is a Redemption Date in respect of a Special Redemption, to make payments in the amount, if any, of the Principal Proceeds that the Collateral Manager has determined cannot be practicably reinvested in additional Collateral Obligations, in accordance with the Note Payment Sequence; (3) if such Payment Date is a Partial Redemption Date, to pay the Redemption Price (without duplication of any payments received by any Class of Rated Notes pursuant to the Priority of Interest Proceeds) of each Class of Rated Notes being redeemed in accordance

with the Note Payment Sequence; and (4) if such Payment Date is a Re-Pricing Redemption Date, to pay the Redemption Price (without duplication of any payments received by any Rated Notes being redeemed pursuant to the Priority of Interest Proceeds) of each Rated Note being redeemed (in the order of priority consistent with the Note Payment Sequence if more than one Class is being redeemed);

(E) during the Reinvestment Period, at the discretion of the Collateral Manager, either (y) to the Collection Account as Principal Proceeds to invest in Eligible Investments (pending the purchase of additional Collateral Obligations) and/or to apply toward the purchase of additional Collateral Obligations or (z) if the reinvestment of such Principal Proceeds would, in the sole discretion of the Collateral Manager, cause (or be likely to cause) a Retention Deficiency, to make payments in accordance with the Note Payment Sequence in an amount determined by the Collateral Manager in its sole discretion (which payment, for the avoidance of doubt, will not result in a termination of the Reinvestment Period);

(F) to make payments in accordance with the Note Payment Sequence;

(G) to pay the amounts referred to in clause (G) of the Priority of Interest Proceeds only to the extent not already paid;

(H) to pay the amounts referred to in clause (I) of the Priority of Interest Proceeds only to the extent not already paid;

(I) to the payment of principal of each Reinvesting Holder Note until the Reinvesting Holder Notes have been paid in full, pro rata based on the respective principal amounts of Reinvesting Holder Notes held by each Reinvesting Holder;

(J) after giving effect to clause (J) of the Priority of Interest Proceeds, to make payments in respect of the Preferred Interests until the Incentive Management Fee Threshold has been met;

(K) to the payment on a *pro rata* basis of the following amounts based on the respective amounts due on such Payment Date: (i) to the payment of any Incentive Management Fee due and payable to the Collateral Manager and, if applicable, any terminated collateral manager (allocated as set forth in the Collateral Management Agreement), and (ii) any accrued and unpaid Carlyle Holders Third Distribution Amount to the Carlyle Holders of the Preferred Interests; and

(L) any remaining Principal Proceeds shall be paid in respect of the Preferred Interests.

(iii) Notwithstanding the Priority of Interest Proceeds and the Priority of Principal Proceeds, in the case of any Enforcement Event, on any Payment Date and on each date or dates fixed by the Trustee pursuant to Section 5.7, proceeds in respect of the Assets will be applied in the following order of priority ("Special Priority of Payments"):

(A) (1) first, to the payment of taxes and governmental fees owing by the Issuer, if any, and (2) second, to the payment of 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 Assets pursuant to Section 5.5(a), the Administrative Expense Cap shall be disregarded), *provided* that Special Petition Expenses shall be paid without regard to the Administrative Expense Cap;

(B) to the payment on a pro rata basis of the following amounts based on the respective amounts due on such Payment Date: (1) to the extent not deferred by the Collateral Manager pursuant to Section 11.1(d), to the payment of the Base Management Fee due and payable to the Collateral Manager (including any accrued and unpaid interest thereon) and any unpaid Deferred Base Management Fee that has been deferred with respect to prior Payment Dates which the Collateral Manager elects to have paid on such Payment Date pursuant to Section 11.1(d), and (2) the accrued and unpaid Carlyle Holders First Distribution Amount plus any Carlyle Holders First Distribution Amount that remains due and unpaid in respect of any prior Payment Dates (including any accrued and unpaid interest thereon) to the Carlyle Holders of the Preferred Interests; *provided* that amounts paid as any Deferred Base Management Fee pursuant to clause (1) shall be paid solely to the extent that, after giving effect on a *pro forma* basis to such payment, sufficient Interest Proceeds remain to pay in full all amounts due under clauses (C) through (F) below; *provided further* that any accrued and unpaid interest pursuant to clause (1) or (2) shall be paid solely to the extent that, after giving effect on a pro forma basis to such payment, sufficient Interest Proceeds remain to pay in full (after taking into account any Deferred Base Management Fee that the Collateral Manager elects to have paid on such Payment Date) all amounts due under clauses (C) through (F) below;

(C) to the payment of accrued and unpaid interest on the Class A-1A Notes, the Class A-1B Notes and the Class A-1C Notes, allocated *pro rata* in proportion to the amount of accrued and unpaid interest thereon;

(D) to the payment of principal of the Class A-1 Notes (*pro rata*);

(E) to the payment of accrued and unpaid interest on the Class A-2 Notes;

(F) to the payment of principal of the Class A-2 Notes;

(G) to the payment of, on a *pro rata* basis, the following amounts based on the respective amounts due on such Payment Date: (1) to the extent not deferred by the Collateral Manager pursuant to Section 11.1(d), to the payment of the Subordinated Management Fee due and payable (including any accrued and unpaid interest thereon) to the Collateral Manager and any unpaid Deferred Subordinated Management Fee that has been deferred with respect to prior Payment Dates which the Collateral Manager elects to have paid on such Payment Date pursuant to Section 11.1(d), and (2) any accrued and unpaid Carlyle Holders Second Distribution Amount plus any Carlyle Holders Second Distribution Amount that remains due and unpaid in respect of any prior Payment Dates (including any accrued and unpaid interest thereon) to the Carlyle Holders of the Preferred Interests;

(H) to the payment of *first*, (in the same manner and order of priority stated in the definition thereof) any Administrative Expenses not paid pursuant to clause (A)(2) above due to the limitation contained therein, and s*econd*, any Deferred Base Management Fee not paid pursuant to clause (B)(1) above due to the limitations contained therein;

(I) to the payment of principal of each Reinvesting Holder Note, *pro rata* based on the respective principal amounts of Reinvesting Holder Notes held by each Reinvesting Holder;

(J) to make payments in respect of the Preferred Interests until the Incentive Management Fee Threshold is met;

(K) to the payment on a *pro rata* basis of the following amounts based on the respective amounts due on such Payment Date: (i) to the payment of any Incentive Management Fee due and payable to the Collateral Manager and, if applicable, any terminated collateral manager (allocated as set forth in the Collateral Management Agreement), and (ii) any accrued and unpaid Carlyle Holders Third Distribution Amount to the Carlyle Holders of the Preferred Interests; and

(L) any remaining Interest Proceeds and Principal Proceeds shall be paid to the Fiscal Agent for distribution in respect of the Preferred Interests.

(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 Trustee shall make the disbursements called for in the order and according to the priority set forth under the Priority of Payments, 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 in accordance with the Priority of Payments, the Trustee shall remit such funds, to the extent available, 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 Trustee no later than the Business Day prior to each Payment Date; *provided* that such direction and designation by Issuer Order shall not be necessary for, and shall be subject to, the payment of amounts pursuant to, and in the priority stated in, the definition of Administrative Expenses.

(d) The Collateral Manager may, in its sole discretion, elect to defer payment of all or a portion of the Base Management Fee or the Subordinated Management Fee on any Payment Date by providing notice to the Trustee and the Issuer of such election on or before the Determination Date preceding such Payment Date. On any Payment Date following a Payment Date on which the Collateral Manager has elected to defer all or a portion of the Base Management Fee or the Subordinated Management Fee, the Collateral Manager may elect to receive all or a portion of the applicable Deferred Management Fee that has otherwise not been paid to the Collateral Manager by providing notice to the Issuer and the Trustee of such election on or before the related Determination Date, which notice shall specify the amount of such Deferred Management Fee that the Collateral Manager elects to receive on such Payment Date. Accrued and unpaid Base Management Fees or Subordinated Management Fees deferred at the election of the Collateral Manager shall be deferred without interest. For the avoidance of doubt, accrued and unpaid Base Management Fees or Subordinated Management Fees that are deferred as a result of insufficient funds in accordance with the Priority of Payments shall bear interest at LIBOR (calculated in the same manner as LIBOR in respect of the Rated Notes) plus 0.35% per annum.

(e) During the Reinvestment Period, at the written direction of any Reinvesting Holder to the Trustee and Collateral Administrator, with a copy to the Collateral Manager, in substantially the form of Exhibit H, not later than, in the case of the first Payment Date after the Closing Date, two Business Days prior to such Payment Date and, in the case of any other Payment Date, three Business Days prior to the applicable Payment Date, but without any amendment to this Indenture, any confirmation from any Rating Agency or the consent of any other Holder of Securities, all or a specified portion of amounts that would otherwise be distributed on a Payment Date during the Reinvestment Period to pay such Reinvesting Holder under clause (J) or (L) of the Priority of Interest Proceeds in respect of such Reinvesting Holder's Preferred Interests will instead be deposited by the Trustee in the Reinvestment Amount Account, such deposit shall be deemed to constitute payment of such amounts to Holders of Preferred Interests for purposes of all distributions from the Payment Account to be made on such Payment Date, and the principal balance of the Reinvesting Holder Note registered in the name of such Reinvesting Holder shall be increased by the amount of such deposit in accordance with Section 2.7(a)(ii). Any such direction of any Reinvesting Holder shall specify the amount(s) that such Reinvesting Holder is entitled to receive on the applicable Payment Date in respect of distributions under clause (J) or (L) of the Priority of Interest Proceeds in respect of the Preferred Interests held by such Reinvesting Holder that such Reinvesting Holder wishes the Trustee to deposit in the Reinvestment Amount Account.

(f) Not less than eight Business Days preceding each Payment Date, the Collateral Manager shall certify to the Trustee (which may be a standing certification) the amount described in clause (i)(b) of the definition of Dissolution Expenses. If the distributions to be made pursuant to this Section 11.1 on any Payment Date would cause the sum of the Principal Balances of the remaining Collateral Obligations immediately following such Payment Date (excluding Defaulted Securities, Equity Securities and Illiquid Assets) to be less than the amount of Dissolution Expenses (as determined by the Trustee based on such certification by the Collateral Manager), the Trustee will provide written notice thereof to the Issuer at least five Business Days before such Payment Date.

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 12.3 and, notwithstanding any acceleration of the maturity of the Rated Notes, unless the Trustee has commenced exercising remedies pursuant to Section 5.4 (except for sales or other dispositions pursuant to Sections 12.1(a) through (d), (h) and (i)), the Collateral Manager on behalf of the Issuer may, but will not be required to (except as otherwise specified in this Section 12.1), direct the Trustee to sell or otherwise dispose of, and the Trustee shall sell or otherwise dispose of on behalf of the Issuer in the manner directed by the Collateral Manager pursuant to this Section 12.1, any Collateral Obligation or Equity Security if, as certified by the Collateral Manager, such sale or other disposition meets the requirements of any one of Sections 12.1(a) through (i) (subject in each case to any applicable requirement of disposition under Section 12.1(h)). 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 received in respect of such sale or other disposition.

(a) Credit Risk Obligations. The Collateral Manager may direct the Trustee to sell or otherwise dispose of any Credit Risk Obligation at any time without restriction.

(b) Credit Improved Obligations. The Collateral Manager may direct the Trustee to sell or otherwise dispose of any Credit Improved Obligation either:

(i) at any time if (A) the Sale Proceeds from such sale or other disposition are at least equal to the Investment Criteria Adjusted Balance of such Credit Improved Obligation or (B) after giving effect to such sale or other disposition, the Aggregate Principal Balance of all Collateral Obligations (excluding the Collateral Obligation being disposed of but including, without duplication, the anticipated net proceeds of such disposition) *plus*, without duplication, the amounts on deposit in the Collection Account, the Reinvestment Amount Account and the Ramp-Up Account (including Eligible Investments therein) representing Principal Proceeds, will be greater than the Reinvestment Target Par Balance; or

(ii) solely during the Reinvestment Period, if the Collateral Manager reasonably believes prior to such sale or other disposition that either (A) after giving effect to such sale or other disposition and subsequent reinvestment, the Aggregate Principal Balance of all Collateral Obligations (excluding the Collateral Obligation being disposed of but including, without duplication, the Collateral Obligation being purchased and the anticipated cash proceeds, if any, of such disposition that are not applied to the purchase of such additional Collateral Obligation) plus, without duplication, the amounts on deposit in the Collection Account, the Reinvestment Amount Account and the Ramp-Up Account (including Eligible Investments therein) representing Principal Proceeds, will be greater than the Reinvestment Target Par Balance, or (B) it will be able to enter into one or more binding commitments to reinvest all or a portion of the proceeds of such sale or other disposition, in compliance with the Investment Criteria, in one or more additional Collateral Obligations with an Aggregate Principal Balance at least equal to the Investment Criteria Adjusted Balance of such Credit Improved Obligation within 30 Business Days after such sale or other disposition.

(c) Defaulted Obligations. The Collateral Manager may direct the Trustee to sell or otherwise dispose of any Defaulted Obligation or any other asset received by the Issuer in a workout, restructuring or similar transaction at any time during or after the Reinvestment Period without restriction. With respect to each Defaulted Obligation that has not been disposed of within three years after becoming a Defaulted Obligation, the Market Value and Principal Balance of such Defaulted Obligation shall be deemed to be zero.

(d) Equity Securities. The Collateral Manager (i) may direct the Trustee to sell or otherwise dispose of any Equity Security at any time without restriction, and (ii) shall direct the Trustee to sell or otherwise dispose of any Equity Security regardless of price within 45 days after receipt if such Equity Security constitutes Margin Stock or within 3 years of receipt in all other cases unless such sale or other disposition is prohibited by applicable law or an applicable contractual restriction, in which case such Equity Security shall be sold as soon as such sale or other disposition is permitted by applicable law and not prohibited by such contractual restriction.

(e) Optional Redemption. After the Issuer has notified the Trustee of an Optional Redemption of the Securities in accordance with Section 9.2, the Collateral Manager shall direct the Trustee to sell or otherwise dispose of (which disposition may be through participation or other arrangement) all or a portion of the Collateral Obligations if the requirements of Article IX are satisfied. If any such disposition is made through participations, the Issuer shall use reasonable efforts to cause such participations to be converted to assignments within six months after the disposition.

(f) Tax Redemption. After a Majority of an Affected Class or a Majority of the Preferred Interests has directed (by a written direction delivered to the Trustee) a Tax Redemption, the Issuer (or the Collateral Manager on its behalf) shall direct the Trustee to sell or otherwise dispose of (which disposition may be through participation or other arrangement) all or a portion of the Collateral Obligations if the requirements of Article IX are satisfied. If any such disposition is made through participations, the Issuer shall use reasonable efforts to cause such participations to be converted to assignments within six months after the disposition.

(g) Discretionary Sales. The Collateral Manager may direct the Trustee to sell or otherwise dispose of any Collateral Obligation at any time other than during a Restricted Trading Period if (i) after giving effect to such disposition, the Aggregate Principal Balance of all Collateral Obligations disposed of as described in this Section 12.1(g) 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); *provided* that if the Issuer sells a Collateral Obligation with the intention of purchasing another obligation of the same obligor that would be *pari passu* or senior to such sold Collateral Obligation, and within 20 Business Days of such sale (determined based upon the date of any relevant trade confirmation or commitment letter) does in fact make such purchase, the Principal Balance of the sold Collateral Obligation will be excluded from any determination of whether the 30% limit has been met; and (ii) either

(A) at any time (I) the proceeds from such sale are at least equal to the Investment Criteria Adjusted Balance of such sold Collateral Obligation or (II) after giving effect to such sale, the Aggregate Principal Balance of all Collateral Obligations (excluding the Collateral Obligations being disposed of but including, without duplication, the anticipated net proceeds of such disposition) *plus*, without duplication, the amounts on deposit in the Collection Account, the Reinvestment Amount Account, and the Ramp-Up Account (including Eligible Investments therein) representing Principal Proceeds will be greater than the Reinvestment Target Par Balance; or

(B) 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 disposition in one or more additional Collateral Obligations with an Aggregate Principal Balance at least equal to the Investment Criteria Adjusted Balance of the Collateral Obligation sold within 30 Business Days of such sale.

(h) Mandatory Sales. The Collateral Manager on behalf of the Issuer shall use its commercially reasonable efforts to effect the sale or other disposition (regardless of price) of any Collateral Obligation that (i) no longer meets the criteria described in clauses (vii) and (xxi) of the definition of Collateral Obligation, within 18 months after the failure of such Collateral Obligation to meet any such criteria and (ii) no longer meets the criteria described in clause (vi) of the definition of Collateral Obligation (unless such disposition is prohibited by applicable law or an applicable contractual restriction) within 45 days after the failure of such Collateral Obligation to meet either such criteria. Notwithstanding anything in the Concentration Limitations or the definition of Collateral Obligation to the contrary, the Issuer may receive and hold any loans, securities or other

assets received or obtained in lieu of debts previously contracted with respect to any Collateral Obligation held by the Issuer, to the extent permitted under the loan securitization exemption under the Volcker Rule, as determined by the Collateral Manager in good faith (with notice to the Trustee).

(i) Unrestricted Sales. If the Aggregate Principal Balance of the Collateral Obligations is less than U.S.$10,000,000, the Collateral Manager may direct the Trustee to sell the Collateral Obligations without regard to the foregoing limitations.

(j) Clean-Up Call Redemption. Notwithstanding the restrictions of Section 12.1(a), after the Collateral Manager has notified the Issuer and the Trustee of a Clean-Up Call Redemption, the Collateral Manager may at any time direct the Trustee to sell (and upon receipt of the certification from the Collateral Manager required by Section 9.7(b) the Trustee shall sell in the manner specified) for settlement in immediately available funds any Collateral Obligation; *provided* that the Sale Proceeds therefrom are used for the purposes specified in Section 9.7.

(k) Stated Maturity. Notwithstanding the restrictions of Section 12.1(a), the Collateral Manager will, no later than the Determination Date for the Stated Maturity of the Notes, on behalf of the Issuer, direct the Trustee to sell (and the Trustee shall sell in the manner specified) for settlement in immediately available funds any Collateral Obligations scheduled to mature after the Stated Maturity of the Notes.

(l) Material Covenant Default. The Collateral Manager may direct the Trustee at any time without restriction to sell any Collateral Obligation that (i) has a Material Covenant Default or (ii) becomes subject to a proposed Maturity Amendment; *provided* that 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 any provision of this Indenture or the Collateral Management Agreement.

Section 12.2. Purchase of Additional Collateral Obligations

(a) Investment Criteria. On any date during the Reinvestment Period, the Collateral Manager on behalf of the Issuer may, subject to the other requirements in this Indenture, but will not be required to, direct the Trustee to invest Principal Proceeds, proceeds of additional securities issued pursuant to Sections 2.13 and 3.2 or the Limited Liability Company Agreement, Reinvestment Amounts, amounts on deposit in the Ramp-Up Account and accrued interest received with respect to any Collateral Obligation to the extent used to pay for accrued interest on additional Collateral Obligations, and the Trustee shall invest such Principal Proceeds and other amounts in accordance with such direction.

(b) No obligation may be purchased by the Issuer during the Reinvestment Period unless each of the following conditions (collectively, the "Investment Criteria") is satisfied on a *pro forma* basis 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 the settlement of such purchase and all other sales (or other dispositions) or purchases previously or simultaneously committed to; *provided* that the conditions set

forth in clauses (v) and (vi) below need only be satisfied with respect to purchases of Collateral Obligations occurring on or after the Effective Date and *provided*, *further*, that notwithstanding anything in the Concentration Limitations or the definition of "Collateral Obligation" to the contrary, the Issuer may receive and hold any loans, securities or other assets received or obtained in lieu of debts previously contracted with respect to any Collateral Obligation held by the Issuer, to the extent permitted under the loan securitization exemption under the Volcker Rule, as determined by the Collateral Manager in good faith (with notice to the Trustee).

(i) such obligation is a Collateral Obligation;

(ii) such obligation is not, by its terms, convertible into or exchangeable for Equity Securities, or attached with a warrant to purchase Equity Securities;

(iii) if the commitment to make such purchase occurs on or after the Effective Date (or, in the case of the Interest Coverage Test, on or after the Determination Date occurring immediately prior to the second Payment Date), (A) each Coverage Test will be satisfied, or if not satisfied, such Coverage Test will be maintained or improved, and (B) if each Coverage Test is not satisfied, the Principal Proceeds received in respect of any Defaulted Obligation or the proceeds of any sale of a Defaulted Obligation shall not be reinvested in additional Collateral Obligations;

(iv) (1) in the case of an additional Collateral Obligation purchased with the proceeds from the sale or other disposition of a Credit Risk Obligation or a Defaulted Obligation, either (a) the Aggregate Principal Balance of all additional Collateral Obligations purchased with the proceeds from such disposition will at least equal the Sale Proceeds from such disposition, (b) 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 disposition), or (c) the Aggregate Principal Balance of all Collateral Obligations (excluding the Collateral Obligation being sold but including, without duplication, the Collateral Obligation being purchased and the anticipated cash proceeds, if any, of such disposition that are not applied to the purchase of such additional Collateral Obligation) plus, without duplication, the amounts on deposit in the Collection Account, the Reinvestment Amount Account and the Ramp-Up Account (including Eligible Investments therein) representing Principal Proceeds, will be greater than the Reinvestment Target Par Balance and (2) in the case of any other purchase of additional Collateral Obligations purchased with the proceeds from the sale or other disposition of a Collateral Obligation, either (a) 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 disposition) or (b) the Aggregate Principal Balance of all Collateral Obligations (excluding the Collateral Obligation being sold but including, without duplication, the Collateral Obligation being purchased and the anticipated cash proceeds, if any, of such disposition that are not applied to the purchase of such additional Collateral Obligation) plus, without duplication, the amounts on deposit in the Collection Account, the Reinvestment Amount Account and the Ramp-Up Account (including Eligible Investments therein) representing Principal Proceeds, will be greater than the Reinvestment Target Par Balance;

(v) either (1) each requirement or test, as the case may be, of the Concentration Limitations and the Collateral Quality Test will be satisfied or (2) 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;

(vi) the Originator Requirement is satisfied immediately after giving effect to such purchase or, if not satisfied, such obligation is acquired from the Originator; and

(vii) no Retention Deficiency occurs as a result of, or immediately after giving effect to, such purchase. For the avoidance of doubt, if a Retention Deficiency is in effect at the time of such purchase, such obligation must be acquired from the Originator.

During the Reinvestment Period, following the sale or other disposition of any Credit Improved Obligation or any discretionary sale or other discretionary disposition of a Collateral Obligation, the Collateral Manager shall use its reasonable efforts to purchase additional Collateral Obligations within 30 Business Days after such disposition; provided that such purchase complies with the Investment Criteria.

(c) 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.

(d) Offers. The Issuer may not accept an Offer, other than in connection with a bankruptcy, workout or restructuring, unless the obligation received will satisfy the definition of Collateral Obligation or Eligible Investment.

(e) Not later than the Business Day immediately preceding the end of the Reinvestment Period, the Collateral Manager shall deliver to the Trustee 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 Trustee that sufficient Principal Proceeds are available (including for this purpose, cash on deposit in the Collection Account as well as any Principal Proceeds that will 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 Obligations.

(f) Maturity Amendment. During and after the Reinvestment Period, the Issuer (or the Collateral Manager on the Issuer's behalf) may vote in favor of a Maturity Amendment only if the Collateral Manager determines that, after giving effect to any relevant Trading Plan, (i) after giving effect to such Maturity Amendment, the stated maturity of the Collateral Obligation that is the subject of such Maturity Amendment is not later than the

Stated Maturity of the Rated Notes; (ii) the Weighted Average Life Test will be satisfied immediately after giving effect to such Maturity Amendment; *provided* that the limitation stated in this clause (ii) will not apply to any Credit Amendment if, immediately after giving effect to such Credit Amendment, the Aggregate Principal Balance of Collateral Obligations subject to a Credit Amendment will not exceed 3.0% of the Collateral Principal Amount; (iii) the Originator Requirement is satisfied immediately after giving effect to such Maturity Amendment and (iv) no Retention Deficiency occurs as a result of, or immediately after giving effect to, such Maturity Amendment. For the avoidance of doubt, the Collateral Manager may vote for an extension with respect to an investment it already has sold (either in whole or in part) that has not settled with the consent of or at the direction of the buyer. "Credit Amendment" means a Maturity Amendment that, in the Collateral Manager's judgment, (i) is necessary to prevent the related Collateral Obligation from becoming a Defaulted Obligation or (ii) is consummated in connection with an insolvency, bankruptcy, reorganization, debt structuring or workout (whether in or out of court) of the related obligor.

(g) The Collateral Manager shall provide notice to Moody's of any Collateral Obligations meeting the requirements set forth in clause (c) in the definition of "Domicile."

(h) (i) Any purchase of Additional Collateral Obligations by the Issuer from the Originator after the Closing Date shall be made pursuant to the terms of the Sale Agreement.

Section 12.3. Conditions Applicable to All Sale and Purchase Transactions

(a) Any transaction effected under this Article XII or Section 10.6 will 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 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 the Trustee shall have no responsibility to oversee compliance with this clause (a) by the other parties.

(b) 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 Assets Granted to the Trustee pursuant to this Indenture and will be Delivered. The Trustee shall also receive, not later than the settlement date, an Officer's certificate of the Issuer certifying compliance with the provisions of this Article XII; *provided* that such requirement shall be satisfied and such statements deemed to have been made by the Issuer by the delivery to the Trustee of a trade ticket in respect thereof.

(c) Notwithstanding anything contained in this Article XII to the contrary and without limiting the right to make any other permitted purchases, sales or other dispositions, the Issuer shall have the right to effect any sale or other disposition of any Asset or purchase of any Collateral Obligation (x) that has been consented to by Holders evidencing at least 75% of the Aggregate Outstanding Amount of each Class of Rated Notes and at least 75% of the Aggregate Outstanding Amount of the Preferred Interests and (y) of which each Rating Agency and the Trustee (with a copy to the Collateral Manager) has been notified.

ARTICLE XIII
HOLDERS' RELATIONS

Section 13.1. Subordination

(a) Anything in this Indenture 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 the Notes of each Priority Class with respect to such Junior Class that such Junior Class shall be subordinate and junior to the Notes of each such Priority Class to the extent and in the manner set forth in this Indenture. If an Enforcement Event has occurred and is continuing in accordance with Article V, including as a result of a Bankruptcy Event, each Priority Class shall be paid in full in Cash or, to the extent 100% of such Class consents, other than in Cash, before any further payment or distribution of any kind is made on account of any Junior Class with respect thereto, in accordance with the Special Priority of Payments.

(b) In the event that, notwithstanding the provisions of this Indenture, any Holder of Notes of any Junior Class shall have received any payment or distribution in respect of such Notes contrary to the provisions of this Indenture, then, unless and until each Priority Class with respect thereto shall have been paid in full in Cash or, to the extent 100% of such Priority Class consents, other than in Cash in accordance with this Indenture, 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 Trustee, which shall pay and deliver the same to the Holders of the applicable Priority Class(es) in accordance with this Indenture; *provided* that if any such payment or distribution is made other than in Cash, it shall be held by the Trustee as part of the Assets and subject in all respects to the provisions of this Indenture, including this Section 13.1.

(c) Each Holder of Notes of any Junior Class agrees with all Holders of the applicable Priority Classes that such Holder of Junior Class Notes shall not demand, accept, or receive any payment or distribution in respect of such Notes in violation of the provisions of this Indenture including, without limitation, this Section 13.1; *provided* that after a Priority Class has been paid in full, the Holders of the related Junior Class or Classes shall be fully subrogated to the rights of the Holders of such Priority Class to receive payments or distributions until all amounts due and payable on the Notes shall be paid in full. Nothing in this Section 13.1 shall affect the obligation of the Issuer to pay Holders of any Junior Class of Notes.

(d) In the event one or more Holders of Notes causes a Bankruptcy Filing against the Issuer prior to the expiration of the period specified in Section 5.4(d) (each, a "Filing Holder"), any claim that such Filing Holders have against the Issuer (including under all Notes of any Class held by such Filing Holders) 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 of any Note (and each other secured creditor of the Issuer) that is not a Filing Holder, with such subordination being effective until each Note held by Holders that are not Filing Holders (and each claim of each other secured creditor of the Issuer) that does not seek to cause any such filing is paid in full in accordance with the Priority of Payments (after giving effect to such subordination). The foregoing agreement will constitute a "subordination agreement" within the meaning of Section 510(a) of the Bankruptcy Code. The Issuer shall direct the Trustee to segregate payments and take other reasonable steps to effect the foregoing. The Issuer may obtain and assign a separate CUSIP or CUSIPs to the Notes of each Class held by such Holder(s).

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 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

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.

Any certificate or opinion of an Officer of the 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 in this Indenture, be counsel for the Issuer or the Collateral Manager), 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 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 Collateral Manager or any other Person (on which the Trustee shall also be entitled to rely), unless such Officer of the 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 or of the Issuer, unless such counsel knows that the certificate or opinion or representations with respect to such matters are erroneous.

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.

Whenever in this Indenture it is provided that the absence of the occurrence and continuation of a Default, Event of Default or Enforcement Event is a condition precedent to the taking of any action by the Trustee at the request or direction of the Issuer, then notwithstanding that the satisfaction of such condition is a condition precedent to the Issuer's right to make such request or direction, the Trustee 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, Event of Default or Enforcement Event as provided in Section 6.1(d).

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 writing 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, 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 and the Issuer, 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 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 Register.

(d) Any request, demand, authorization, direction, notice, consent, waiver or other action by the Holder of any Notes shall bind the Holder (and any transferee thereof) of such and of every Note 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 or the Issuer in reliance thereon, whether or not notation of such action is made upon such Note.

(e) For the purposes of this Section 14.2, any reference to a Global Note shall include global securities issued pursuant to the Fiscal Agency Agreement.

(f) Each of the Holders of Notes (and holders of an interest in a Note) by its acceptance of such Note (or interest therein) will agree to provide to the Issuer and the Collateral Manager all information reasonably available to it that is reasonably requested by the Issuer or the Collateral Manager in connection with regulatory matters, including any information that is necessary or advisable in order for the Collateral Manager (or its parent or Affiliates) to complete its Form ADV, to file its reports on Form PF, to file or complete any other form required by the Securities and Exchange Commission, or to comply with any requirement of the Dodd-Frank Wall Street Reform and Consumer Protection Act, as amended from time to time, and any other laws or regulations applicable to the Collateral Manager (or its parent or Affiliates) from time to time.

Section 14.3. Notices, etc., to Certain Parties

(a) Except as otherwise expressly provided herein, any request, demand, authorization, direction, notice, consent or waiver or other documents provided or permitted by this Indenture to be made upon, given or furnished to, or filed with any of the parties indicated below shall be sufficient for every purpose hereunder if 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 or by facsimile or email in legible form at the following address (or at any other address provided in writing by the relevant party):

(i) the Trustee, the Collateral Administrator and the Fiscal Agent at its Corporate Trust Office;

(ii) the Issuer at 520 Madison Avenue, New York, New York 10022, Attention: Orit Mizrachi, telephone no.: (212) 813-4508, facsimile no.: (212) 813-4939;

(iii) the Collateral Manager at 520 Madison Avenue, New York, New York 10022, Attention: Orit Mizrachi, telephone no.: (212) 813-4508, facsimile no.: (212) 813-4939;

(iv) Citigroup at 390 Greenwich Street, 4th Floor, New York, New York 10013, Attention: Structured Credit Products Group, facsimile no. +1 (212) 723-8671;

(v) the Rating Agencies, in accordance with Section 7.20, and promptly thereafter in the case of (i) Moody's, an email to cdomonitoring@moodys.com and (ii) Fitch, an email to cdo.surveillance@fitchratings.com, in each case that information has been posted to the 17g-5 Website;

(vi) the Irish Stock Exchange, mail to: c/o Walkers Listing & Support Services Limited, The Anchorage, 17/19 Sir Rogerson's Quay, Dublin 2 Ireland, telephone no. 353 (0) 1 470 6600, facsimile no. 353 (0) 1 470 6601, email: therese.redmond@walkersglobal.com; and

(vii) the CLO Information Service at any physical or electronic address provided by the Collateral Manager for delivery of any Monthly Report or Distribution report.

(b) In the event that any provision in this Indenture calls for any notice or document to be delivered simultaneously to the Trustee and any other person or entity, the Trustee's receipt of such notice or document shall entitle the Trustee 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 or the Trustee (except information required to be provided to the Irish Stock Exchange) may be provided by providing access to the Trustee's Website containing such information.

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, to each Holder affected by such event, at the address of such Holder as it appears in the Register (or, in the case of Holders of Global Notes, emailed to DTC for distribution to each Holder affected by such event and posted to the Trustee's Website) and to the Fiscal Agent for forwarding to the holders of Preferred Interests pursuant to the Fiscal Agency Agreement, 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.

Such notices will be deemed to have been given on the date of such mailing.

In addition, documents delivered to Holders shall be provided, for so long any Listed Notes are Outstanding and the guidelines of the Irish Stock Exchange so require, the Irish Listing Agent, on behalf of the Irish Stock Exchange.

(b) Notwithstanding clause (a) above, a Holder may give the Trustee a written notice that it is requesting that notices to it be given by email or by facsimile transmissions and stating the email address or facsimile number for such transmission. Thereafter, the Trustee shall give notices to such Holder by email 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.

(c) Subject to the Trustee's rights under Section 6.3(e), the Trustee will deliver to the Holders any information or notice relating to this Indenture requested to be so delivered by at least 5% of the Holders of any Class of Notes (by Aggregate Outstanding Amount), at the expense of the Issuer; *provided* that nothing herein shall be construed to obligate the Trustee to distribute any notice that the Trustee reasonably determines to be contrary to the terms of this Indenture or its duties and obligations hereunder or applicable law. The Trustee may require the requesting Holders to comply with its standard verification policies in order to confirm Noteholder status. For the avoidance of doubt, such information shall not include any Accountants' Report.

(d) Neither the failure to provide 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 Trustee 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 Trustee but such filing shall not be a condition precedent to the validity of any action taken in reliance upon such waiver.

(f) The Trustee shall provide to the Issuer and the Collateral Manager upon request any information with respect to the identity of and contact information for any Holder that it has within its possession or may obtain without unreasonable effort or expense and, subject to Section 6.1(c), the Trustee shall have no liability for any such disclosure or the accuracy thereof.

(g) Notwithstanding any provision to the contrary in this Indenture or in any agreement or document related hereto, any information or documents (including, without limitation reports, notices or supplemental indentures) required to be provided by the Trustee to Persons identified in this Section 14.4 may be provided by providing notice of and access to the Trustee's Website containing such information or document.

For the avoidance of doubt, the Issuer may disclose any information it deems necessary or advisable in order for the Issuer (or its parent or Affiliates) to comply with any laws, rules or regulations applicable to the Issuer (or its parent or Affiliates).

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 in this Indenture by the Issuer shall bind their respective successors and assigns, whether so expressed or not.

Section 14.7. Severability

If any term, provision, covenant or condition of this Indenture or the Notes, 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 Notes, 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 Notes, as the case may be, so long as this Indenture or the Notes, 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 Notes, 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

Nothing in this Indenture or in the Notes, expressed or implied, shall give to any Person, other than the parties hereto and their successors hereunder, the Collateral Manager, the Collateral Administrator and the Holders of the Securities any benefit or any legal or equitable right, remedy or claim under this Indenture.

Section 14.9. Legal Holidays

In the event that the date of any Payment Date, Redemption Date or Stated Maturity shall not be a Business Day, then notwithstanding any other provision of the Notes or this Indenture, payment need not be made on such date, but may be made on the next succeeding Business Day with the same force and effect as if made on the nominal date of any such Payment Date, Redemption Date or Stated Maturity date, as the case may be, and except as provided in the definition of Interest Accrual Period, no interest shall accrue on such payment for the period from and after any such nominal date.

Section 14.10. Governing Law

This Indenture and the Notes shall be construed in accordance with, and this Indenture and the Notes shall be governed by, the law of the State of New York.

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"), to the fullest extent permitted by applicable law, 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 Indenture 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 HOLDERS AND THE TRUSTEE 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 INDENTURE, THE NOTES 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 the Notes (and each amendment, modification and waiver in respect of this Indenture or the Notes) may be executed and delivered in counterparts (including by 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 of this Indenture by email (PDF) or telecopy shall be effective as delivery of a manually executed counterpart of this Indenture.

Section 14.14. Acts of Issuer

Any 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.

Section 14.15. Confidential Information

(a) The Trustee, the Collateral Administrator and each Holder will maintain the confidentiality of all Confidential Information in accordance with procedures adopted by the Issuer (after consultation with the Trustee and the Collateral Administrator) or such Holder (as the case may be) in good faith to protect Confidential Information of third parties delivered to such Person; *provided* that such Person may deliver or disclose Confidential Information: (i) with the prior written consent of the Collateral Manager, (ii) as required by law, regulation, court order or the rules, regulations or request or order of any governmental, judiciary, regulatory or self-regulating organization, body or official having jurisdiction over such Person, (iii) to its Affiliates, members, partners, officers, directors and employees and to its attorneys, accountants and other professional advisers in conjunction with the transactions described herein, (iv) as may be necessary or desirable in order for such Person to prepare, publish and distribute to any Person any information relating to the investment performance of the Assets in the aggregate, or (v) in connection with the exercise or enforcement of such Person's rights hereunder or in any dispute or proceeding related hereto, including defense by the Trustee or Collateral Administrator of any claim of liability that may be brought or charged against it. Notwithstanding the foregoing, delivery to any Person (including Holders) by the Trustee or the Collateral Administrator of any report, notice, document or other information required or expressly permitted by the terms of this Indenture or any of the other

Transaction Documents to be provided to such Person or Persons, and delivery to Holders of copies of this Indenture or any of the other Transaction Documents, shall not be a violation of this Section 14.15. Each Holder of Notes agrees, except as set forth in clause (ii) above, 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 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, such Holder agrees to use reasonable efforts to protect the confidentiality of the Confidential Information. Each Holder, by its acceptance of a Note, will be deemed to have agreed to be bound by and to be entitled to the benefits of this Section 14.15.

(b) For the purposes of this Section 14.15, "Confidential Information" means information delivered to the Trustee, the Collateral Administrator or any Holder of Notes by or on behalf of the Issuer in connection with and relating to the transactions contemplated by or otherwise pursuant to this Indenture; *provided* that such term does not include information that: (i) was publicly known or otherwise known to the Trustee, 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 Administrator, any Holder or any person acting on behalf of the Trustee, the Collateral Administrator or any Holder; (iii) otherwise is known or becomes known to the Trustee, the Collateral Administrator or any Holder other than (x) through disclosure by the Issuer or (y) to the knowledge of the Trustee, 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 to the Issuer or a contractual duty to the Issuer; or (iv) is allowed to be treated as non-confidential by consent of the Issuer.

(c) Notwithstanding the foregoing, (i) each of the Collateral Manager, the Trustee and the Collateral Administrator may disclose Confidential Information (x) to each Rating Agency and (y) as and to the extent it may reasonably deem necessary for the performance of its duties hereunder (including the exercise of remedies pursuant to Article V), including on a confidential basis to its agents, attorneys and auditors in connection with the performance of its duties hereunder and to any other Person to which such delivery or disclosure may be necessary or appropriate (A) in response to any subpoena or other legal process upon prior notice to the Issuer (unless prohibited by applicable law, rule, order or decree or other requirement having the force of law), (B) in connection with any litigation to which such Person is a party upon prior notice to the Issuer (unless prohibited by applicable law, rule, order or decree or other requirement having the force of law) or (C) 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 Notes or this Indenture, (ii) the Trustee will provide, upon request, copies of this Indenture, the Collateral Management Agreement, the Collateral Administration Agreement, the Fiscal Agency Agreement, Monthly Reports and Distribution Reports to any Holder or Certifying Person, (iii) any Holder or beneficial owner of an interest in Notes may provide copies of this Indenture, the Collateral Management Agreement, the Collateral Administration Agreement, the Fiscal Agency

Agreement, any Monthly Report and any Distribution Report to any prospective purchaser of Notes, and (iv) the Issuer may provide copies of any Monthly Report and any Distribution Report to the CLO Information Service pursuant to and in accordance with Section 10.7.

ARTICLE XV
ASSIGNMENT OF COLLATERAL MANAGEMENT AGREEMENT

Section 15.1. Assignment of Collateral Management Agreement

(a) The Issuer, in furtherance of the covenants of this Indenture and as security for the Secured Obligations and the performance and observance of the provisions hereof, hereby assigns, transfers, conveys and sets over to the Trustee, for the benefit of the Secured Parties, all of the Issuer's right, title and interest in, to and under the Collateral Management Agreement, including, without limitation, (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*, *however*, that the Issuer may exercise any of its rights under the Collateral Management Agreement without notice to or the consent of the Trustee (except as otherwise expressly required by this Indenture), so long as an Event of Default has not occurred and is not continuing. From and after the occurrence and continuance of an Event of Default, the Collateral Manager will continue to perform and be bound by the provisions of the Collateral Management Agreement and this Indenture. The Trustee will be entitled to rely and be protected in relying upon all actions and omissions to act of the Collateral Manager thereafter as fully as if no Event of Default had occurred.

(b) The assignment made hereby is executed as collateral security, and the execution and delivery hereof 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 Trustee. Upon the retirement of the Notes and the release of the Assets from the lien of this Indenture, this assignment and all rights herein assigned to the Trustee shall cease and terminate and all of the estate, right, title and interest of the Trustee 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.

(c) 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 consents to the provisions of this assignment and agrees to perform any provisions of this Indenture applicable to the Collateral Manager subject to the terms of the Collateral Management Agreement.

(ii) The Collateral Manager acknowledges that the Issuer is assigning all of its right, title and interest (but none of its obligations) in, to and under the Collateral Management Agreement to the Trustee as Collateral for the benefit of the Secured Parties.

(iii) The Collateral Manager shall deliver to the Trustee duplicate original copies of all notices, statements, communications and instruments delivered or required to be delivered to the Issuer pursuant to the Collateral Management Agreement.

(iv) Except as contemplated under the Collateral Management Agreement, neither the Issuer nor the Collateral Manager will enter into any agreement amending, modifying or terminating the Collateral Management Agreement without (x) if the amendment or modification pertains to a provision of the Collateral Management Agreement that requires Rating Agency Confirmation to effect the action contemplated therein, obtaining Rating Agency Confirmation, and (y) otherwise complying with the applicable provisions of the Collateral Management Agreement.

(v) Except as otherwise set forth herein and therein, 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 to 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. The Collateral Manager agrees not to cause the filing of a petition in bankruptcy against the Issuer for the non-payment of the Collateral Management Fee or other amounts payable by the Issuer to the Collateral Manager under the Collateral Management Agreement prior to the date which is one year (or, if longer, the applicable preference period then in effect) plus one day after the payment in full of all Notes issued under this Indenture or the Limited Liability Company Agreement; *provided*, however, that nothing in this clause shall preclude, or be deemed to estop, the Collateral Manager or the Trustee (A) from taking any action (not inconsistent with the foregoing) prior to the expiration of the aforementioned one year and one day (or longer) period in (x) any case or proceeding voluntarily filed or commenced by the Issuer, or (y) any involuntary insolvency proceeding filed or commenced against the Issuer, by a Person other than the Collateral Manager or its Affiliates, or (B) from commencing against the Issuer or any properties of the Issuer any legal action which is not a bankruptcy, reorganization, arrangement, insolvency, moratorium or liquidation proceeding.

(vi) The Collateral Manager irrevocably submits to the non-exclusive jurisdiction of any federal or New York state court sitting in the Borough of Manhattan in The City of New York in any action or Proceeding arising out of or relating to the Notes or this Indenture, and the Collateral Manager irrevocably agrees that all claims in respect of such action or Proceeding may be heard and determined in such federal or New York state court. The Collateral Manager irrevocably waives, to the fullest extent 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 at the office of the Collateral Manager set forth in Section 14.3. The Collateral Manager 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.

(vii) The Collateral Manager agrees that, notwithstanding any other provision of the Collateral Management Agreement, the obligations of the Issuer under the Collateral Management Agreement from time to time and at any time are limited recourse obligations of the Issuer payable solely from the Collateral at such time and, following realization thereof and application of the proceeds in accordance with the Priority of Payments or otherwise as described in this Indenture, any remaining claims against the Issuer shall be extinguished and shall not thereafter revive.

Section 15.2. Standard of Care Applicable to the Collateral Manager

For the avoidance of doubt, the standard of care set forth in the Collateral Management Agreement shall apply to the Collateral Manager with respect to those provisions of this Indenture applicable to the Collateral Manager.

- signature page follows -

IN WITNESS WHEREOF, we have set our hands as of the day and year first written above.

Executed as a Deed by:

CARLYLE GMS FINANCE MM CLO 2015-1 LLC
as Issuer

By /s/ Donald J. Puglisi
Name: Donald J. Puglisi
Title: Independent Manager

STATE STREET BANK AND TRUST COMPANY,
as Trustee

By /s/ Thomas M. Sheehan
Name: Thomas M. Sheehan
Title: Assistant Vice President

Schedule 1

APPROVED INDEX LIST

1. Merrill Lynch Investment Grade Corporate Master Index
2. CSFB Leveraged Loan Index
3. JPMorgan Domestic High Yield Index
4. Barclays Capital U.S. Corporate High-Yield Index
5. Merrill Lynch High Yield Master Index
6. S&P/LSTA U.S. Leveraged Loan 100 Index

Schedule 2

Moody's Industry Classification Group List

CORP - Aerospace & Defense	1
CORP - Automotive	2
CORP - Banking, Finance, Insurance & Real Estate	3
CORP - Beverage, Food & Tobacco	4
CORP - Capital Equipment	5
CORP - Chemicals, Plastics, & Rubber	6
CORP - Construction & Building	7
CORP - Consumer goods: Durable	8
CORP - Consumer goods: Non-durable	9
CORP - Containers, Packaging & Glass	10
CORP - Energy: Electricity	11
CORP - Energy: Oil & Gas	12
CORP - Environmental Industries	13
CORP - Forest Products & Paper	14
CORP - Healthcare & Pharmaceuticals	15
CORP - High Tech Industries	16
CORP - Hotel, Gaming & Leisure	17
CORP - Media: Advertising, Printing & Publishing	18
CORP - Media: Broadcasting & Subscription	19
CORP - Media: Diversified & Production	20
CORP - Metals & Mining	21
CORP - Retail	22
CORP - Services: Business	23
CORP - Services: Consumer	24
CORP - Sovereign & Public Finance	25
CORP - Telecommunications	26
CORP - Transportation: Cargo	27
CORP - Transportation: Consumer	28
CORP - Utilities: Electric	29
CORP - Utilities: Oil & Gas	30
CORP - Utilities: Water	31
CORP - Wholesale	32

Schedule 3

Diversity Score Calculation

The Diversity Score is calculated as follows:

(a) An "**Issuer Par Amount**" is calculated for each issuer of a Collateral Obligation, and is equal to the Aggregate Principal Balance of all the Collateral Obligations issued by that issuer and all affiliates.

(b) An "**Average Par Amount**" is calculated by summing the Issuer Par Amounts for all issuers, and dividing by the number of issuers.

(c) An "**Equivalent Unit Score**" is calculated for each issuer, and is equal to the lesser of (x) one and (y) the Issuer Par Amount for such issuer divided by the Average Par Amount.

(d) An "**Aggregate Industry Equivalent Unit Score**" is then calculated for each of Moody's industry classification groups, shown on Schedule 2, and is equal to the sum of the Equivalent Unit Scores for each issuer in such industry classification group.

(e) An "**Industry Diversity Score**" is then established for each Moody's industry classification group, shown on Schedule 2, by reference to the following table for the related Aggregate Industry Equivalent Unit Score; *provided* that if any Aggregate Industry Equivalent Unit Score falls between any two such scores, the applicable Industry Diversity Score will be the lower of the two Industry Diversity Scores:

Aggregate Industry Equivalent Unit Score	Industry Diversity Score	Aggregate Industry Equivalent Unit Score	Industry Diversity Score	Aggregate Industry Equivalent Unit Score	Industry Diversity Score	Aggregate Industry Equivalent Unit Score	Industry Diversity Score
0.0000	0.0000	5.0500	2.7000	10.1500	4.0200	15.2500	4.5300
0.0500	0.1000	5.1500	2.7333	10.2500	4.0300	15.3500	4.5400
0.1500	0.2000	5.2500	2.7667	10.3500	4.0400	15.4500	4.5500
0.2500	0.3000	5.3500	2.8000	10.4500	4.0500	15.5500	4.5600
0.3500	0.4000	5.4500	2.8333	10.5500	4.0600	15.6500	4.5700
0.4500	0.5000	5.5500	2.8667	10.6500	4.0700	15.7500	4.5800
0.5500	0.6000	5.6500	2.9000	10.7500	4.0800	15.8500	4.5900
0.6500	0.7000	5.7500	2.9333	10.8500	4.0900	15.9500	4.6000
0.7500	0.8000	5.8500	2.9667	10.9500	4.1000	16.0500	4.6100
0.8500	0.9000	5.9500	3.0000	11.0500	4.1100	16.1500	4.6200
0.9500	1.0000	6.0500	3.0250	11.1500	4.1200	16.2500	4.6300
1.0500	1.0500	6.1500	3.0500	11.2500	4.1300	16.3500	4.6400
1.1500	1.1000	6.2500	3.0750	11.3500	4.1400	16.4500	4.6500
1.2500	1.1500	6.3500	3.1000	11.4500	4.1500	16.5500	4.6600
1.3500	1.2000	6.4500	3.1250	11.5500	4.1600	16.6500	4.6700
1.4500	1.2500	6.5500	3.1500	11.6500	4.1700	16.7500	4.6800
1.5500	1.3000	6.6500	3.1750	11.7500	4.1800	16.8500	4.6900
1.6500	1.3500	6.7500	3.2000	11.8500	4.1900	16.9500	4.7000
1.7500	1.4000	6.8500	3.2250	11.9500	4.2000	17.0500	4.7100
1.8500	1.4500	6.9500	3.2500	12.0500	4.2100	17.1500	4.7200

Aggregate Industry Equivalent Unit Score	Industry Diversity Score	Aggregate Industry Equivalent Unit Score	Industry Diversity Score	Aggregate Industry Equivalent Unit Score	Industry Diversity Score	Aggregate Industry Equivalent Unit Score	Industry Diversity Score
1.9500	1.5000	7.0500	3.2750	12.1500	4.2200	17.2500	4.7300
2.0500	1.5500	7.1500	3.3000	12.2500	4.2300	17.3500	4.7400
2.1500	1.6000	7.2500	3.3250	12.3500	4.2400	17.4500	4.7500
2.2500	1.6500	7.3500	3.3500	12.4500	4.2500	17.5500	4.7600
2.3500	1.7000	7.4500	3.3750	12.5500	4.2600	17.6500	4.7700
2.4500	1.7500	7.5500	3.4000	12.6500	4.2700	17.7500	4.7800
2.5500	1.8000	7.6500	3.4250	12.7500	4.2800	17.8500	4.7900
2.6500	1.8500	7.7500	3.4500	12.8500	4.2900	17.9500	4.8000
2.7500	1.9000	7.8500	3.4750	12.9500	4.3000	18.0500	4.8100
2.8500	1.9500	7.9500	3.5000	13.0500	4.3100	18.1500	4.8200
2.9500	2.0000	8.0500	3.5250	13.1500	4.3200	18.2500	4.8300
3.0500	2.0333	8.1500	3.5500	13.2500	4.3300	18.3500	4.8400
3.1500	2.0667	8.2500	3.5750	13.3500	4.3400	18.4500	4.8500
3.2500	2.1000	8.3500	3.6000	13.4500	4.3500	18.5500	4.8600
3.3500	2.1333	8.4500	3.6250	13.5500	4.3600	18.6500	4.8700
3.4500	2.1667	8.5500	3.6500	13.6500	4.3700	18.7500	4.8800
3.5500	2.2000	8.6500	3.6750	13.7500	4.3800	18.8500	4.8900
3.6500	2.2333	8.7500	3.7000	13.8500	4.3900	18.9500	4.9000
3.7500	2.2667	8.8500	3.7250	13.9500	4.4000	19.0500	4.9100
3.8500	2.3000	8.9500	3.7500	14.0500	4.4100	19.1500	4.9200
3.9500	2.3333	9.0500	3.7750	14.1500	4.4200	19.2500	4.9300
4.0500	2.3667	9.1500	3.8000	14.2500	4.4300	19.3500	4.9400
4.1500	2.4000	9.2500	3.8250	14.3500	4.4400	19.4500	4.9500
4.2500	2.4333	9.3500	3.8500	14.4500	4.4500	19.5500	4.9600
4.3500	2.4667	9.4500	3.8750	14.5500	4.4600	19.6500	4.9700
4.4500	2.5000	9.5500	3.9000	14.6500	4.4700	19.7500	4.9800
4.5500	2.5333	9.6500	3.9250	14.7500	4.4800	19.8500	4.9900
4.6500	2.5667	9.7500	3.9500	14.8500	4.4900	19.9500	5.0000
4.7500	2.6000	9.8500	3.9750	14.9500	4.5000		
4.8500	2.6333	9.9500	4.0000	15.0500	4.5100		
4.9500	2.6667	10.0500	4.0100	15.1500	4.5200		

(f) The Diversity Score is then calculated by summing each of the Industry Diversity Scores for each Moody's industry classification group shown on Schedule 2.

(g) For purposes of calculating the Diversity Score, affiliated issuers in the same industry are deemed to be a single issuer except as otherwise agreed to by Moody's.

Schedule 3

Schedule 4

Moody's Rating Definitions

"**Moody's Credit Estimate**": With respect to any Collateral Obligation, as of any date of determination, an estimated credit rating for such Collateral Obligation (or, if such credit estimate is the Moody's Rating Factor, the credit rating corresponding to such Moody's Rating Factor) provided or confirmed by Moody's; *provided* that (a) if Moody's has been requested by the Issuer, the Collateral Manager or the issuer of such Collateral Obligation to assign or renew an estimate with respect to such Collateral Obligation but such 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 (1) "B3" if the Collateral Manager certifies to the Trustee and the Collateral Administrator that the Collateral Manager believes that such estimate shall be at least "B3" and if the Aggregate Principal Balance of Collateral Obligations determined pursuant to this subclause (1) does not exceed 15% of the Collateral Principal Amount or (2) otherwise, "Caa1;" and (b) with respect to a Collateral Obligation's credit estimate which has not been renewed, the Moody's Credit Estimate will be (1) within 13-15 months of issuance of such credit estimate, one subcategory lower than the estimated rating and (2) after 15 months of such issuance, "Caa3."

"**Moody's Default Probability Rating**": With respect to any Collateral Obligation, as of any date of determination, the rating determined in accordance with the following methodology:

(a) With respect to a Collateral Obligation other than a DIP Collateral Obligation:

(i) if the obligor of such Collateral Obligation has a corporate family rating by Moody's, such rating;

(ii) if not determined pursuant to clause (i) above, if the senior unsecured debt of the obligor of such Collateral Obligation has a public rating by Moody's (a "Moody's Senior Unsecured Rating"), such Moody's Senior Unsecured Rating;

(iii) if not determined pursuant to clause (i) or (ii) above, if the senior secured debt of the obligor has a public rating by Moody's, the Moody's rating that is one subcategory lower than such rating;

(iv) if not determined pursuant to clause (i), (ii) or (iii) above, the Collateral Manager may elect to use a Moody's Credit Estimate to determine the Moody's Rating Factor for such Collateral Obligation;

(v) if the Moody's Default Probability Rating is not determined pursuant to clause (i), (ii) or (iii) above (and a Moody's Rating Factor is not determined pursuant to clause (iv) above), the Moody's Derived Rating, if any; or

(vi) if the Moody's Default Probability Rating is not determined pursuant to clause (i), (ii), (iii) or (v) above (and a Moody's Rating Factor is not determined pursuant to clause (iv) above), the Moody's Default Probability Rating will be "Caa3."

(b) With respect to a DIP Collateral Obligation:

(i) the rating which is one subcategory below the facility rating (whether public or private) of such DIP Collateral Obligation rated by Moody's; or

(ii) with respect to any DIP Collateral Obligation if not determined pursuant to clause (i) above, a rating of "Caa3."

For purposes of determining a Moody's Default Probability Rating, if an obligor does not have a Moody's corporate family rating, the Moody's corporate family rating will be the Moody's corporate family rating of any entity in the obligor's corporate family as designated by the Collateral Manager.

"**Moody's Derived Rating**": With respect to a Collateral Obligation, as of any date of determination, the Moody's Rating or the Moody's Default Probability Rating determined in the manner set forth below, in the following order of priority:

(a) (i) If another obligation of the obligor is rated by Moody's, then by 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

or, if not determined pursuant to clause (i) above, by using one of the methods provided below.

Type of Collateral Obligation	S&P Rating (Public and Monitored)	Collateral Obligation Rated by S&P	Number of Subcategories Relative to Moody's Equivalent of S&P Rating
Not Structured Finance Obligation	□BBB-	Not a Loan or Participation Interest in Loan	-1
Not Structured Finance Obligation	≤BB+	Not a Loan or Participation Interest in Loan	-2
Not Structured Finance Obligation		Loan or Participation Interest in Loan	-2

(ii) if such Collateral Obligation is a DIP Collateral Obligation, no Moody's Derived Rating may be determined based on a rating by S&P or any other rating agency;

provided, that the Aggregate Outstanding Amount of the Collateral Obligations that may have a Moody's Derived Rating that is derived from an S&P rating as set forth in subclause (i) of this clause (a) may not exceed 10% of the Collateral Principal Amount; or

(b) if the preceding clause (a) does not apply and neither such Collateral Obligation nor any other security or obligation of the obligor thereunder is rated by Moody's or S&P, and if Moody's has been requested by the Issuer, the Collateral Manager or such obligor to assign a rating or rating estimate and a recovery rate to such Collateral Obligation but such rating or rating estimate has not been received (or has been received prior to receipt of a related recovery rate from Moody's requested at or about the same time), then, pending receipt of such estimate (or receipt of such recovery rate), the Moody's Derived Rating of such Collateral Obligation for purposes of the definitions of Moody's Rating or Moody's Default Probability Rating shall be (x) "B3" if the Collateral Manager certifies to the Trustee and the Collateral Administrator that the Collateral Manager believes that such estimate is expected to be at least "B3" and if the Aggregate Outstanding Amount of Collateral Obligations whose Moody's Derived Rating is determined pursuant to this subclause (x) of this clause (b) does not exceed 15% of the Collateral Principal Amount (unless such estimated rating has been received but the recovery rate by Moody's has been requested but not received, in which case such percent limitation shall not apply) or (y) otherwise, "Caa1."

(c) if the preceding clause (a) does not apply and such Collateral Obligation is a Loan, then its Moody's Derived Rating may be determined, in the Collateral Manager's discretion, in accordance with the Moody's RiskCalc Calculation subject to the satisfaction of the qualifications set forth therein (and with notice of such calculation provided to the Collateral Administrator); *provided* that, as of any date of determination, the Aggregate Outstanding Amount of Collateral Obligations whose Moody's Derived Rating is determined pursuant to this clause (c) may not exceed 20% of the Collateral Principal Amount. For purposes of this clause (c), the Collateral Manager shall (x) determine and report to Moody's the Moody's Derived Rating within 10 Business Days of the purchase of such loan and (y) redetermine and report to Moody's the Moody's Derived Rating for each loan with a Moody's Derived Rating determined under this clause (c) (1) within 30 days after receipt of annual financial statements from the related obligor and (2) promptly upon becoming aware of any material amendments or modifications to the related Underlying Instruments.

For purposes of calculating a Moody's Derived Rating, each applicable rating on credit watch by Moody's with positive or negative implication at the time of calculation will be treated as having been upgraded or downgraded by one rating subcategory, as the case may be.

"**Moody's Rating**": With respect to any Collateral Obligation, as of any date of determination, the rating determined in accordance with the following methodology:

(a) With respect to a Collateral Obligation that is a Senior Secured Loan[1]:

(i) if Moody's has assigned such Collateral Obligation a rating (including pursuant to a Moody's Credit Estimate), such rating;

(ii) if not determined pursuant to clause (i), if the obligor of such Collateral Obligation has a corporate family rating by Moody's (including pursuant to a Moody's Credit Estimate), the Moody's rating that is one subcategory higher than such corporate family rating;

(iii) if not determined pursuant to clause (i) or (ii), if the obligor of such Collateral Obligation has a Moody's Senior Unsecured Rating, the Moody's rating that is two subcategories higher than such Moody's Senior Unsecured Rating;

(iv) if not determined pursuant to clause (i), (ii) or (iii), the Moody's Derived Rating, if any; or

(v) if not determined pursuant to clause (i), (ii), (iii) or (iv), "Caa3."

(b) With respect to a Collateral Obligation that is not a Senior Secured Loan:

(i) if Moody's has assigned such Collateral Obligation a rating (including pursuant to a Moody's Credit Estimate), such rating;

(ii) if not determined pursuant to clause (i), if the obligor of such Collateral Obligation has a Moody's Senior Unsecured Rating, such Moody's Senior Unsecured Rating;

(iii) if not determined pursuant to clause (i) or (ii), if the obligor of such Collateral Obligation has a corporate family rating by Moody's (including pursuant to a Moody's Credit Estimate), the Moody's rating that is one subcategory lower than such corporate family rating;

(iv) if not determined pursuant to clause (i), (ii) or (iii), if the subordinated debt of the obligor of such Collateral Obligation has a public rating from Moody's, the Moody's rating that is one subcategory higher than such rating;

(v) if not determined pursuant to clause (i), (ii), (iii) or (iv), the Moody's Derived Rating, if any; or

(vi) if not determined pursuant to clause (i), (ii), (iii), (iv) or (v), "Caa3."

For purposes of determining a Moody's Rating, if an obligor does not have a Moody's corporate family rating, the Moody's corporate family rating will be the Moody's corporate family rating of any entity in the obligor's corporate family as designated by the Collateral Manager.

1 Note that for recovery rate purposes, Senior Secured Loans that are subordinate to a Senior Working Capital Facility and that are not the subject of a Moody's Credit Estimate will be considered a Second Lien Loan.

Schedule 5

MOODY'S RISKCALC CALCULATION

The "Moody's RiskCalc Calculation shall mean, for purposes of the definition of Moody's Derived Rating and Moody's Recovery Rate, the calculation made as follows, as modified by any updated criteria provided to the Collateral Manager by Moody's:

1. For purposes of this calculation, the following terms have the meanings provided below.

"EDF": With respect to any loan, the lowest five year expected default frequency for such loan as determined by running the current version Moody's RiskCalc in both the Financial Statement Only (FSO) and the Credit Cycle Adjusted (CCA) modes for both the current year and four years prior.

"Model Inputs": The financial inputs used in the most recent Moody's RiskCalc private-firm model, taken directly from signed, unqualified US GAAP full-year audit data in accordance with "Moody's Global Approach to Rating Collateralized Loan Obligations" dated May 2013.

"Pre-Qualifying Conditions": With respect to any loan, conditions that will be satisfied if the obligor or, if applicable, the Underlying Instrument with respect to the applicable loan satisfies the following criteria:

(a) the independent accountants of such obligor shall have issued an unqualified, signed, US GAAP audit opinion with respect to the most recent fiscal year financial statements, including no explanatory paragraph addressing "going concern" or other issues (for leveraged buy-outs, a full one-year audit of the firm after the acquisition has been completed should be available);

(b) none of the financial covenants of the Underlying Instrument have been amended, modified, or waived within the preceding three months;

(c) none of the original terms of the Underlying Instrument (including any financial covenants contained therein) have been amended, modified, or waived within the preceding three months;

(d) the obligor's EBITDA is equal to or greater than U.S.$5,000,000;

(e) the obligor's annual sales are equal to or greater than U.S.$10,000,000;

(f) the obligor's book assets are equal to or greater than U.S.$10,000,000;

(g) for the current and prior fiscal year, such obligor's:

(i) EBIT/interest expense ratio is greater than 1.0:1.0 and 1.25:1.00 with respect to retail (adjusted for rent expense);

(ii) debt/EBITDA ratio is less than 6.0:1.0;

(h) no greater than 25% of the company's revenue is generated from any one customer of the obligor; and

(i) the obligor is a for profit operating company in any one of the Moody's Industry Classification Groups with the exception of (i) Banking, Finance, Insurance & Real Estate, and (ii) Sovereign & Public Finance.

2. The Collateral Manager shall calculate the .EDF for each of the loans to be rated pursuant to this calculation. Within 5 Business Days of calculating the .EDF, the Collateral Manager shall make commercially reasonable efforts to provide Moody's with (a) the .EDF, (b) the financial statements used to calculate such .EDF, (c) the Model Inputs and outputs used to calculate such .EDF, (d) documentation that the Pre-Qualifying Conditions have been met with respect to such loan, (e) all model runs and mapped rating factors with respect to such .EDF calculation and (f) any documents effecting an amendment or modification of such loan in the possession of the Collateral Manager. Moody's shall have the right (in its sole discretion) to (i) amend or modify any of the information utilized to calculate the .EDF and recalculate the .EDF based upon such revised information, in which case such .EDF shall be determined using the table in paragraph 3 below in order to determine the applicable Moody's Derived Rating, or (ii) have a Moody's credit analyst provide a credit estimate for any loan, in which case such credit estimate provided by such credit analyst shall be the applicable Moody's Derived Rating.

3. As of any date of determination the Moody's Derived Rating for each loan that satisfies the Pre-Qualifying Conditions shall be the lower of (i) the Collateral Manager's internal rating or (ii) the Maximum Corporate Family Rating (in the case of a senior secured loan) or the Maximum Senior Unsecured Rating (in the case of a senior unsecured loan) based on the .EDF for such loan, in each case determined in accordance with the table below (and the Collateral Manager shall give the Collateral Administrator notice of such Moody's Derived Rating):

Lowest .EDF	Maximum Corporate Family Rating	Maximum Senior Unsecured Rating
less than or equal to .baa	Ba3	Ba3
.ba1, .ba2, .ba3 or .b1	B2	B2
.b2 or .b3	B3	B3
.caa	Caa1	Caa1

provided that (i) the Moody's Derived Rating determined pursuant to the table above will be reduced by an additional one half rating subcategory for loans originated in connection with leveraged buyout transactions, (ii) the Collateral Manager may assign a lower rating to a loan if it so determines in its reasonable business judgment and (iii) Moody's (in its sole discretion) may assign a lower rating to a loan in which case such rating will be the applicable Moody's Derived Rating.

4. As of any date of determination the Moody's Recovery Rate for each loan that meets the Pre-Qualifying Conditions shall be the lower of (i) the Collateral Manager's internal recovery rate or (ii) the recovery rate as determined in accordance with the table below (and the Collateral Manager shall give the Collateral Administrator notice of such Moody's Recovery Rate):

Type of Loan	Moody's Recovery Rate
Senior secured, first priority and first out	50%
Second lien, first lien and last out, all other senior secured	25%
Senior unsecured	25%
All other loans	25%

provided that Moody's shall have the right (in its sole discretion) to issue a recovery rate assigned by one of its credit analysts, in which case such recovery rate provided by such credit analyst shall be the applicable Moody's Recovery Rate.

Schedule 5

Schedule 6

FITCH RATING DEFINITIONS

"Fitch Rating": 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 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);

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 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 an 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 outstanding publicly available 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 rating 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 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 an 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 outstanding publicly available 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 rating 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 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 may 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, following such application and 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 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 "Global Rating Criteria for Corporate CDOs" 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

Schedule 6

Schedule 7

FITCH RATING FACTOR AND RECOVERY RATES

"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": 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 and otherwise "Weak Recovery," and will fall into the country group corresponding to the country in which the Obligor thereof is Domiciled:

	United States	Group A	Group B	Group C	Group D
Strong Recovery	80	75	55	45	35
Moderate Recovery	45	45	40	30	25
Weak Recovery	20	20	5	5	5

Group A: Australia, Austria, Bahamas, Bermuda, Canada, Cayman Islands, Denmark, Finland, Germany, Gibraltar, Hong Kong, Iceland, Ireland, Japan, Jersey, Liechtenstein, Netherlands, New Zealand, Norway, Singapore, South Korea, Sweden, Switzerland, Taiwan, the UK.

Group B: Belgium, France, Italy, Luxembourg, Portugal, Spain.

Group C: Bulgaria, Costa Rica, Chile, Croatia, Czech Republic, Estonia, Hungary, Israel, Latvia, Lithuania, Malaysia, Malta, Mauritius, Mexico, Poland, Slovakia, Slovenia, South Africa, Thailand, Tunisia, Uruguay.

Group D: Albania, Argentina, Asia Others, Barbados, Bosnia and Herzegovina, Brazil, China, Colombia, Cyprus, Dominican Republic, Eastern Europe Others, Ecuador, Egypt, El Salvador, Greece, Guatemala, India, Indonesia, Iran, Jamaica, Kazakhstan, Liberia, Macedonia, Marshall Islands, Middle East and North Africa Others, Moldova, Morocco, Other Central America, Other South America, Other Sub-Saharan Africa, Pakistan, Panama, Peru, Philippines, Puerto Rico, Qatar, Romania, Russia, Saudi Arabia, Serbia and Montenegro, Turkey, Ukraine, 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 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 Maximum Fitch Rating Factor Test, the Minimum Weighted Average Fitch 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.

Minimum Fitch Floating Spread	**Maximum Weighted Average Fitch Rating Factor**							
	32	**34**	**36**	**38**	**40**	**42**	**44**	**46**
3.85%	62.05%	65.38%	68.25%	71.90%	76.00%	79.15%	81.75%	83.90%
3.95%	61.45%	64.80%	67.70%	71.28%	74.63%	78.43%	80.95%	83.48%
4.05%	60.80%	64.18%	67.13%	70.65%	73.88%	77.70%	80.13%	82.78%
4.15%	60.15%	63.53%	66.50%	69.65%	72.20%	76.90%	79.30%	81.98%
4.25%	59.55%	62.90%	65.85%	69.00%	71.58%	76.20%	78.60%	81.20%
4.35%	58.95%	62.30%	65.23%	68.35%	70.95%	75.55%	77.88%	80.38%
4.45%	59.25%	60.80%	63.70%	66.80%	69.28%	73.75%	76.15%	78.55%
4.55%	58.08%	60.15%	63.05%	65.85%	68.35%	72.78%	75.14%	77.73%
4.65%	57.03%	59.75%	62.50%	65.30%	68.25%	71.95%	74.25%	76.95%

Minimum Fitch Floating Spread	Maximum Weighted Average Fitch Rating Factor							
	32	34	36	38	40	42	44	46
4.75%	55.90%	58.20%	60.95%	63.75%	66.70%	70.05%	72.45%	75.30%
4.85%	55.58%	58.20%	61.10%	63.00%	66.30%	69.50%	71.85%	74.53%
4.95%	55.00%	57.68%	60.63%	62.88%	65.90%	68.00%	70.25%	74.00%
5.05%	54.45%	57.18%	60.23%	62.58%	65.65%	67.75%	69.80%	73.48%
5.15%	53.90%	56.68%	59.83%	62.28%	65.15%	67.50%	69.55%	72.05%
5.25%	53.33%	56.18%	59.43%	61.98%	64.90%	67.25%	69.30%	71.85%
5.35%	52.70%	55.63%	58.98%	61.60%	64.55%	66.65%	68.95%	70.95%
5.45%	52.10%	55.08%	58.53%	61.23%	64.20%	66.30%	68.60%	70.60%
5.55%	51.50%	54.50%	58.03%	60.83%	63.75%	65.85%	68.15%	70.25%
5.65%	50.85%	53.88%	57.48%	60.68%	63.65%	65.70%	67.75%	69.85%
5.75%	50.25%	53.28%	57.27%	60.88%	63.03%	65.13%	67.25%	69.40%
5.85%	49.75%	52.73%	57.07%	60.75%	62.23%	64.43%	66.68%	68.90%
5.95%	49.25%	52.18%	56.86%	60.61%	61.13%	63.65%	66.03%	68.40%
6.05%	50.75%	53.60%	56.65%	60.48%	62.50%	64.48%	66.98%	69.40%

Schedule 7

Exhibit 10.3

Execution Version

COLLATERAL MANAGEMENT AGREEMENT

dated as of June 26, 2015

by and between

CARLYLE GMS FINANCE MM CLO 2015-1 LLC
and
CARLYLE GMS INVESTMENT MANAGEMENT L.L.C.

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Collateral Management Agreement

This Collateral Management Agreement, dated as of June 26, 2015 (the "Agreement"), is entered into by and between CARLYLE GMS FINANCE MM CLO 2015-1 LLC, a Delaware limited liability company (together with successors and assigns permitted hereunder, the "Issuer"), and CARLYLE GMS INVESTMENT MANAGEMENT L.L.C., a Delaware limited liability company, as collateral manager (together with its successors and assigns, "CGIM" or the "Collateral Manager").

WITNESSETH:

WHEREAS, the Issuer intends to issue, pursuant to an indenture to be dated as of the date hereof (as the same may be supplemented or otherwise modified from time to time, the "Indenture"), between the Issuer and State Street Bank and Trust Company, a trust company organized under the laws of the Commonwealth of Massachusetts, as Trustee (as defined therein), (i) U.S.$160,000,000 aggregate principal amount of Class A-1A Senior Secured Floating Rate Notes, due 2027 (the "Class A-1A Notes"), (ii) U.S.$40,000,000 aggregate principal amount of Class A-1B Senior Secured Floating Rate Notes, due 2027 (the "Class A-1B Notes"), (iii) U.S. $27,000,000 aggregate principal amount of Class A-1C Senior Secured Fixed Rate Notes, due 2027 (the "Class A-1C Notes") and (iv) U.S. $46,000,000 Class A-2 Senior Secured Floating Rate Notes, due 2027 (the "Class A-2 Notes" and, together with the Class A-1A Notes, the Class A-1B Notes and the Class A-1C Notes, the "Notes");

WHEREAS, the Issuer also intends to issue, pursuant to the Limited Liability Company Agreement, Preferred Interests in an amount equal to U.S. $125,900,000 (the "Preferred Interests");

WHEREAS, the Issuer also will issue, pursuant to the Indenture, Reinvesting Holder Notes, due 2027 (the "Reinvesting Holder Notes" and, together with the Notes and the Preferred Interests, the "Securities");

WHEREAS, pursuant to the Indenture, the Issuer intends to pledge to the Trustee for the benefit of the Secured Parties certain Collateral Obligations, Eligible Investments, any Equity Securities acquired or received in connection with the Collateral Obligations, together with certain other contract rights, amounts on deposit in certain accounts, certain other assets and the proceeds thereof;

WHEREAS, the Issuer is authorized to enter into this Agreement, pursuant to which the Collateral Manager agrees to perform, on behalf of the Issuer, certain duties with respect to the Assets in the manner and on the terms set forth herein and to provide such additional duties as are consistent with the terms of this Agreement and the Indenture as the Issuer may from time to time request; and

WHEREAS, the Issuer desires to engage the Collateral Manager to provide the services described herein and the Collateral Manager has the capacity to provide such services, is prepared to perform such services upon the terms and conditions set forth herein and desires to accept such appointment.

NOW, THEREFORE, in consideration of the mutual agreements herein set forth and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by the parties to this Agreement, the parties hereto agree as follows:

1. Definitions.

Capitalized terms used herein but not otherwise defined shall have the meanings set forth in the Indenture.

"Advisers Act" shall have the meaning specified in Section 17(b)(i).

"Affiliate Transaction" shall have the meaning specified in Section 3(e).

"Agreement" shall mean this Collateral Management Agreement, as amended from time to time in accordance with the terms hereof.

"Collateral Manager Breach" shall have the meaning specified in Section 10(a).

"Cross Transactions" shall have the meaning specified in Section 3(c).

"Deferred Base Management Fee" shall have the meaning specified in Section 8(b).

"Deferred Base Management Fee Cap" shall mean, on any Payment Date, the maximum amount of Deferred Base Management Fee that the Collateral Manager may be repaid on such Payment Date, equal to the lesser of (a) the amount designated by the Collateral Manager for payment on such Payment Date and (b) the amount available for distribution in excess of the current interest payments on the Rated Notes (excluding any Deferred Base Management Fee elected by the Collateral Manager to be paid on such Payment Date).

"Deferred Management Fees" shall have the meaning specified in Section 8(b).

"Deferred Subordinated Management Fee" shall have the meaning specified in Section 8(b).

"Firm" shall have the meaning specified in Section 4(a).

"Indemnified Party" shall have the meaning specified in Section 10(b).

"Indemnifying Party" shall have the meaning specified in Section 10(b).

"Indenture" shall have the meaning specified in the recitals.

"Losses" shall have the meaning specified in Section 10(b).

"Notes" shall have the meaning specified in the recitals.

"Personnel" shall have the meaning specified in Section 4(a).

"Preferred Interests" shall have the meaning specified in the recitals.

"Reinvestment Holder Notes" shall have the meaning specified in the recitals.

"Securities" shall have the meaning specified in the recitals.

"Transaction" shall mean any action taken by the Collateral Manager on behalf of the Issuer in accordance with the terms of this Agreement, including, without limitation, (i) selecting and acquiring Collateral Obligations and Eligible Investments, (ii) supervising, investing and reinvesting the Assets, and (iii) instructing the Trustee with respect to any disposition or tender of a Collateral Obligation, Equity Security or Eligible Investment by the Issuer.

2. General Duties of the Collateral Manager.

The Collateral Manager shall provide services to the Issuer as follows:

(a) Subject to and in accordance with the terms of the Indenture and this Agreement, the Collateral Manager agrees to supervise and direct the investment and reinvestment of the Assets, and shall perform on behalf of the Issuer those investment-related duties and functions assigned to the Issuer under the Indenture, including, without limitation, the furnishing of Issuer Orders and providing such certifications as may be required under the Indenture with respect to permitted purchases and sales of Collateral Obligations and Eligible Investments; and the Collateral Manager shall have the power to execute and deliver all other necessary and appropriate documents and instruments on behalf of the Issuer with respect thereto.

(b) The Collateral Manager shall, subject to the terms and conditions of the Indenture and this Agreement, perform its obligations hereunder and under the Indenture with reasonable care and in good faith using a degree of skill and attention no less than that which the Collateral Manager exercises with respect to comparable assets that it manages for itself and for others with similar objectives and policies, and to carry out its obligations hereunder using a standard no less than the practices and procedures followed by institutional managers of national standing relating to assets of the nature and character of the Assets. Without prejudicing the preceding sentence, the Collateral Manager shall follow its customary standards, policies and procedures in performing its duties hereunder.

(c) The Collateral Manager shall comply with all the terms and conditions of the Indenture affecting the duties and functions to be performed by it hereunder. The Collateral Manager shall be bound to follow the terms of any amendment to the Indenture; provided that in each case the Collateral Manager has consented to such amendment and received a copy of such amendment. The Issuer agrees that it will not permit to become effective any amendment to the Indenture or any other agreement that would, as reasonably determined by the Collateral Manager, (A) increase the duties or liabilities of, reduce or eliminate any protection, right or privilege of (including as a result of an effect on the amount or priority of any fees or other amounts payable to the Collateral Manager), or adversely change the economic consequences to,

the Collateral Manager; (B) modify the Investment Criteria, Collateral Quality Test, Coverage Tests, or the restrictions on the Sales of Collateral Obligations; or (C) materially expand or restrict the Collateral Manager's discretion; unless, in each case, the Collateral Manager has been given prior written notice of such amendment and has consented thereto in writing, such consent not to be unreasonably withheld or delayed; provided, that the Collateral Manager may withhold its consent in its sole discretion with respect to any amendment that increases or adds to the obligations of the Collateral Manager or affects the amount, timing or priority of payment of the fees or other amounts payable to the Collateral Manager.

(d) Subject to the terms and conditions of this Agreement and the Indenture, the Collateral Manager shall (i) select the Collateral Obligations and Eligible Investments to be received or acquired by the Issuer; (ii) invest and reinvest the Assets and facilitate the acquisition and settlement of Collateral Obligations by the Issuer; (iii) advise the Issuer with respect to interest rate risk and cash flow timing including selecting and negotiating hedge agreements; (iv) monitor the Assets and instruct the Trustee with respect to any disposition or tender of a Collateral Obligation, Equity Security or Eligible Investment by the Issuer in accordance with the Indenture; (v) select the applicable Matrix Combination to be in effect from time to time; and (vi) provide to the Collateral Administrator certain information specified in the Collateral Administration Agreement and review the reports prepared pursuant to the Indenture and the Collateral Administration Agreement. In performing its duties hereunder, the Collateral Manager shall manage the Assets with the objectives (but with no guarantee) that there be sufficient funds available on each Payment Date in accordance with the Priority of Payments (1) to pay interest on the Notes in a timely manner; (2) to repay principal of each Class of Notes in full on or prior to the Stated Maturity; (3) to pay expenses; and (4) subject to clauses (1) through (3) above, to provide returns to holders of the Preferred Interests; provided, that, subject to Section 10 herein, in no event whatsoever shall there be recourse to the Collateral Manager or any of its Affiliates for any amounts payable on the Securities or the other payment obligations of the Issuer under the Indenture or any of the other documents executed and delivered by the Issuer in connection with the transactions contemplated by the Indenture.

(e) The Collateral Manager shall monitor the Assets on behalf of the Issuer and, on an ongoing basis, provide to the Trustee and the Issuer all reports, schedules and other data which the Issuer or the Collateral Manager is required to prepare and deliver under the Indenture, substantially in the form and containing such information required thereby, in sufficient time for such required reports, schedules and data to be reviewed and delivered by the Issuer to the parties entitled thereto under the Indenture. In addition, the Collateral Manager shall, on behalf of the Issuer and to the extent reasonable and practicable, from sources of information normally available to it, be responsible for (i) obtaining any information concerning whether a Collateral Obligation is or has become a Defaulted Obligation, Credit Risk Obligation, Credit Improved Obligation, Cov-Lite Loan, Margin Stock, Equity Security or a Deferring Security; (ii) providing any Rating Agency, in the event such Rating Agency is requested by the Issuer to provide information with respect to the rating of a security, with any information the Collateral Manager has or can reasonably obtain which is necessary in order for such Rating Agency to provide such rating; and (iii) providing any Rating Agency with any information the Collateral Manager has or can reasonably obtain which is necessary in order for such Rating Agency to confirm its respective ratings of any Notes as required under the Indenture.

(f) The Collateral Manager may, subject to and in accordance with the provisions of the Indenture and this Agreement, direct the Trustee to take the following actions with respect to the Assets:

(i) purchase and retain any Collateral Obligation or Eligible Investment or acquire or retain any Equity Security;

(ii) sell or otherwise dispose of such Collateral Obligation, Equity Security or Eligible Investment in the open market or otherwise as permitted under the terms hereof and under the terms of the Indenture;

(iii) if applicable, tender such Collateral Obligation, Equity Security or Eligible Investment pursuant to an Offer;

(iv) if applicable, consent or withhold consent to any proposed amendment, modification or waiver pursuant to an Offer;

(v) retain or dispose of any securities or other property (other than Cash) received pursuant to an Offer;

(vi) waive any default with respect to a Defaulted Obligation;

(vii) vote to accelerate the maturity of a Defaulted Obligation;

(viii) subject to its obligations in Section 7, participate in a committee or group formed by creditors of an issuer or a borrower under a Collateral Obligation or Eligible Investment; or

(ix) exercise any other rights or remedies with respect to such Collateral Obligation, Equity Security or Eligible Investment as provided in the related underlying instruments or take any other action consistent with the terms of the Indenture which in the reasonable judgment of the Collateral Manager is in the best interests of the Holders of the Securities.

(g) Subject to the satisfaction of the requirements of this Agreement and the Indenture, upon the disposition of any Collateral Obligation, Equity Security or Eligible Investment (or any security or property received in exchange therefor), the Collateral Manager shall direct the Trustee to apply such amounts in accordance with the Indenture to the purchase of one or more Collateral Obligations or Eligible Investments or as otherwise required or permitted by the Indenture. In addition, the Collateral Manager shall determine in its sole discretion (i) whether, in light of the composition of the Collateral Obligations, general market conditions and other pertinent factors, the investment of Principal Proceeds in additional Collateral Obligations within the foreseeable future would be consistent with the objectives stated in Section 2(d) for purposes of determining whether to elect to terminate the Reinvestment Period as provided in the definition thereof set forth in the Indenture; (ii) whether all or a portion of the Principal Proceeds will be allocated to a Special Redemption of the Securities on any Payment Date during the Reinvestment Period pursuant to Section 9.6 of the Indenture; (iii) whether a Clean-Up Call Redemption shall be effected pursuant to Section 9.7 of the Indenture;

(iv) in connection with a Refinancing, upon receipt of a direction from a Majority of the Preferred Interests to designate Principal Proceeds up to the Excess Par Amount as of the related Determination Date as Interest Proceeds for Payment on the Redemption Date, whether to consent to such direction; and
(v) whether, in light of the condition of any Collateral Obligation, such Collateral Obligation needs to be substituted with a Substitute Obligation.

(h) The Collateral Manager hereby agrees to the following:

(i) the Collateral Manager agrees not to 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 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 Securities, provided, however, that nothing in this clause (i) shall preclude, or be deemed to estop, the Collateral Manager (A) from taking any action prior to the expiration of the applicable preference period in (x) any case or proceeding voluntarily filed or commenced by the Issuer, as the case may be, or (y) any involuntary insolvency proceeding filed or commenced against the Issuer, as the case may be, by a Person other than the Collateral Manager or any of its Affiliates that has entered into an agreement with the Issuer similar to this Section 2(h)(i), or (B) from commencing against the Issuer, or any properties of the Issuer, any legal action which is not a bankruptcy, reorganization, arrangement, insolvency, winding-up, moratorium or liquidation proceeding; and

(ii) the Collateral Manager shall provide to the Independent accountants appointed pursuant to Section 10.9 of the Indenture, all reports, data and other information (including, without limitation, any letters of representations) that such accountants may reasonably request in connection with such appointment.

(i) In providing services hereunder, the Collateral Manager may, without the prior consent of the Issuer or any Holder, employ third parties, including its Affiliates, to render advice and assistance to the Issuer, including the performance of any of its duties hereunder (other than duties relating to portfolio selection and composition, in respect of which the Collateral Manager may employ sub-advisers). Such third parties employed by the Collateral Manager shall be in addition to the Collateral Administrator employed by the Issuer pursuant to the Collateral Administration Agreement, the Independent accountants appointed on behalf of the Issuer pursuant to Section 10.9 of the Indenture, and any additional agents and counsel employed by the Issuer pursuant to the Indenture; and to the maximum extent permitted under applicable law, the Collateral Manager shall not be liable for the acts or omissions of any such third party employed or appointed by the Issuer; provided that (x) no such employment of sub-advisers will constitute an assignment of this Agreement or the Collateral Manager's duties hereunder and (y) the Collateral Manager is required to exercise reasonable care in the selection of any such third party. The Collateral Manager shall not be relieved of any of its duties hereunder by the third parties employed by the Collateral Manager pursuant to this Section 2(i) regardless of the performance of services by such third parties and the Collateral Manager shall be solely responsible for the fees and expenses of such third parties, except as provided in Section 8(e). Notwithstanding the foregoing, the Collateral Manager may not assign its duties hereunder except in accordance with Section 16.

3. Purchase and Sale Transactions; Brokerage.

(a) The Collateral Manager, subject to and in accordance with the Indenture, hereby agrees that it shall cause any Transaction by it, on behalf of the Issuer, including any Transaction with Affiliates, to be on the same economic and other material terms and conditions as would have governed such Transaction were it conducted with a third party and negotiated on an arm's-length basis.

(b) The Collateral Manager will use all commercially reasonable efforts to seek to obtain the best execution for each order placed with respect to any Transaction, considering all relevant circumstances, including without limitation, if applicable, the conditions or terms of early redemption of the Securities. Subject to the objective of obtaining best execution (as indicated above) and to the extent contemplated by the Collateral Manager's current or future Form ADV, the Collateral Manager may cause the Issuer to pay a broker-dealer an amount of commission or other compensation for effecting a Transaction for the account of the Issuer that is greater than the commission or other compensation another broker-dealer would have charged, provided that such broker-dealer is not an Affiliate of the Collateral Manager and the Collateral Manager determined in good faith that the amount of the commission or other compensation paid to such broker-dealer was reasonable in relation to the value of the brokerage and research services provided by such broker-dealer, viewed in terms of either that particular Transaction or the Collateral Manager's overall responsibilities with respect to accounts as to which it exercises investment discretion. 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 with respect to a Transaction 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 sole and 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. When a Transaction occurs (in accordance with the terms of the Indenture) as part of any aggregate sales or purchase orders, the Collateral Manager (and any of its Affiliates involved in such Transactions) shall allocate the executions among the accounts in an equitable manner in accordance with its established policies and procedures. The Collateral Manager may consider various factors in selecting banks, brokers and dealers to effect Transactions for the Issuer. The Collateral Manager may take into account a host of qualitative factors other than price. Such factors may include: experience and speed of execution, as well as any "research" services provided to the Collateral Manager, which may include research reports, trade seminars and access to certain professionals available to the Collateral Manager in connection with effecting transactions. From time to time, brokerage firms may pay for seminars, travel to such seminars and lodging and entertainment. These products and services may not benefit the Issuer directly or indirectly. As a result, to the extent permitted by law and in accordance with its policies and procedures, such arrangements may be taken into account by the Collateral Manager in deciding to conduct Transactions with a specific bank, broker or dealer even though such party may not offer the lowest transaction fees.

(c) Subject to the Collateral Manager's execution obligations described in Sections 3(a) and 3(b), the requirements to obtain certain approvals under Section 3(e), the requirements of Section 5 and applicable law, the Collateral Manager is hereby authorized to execute so much or all of the Transactions for the Issuer's account with or through itself or any of its Affiliates as agent or as principal as the Collateral Manager in its sole discretion shall determine, and may execute Transactions in which the Collateral Manager, its Affiliates and/or its or their personnel have interests as described in Section 4; provided that such Transactions shall be effected for fair market value and on terms as favorable to the Issuer as would be the case in a transaction with an independent third party. In all such dealings, the Collateral Manager or its Affiliates shall be authorized and entitled to retain any commissions, remuneration or profits that may be made in such Transactions and shall not be liable to account for the same to the Issuer, and the Collateral Manager's fees as set forth in Section 8 shall not be abated thereby. The Issuer authorizes the Collateral Manager or its Affiliates to effect Transactions subject to section 11(a) of the U.S. Securities Exchange Act of 1934, as amended, and rule 11a2-2(T) thereunder (or any similar rule that may be adopted in the future), and the Collateral Manager will use its best efforts to provide the Issuer with information annually disclosing commissions, if any, retained by the Collateral Manager or its Affiliates in connection with such exchange Transactions for the Issuer's account. The Collateral Manager and its Affiliates also are authorized to effect Transactions for the Issuer's account in which a security or other property is sold to or purchased from another investment advisory client or brokerage customer of the Collateral Manager or its Affiliate (collectively, "Cross Transactions"), provided that all such Cross Transactions are effected in compliance with applicable law. In a Cross Transaction, the Collateral Manager or its Affiliate may act as an investment adviser or broker for, and may receive commissions or other compensation from, both the Issuer and the other party to the Transaction, and will have a potentially conflicting division of loyalties and responsibilities to both parties. The Issuer's prior consent to a Cross Transaction is not required and normally will not be obtained where the Collateral Manager or an Affiliate receive no compensation other than the Collateral Manager's fees under this Agreement for effecting the Cross Transaction. The consent of the Issuer to any Cross Transaction requiring such consent may be obtained from the Board of Managers, including an approval by a majority of the independent directors of the Originator as a designated manager of the Issuer.

(d) The Collateral Manager may also conduct transactions for its own account, for the account of its Affiliates, for the account of the Issuer or for the accounts of third parties and will endeavor to resolve conflicts arising therefrom in a manner that it deems equitable to the extent possible under the prevailing facts and circumstances and applicable law as disclosed under "Summary of Terms — Collateral Manager," "Risk Factors — Relating to the Collateral Manager," "Risk Factors — Relating to Certain Conflicts of Interest — The Issuer will be subject to various conflicts of interest involving the Collateral Manager and its Affiliates and clients" and "The Collateral Manager" and the subheadings thereunder in the final Offering Circular, dated June 24, 2015 (the "Offering Circular"), provided by the Issuer for the Securities (collectively, the "Collateral Manager Information").

(e) Without limiting the foregoing, the Collateral Manager, on behalf of and for the account of the Issuer, may sell Collateral Obligations to, or buy Collateral Obligations from, the Collateral Manager, any Affiliate of the Collateral Manager or any fund managed by the Collateral Manager (some or all of which Affiliates or funds may be owned in part by

principals, partners, members, directors, managers, managing directors, officers, employees, agents or Affiliates of the Collateral Manager) in transactions in which the Collateral Manager, an Affiliate or such fund acts as principal on the other side of the transaction from the Issuer and buys or sells the Collateral Obligations for its own account (such transactions being referred to as "Affiliate Transactions"), provided that any such Affiliate Transaction has been approved prior to its completion by the Board of Managers, including an approval by a majority of the independent directors of the Originator as a designated manager of the Issuer.

4. Services to Other Issuers; Certain Affiliated Activities.

(a) The relationship between the Collateral Manager and the Issuer as described in this Agreement permits, expressly as set forth herein, the Collateral Manager and its Affiliates to act in multiple capacities (i.e., act as principal or agent in addition to acting on behalf of the Issuer), and, subject only to the Collateral Manager's execution obligations set forth in Section 3, the requirements to obtain certain approvals under Section 3(e), the requirements of Section 5 and applicable law, to effect Transactions with or for the Issuer's account in instances in which the Collateral Manager and its Affiliates may have multiple interests. In this regard the Issuer acknowledges that the Collateral Manager is part (or, during the period over which the Securities are Outstanding, may become part) of a worldwide, full service investment banking, broker dealer, asset management organization, and as such, the Collateral Manager and its Affiliates (collectively, the "Firm") and their principals, partners, members, stockholders, directors, managers, managing directors, officers and employees (collectively, "Personnel") may have multiple advisory, transactional and financial and other interests in securities, instruments and companies that may be purchased, sold or held for the Issuer's account. The Firm may act as adviser to clients in investment banking, financial advisory, asset management and other capacities related to instruments that may be purchased, sold or held on the Issuer's behalf, and the Firm may issue, or be engaged as underwriter for the issuer of, instruments that the Issuer may purchase, sell or hold. At times, these activities may cause departments of the Firm to give advice to clients that may cause these clients to take actions adverse to the interests of the Issuer. The Firm and Personnel may act in a proprietary capacity with long or short positions, in instruments of all types, including those that may be purchased, sold or held by the Issuer. Such activities could affect the prices and availability of the securities and instruments that the Collateral Manager seeks to buy or sell for the Issuer's account, which could adversely impact the financial returns of the Issuer in respect of Assets. The Firm and Personnel may give advice, and take action, with respect to any of the Firm's clients or proprietary accounts that may differ from the advice given, or may involve a different timing or nature of action taken, than with respect to any one or all of the Collateral Manager's advisory accounts, and effect transactions for such clients or proprietary accounts at prices or rates that may be more or less favorable than the prices or rates applying to Transactions effected for the Issuer. In resolving these potential conflicts, the Collateral Manager will use reasonable efforts to ensure that the Issuer is treated fairly and equitably, taking into account, among other things, the Collateral Manager's obligations to its other client account(s) either by law or agreement.

(b) The Issuer acknowledges that the ability of the Collateral Manager and its Affiliates to effect and/or recommend Transactions may be restricted by applicable regulatory requirements in the United States, United Kingdom or elsewhere and/or their internal policies designed to comply with such requirements. As a result, there may be periods when the

Collateral Manager will not initiate or recommend certain types of Transactions in certain investments when the Collateral Manager or its Affiliates are performing investment related services or other services or when aggregated position limits have been reached and the Issuer will not be advised of that fact. Without limitation, when the Collateral Manager or an Affiliate is engaged in investment related services with respect to the securities of a company, the Collateral Manager may, in certain circumstances, be prohibited from purchasing or selling or recommending the purchase or sale of certain securities of that company for its clients. Without limitation, the Collateral Manager and its Affiliates may also be prohibited from effecting Transactions for the Issuer's account with or through its Affiliates, from acting as agent for another customer as well as the Issuer in respect of a particular Transaction, or from acting as the counterparty in a Transaction with the Issuer. If not prohibited, the Collateral Manager is nonetheless not required to effect Transactions for the Issuer's account with or through the Collateral Manager's Affiliates and other clients of the Collateral Manager and/or its Affiliates or in instances in which the Collateral Manager or its Affiliates have multiple interests.

(c) Nothing herein shall prevent the Collateral Manager or its Affiliates, the Firm or any Personnel from engaging, to the extent permitted by law and not prohibited by the Indenture, in other businesses or from rendering services of any kind to the Issuer and its Affiliates, the Trustee, the Fiscal Agent, the Holders or any other Person or entity, including those transactions disclosed in the Collateral Manager Information. There is no limitation or restriction on the ability of the Collateral Manager or any of its Affiliates now or in the future to act as collateral manager (or in a similar role) to other Persons.

Without prejudice to the generality of the foregoing, principals, partners, members, stockholders, directors, managers, managing directors, officers, employees and agents of the Collateral Manager and its Affiliates, the Firm or any Personnel, may, subject to the Indenture, among other things:

(i) serve as directors (whether supervisory or managing), principals, officers, employees, agents, nominees or signatories for the Issuer or any Affiliate thereof, or for any obligor or Affiliate of any obligor of any of the Collateral Obligations or Eligible Investments or any issuer of an Equity Security, to the extent not prohibited under the terms thereof or by any resolutions duly adopted by the Issuer, its Affiliates, any obligor of any of the Collateral Obligations or Eligible Investments or any issuer of an Equity Security pursuant to their respective underlying instruments;

(ii) receive fees for services of whatever nature rendered to the obligor of any of the Collateral Obligations or Eligible Investments or the issuer of any Equity Security;

(iii) be retained to provide services unrelated to this Agreement to the Issuer or its Affiliates and be paid therefor;

(iv) be a secured or unsecured creditor of, or hold an equity interest in (x) the Issuer or any Affiliate thereof; provided that the Collateral Manager may not hold any such interest if, in the opinion of counsel to the Issuer, the existence of such interest would require registration of the Issuer as an "investment company" under the Investment

Company Act or violate any provisions of federal or applicable state law or any law, rule or regulation of any governmental body or agency having jurisdiction over the Issuer or (y) any obligor of any Collateral Obligation or Eligible Investment or any issuer of an Equity Security;

(v) subject to Sections 3 and 5, sell any Collateral Obligation or Eligible Investment to, or purchase any Collateral Obligation or Equity Security from, the Issuer while acting in the capacity of principal or agent;

(vi) underwrite, act as a distributor of or make a market in any Collateral Obligation, Equity Security or Eligible Investment; and

(vii) subject to its obligations in Section 7, serve as a member of any "creditors' committee" with respect to any Defaulted Obligation or Eligible Investment.

(d) The Issuer acknowledges and agrees that:

(i) the Firm has proprietary interests in, and may manage or advise, accounts or investment funds that have investment objectives similar or dissimilar to those of the Issuer and/or that engage in transactions in the same types of securities and investments as the Issuer, and as a result may compete with the Issuer for appropriate investment opportunities;

(ii) obligors of securities held by the Issuer may have publicly or privately traded securities or other debt, including securities or other debt that are senior to, or have interests different from or adverse to, the securities that are pledged to secure the Securities, in which the Firm is an investor or makes a market;

(iii) the Firm's trading activities may be carried out without reference to positions held by the Issuer and may have an effect on the value of the positions so held, or may result in the Firm having an interest in the applicable obligor adverse to that of the Issuer;

(iv) the Firm may create, write or issue derivative instruments with respect to which the underlying securities may be those in which the Issuer invests or that may be based on the performance of the Issuer; and

(v) the Firm and Personnel may obtain and keep any profits, commissions and fees accruing to them in connection with their activities as agent or principal in Transactions for the Issuer's account and other activities for themselves and other clients and their own accounts, and the Collateral Manager's fees as set forth in this Agreement shall not be abated or otherwise affected thereby.

(e) The Issuer acknowledges and agrees that, from time to time at the Collateral Manager's discretion, advisory Personnel may consult with Personnel in proprietary trading or other areas of the Firm or form investment policy committees comprised of such Personnel, and the performance of Personnel obligations related to their consultation with the Collateral Manager could conflict with their areas of primary responsibility within the

Firm. In connection with their activities with the Collateral Manager, the Issuer understands that such Personnel may receive information regarding the Collateral Manager's proposed investment activities that is not generally available to the public. However, there will be no obligation on the part of such Personnel to make available for use by advisory accounts any information or strategies known to them or developed in connection with their client, proprietary or other activities. In addition, the Firm will be under no obligation to make available any research or analysis prior to its public dissemination. Furthermore, the Firm shall have no obligation to recommend for purchase or sale by the Issuer any security that the Firm or Personnel may purchase for themselves or for any other clients. The Firm shall have no obligation to seek to obtain any material non public information about any issuer of securities, and, in accordance with applicable securities laws and regulations, will not effect Transactions for the Issuer on the basis of any material non public information as may come into its possession.

The Issuer acknowledges that certain Personnel may possess information relating to particular obligors who have issued Collateral Obligations, Eligible Investments or Equity Securities, which information is not known to Personnel of the Collateral Manager who are responsible for monitoring the Collateral Obligations, Eligible Investments or Equity Securities and performing the other obligations of the Collateral Manager under this Agreement, and the Issuer agrees that the Firm shall have no obligation to share any such information, opportunity or idea with such Personnel or the Issuer.

5. Conflicts of Interest.

In addition to meeting any applicable requirements of the Indenture, any Transaction effected after the Closing Date between the Issuer and the Collateral Manager, an Affiliate of the Collateral Manager or a fund managed by the Collateral Manager on a principal basis (including any Transaction effected with the Originator) shall be approved by the Board of Managers, including an approval by a majority of the independent directors of the Originator as a designated manager of the Issuer prior to the completion of the Transaction. 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 in this Agreement, the Indenture, the Offering Circular provided by the Issuer for the Securities or the Form ADV of the Collateral Manager; provided that nothing in this Section 5 shall be construed as altering the duties of the Collateral Manager as set forth herein, in the Indenture or under applicable law. The Collateral Manager acknowledges that the Issuer is a wholly-owned subsidiary of the Originator and is subject to restrictions of the Investment Company Act applicable to the Originator on a consolidated basis. For so long as the Issuer is wholly-owned by the Originator, the Collateral Manager shall not take any actions that would jeopardize such treatment.

6. Records; Confidentiality.

The Collateral Manager shall maintain appropriate books of account and records relating to services performed hereunder, and such books of account and records shall be accessible for inspection by a representative of the Issuer, the Trustee, the Initial Purchaser and

the Independent accountants appointed pursuant to Section 10.9 of the Indenture and as otherwise required under Rule 144A at any time during the Collateral Manager's normal business hours and upon not less than three (3) Business Days' prior notice; provided that the Collateral Manager shall not be obligated to provide access to any non-public information if it determines in good faith that the disclosure of such information would violate any applicable law, regulation or (unless the recipient of such access agrees to maintain the confidentiality of such non-public information in a manner satisfactory to the Collateral Manager) contractual arrangement, including laws applicable to subsidiaries of the Originator. Upon reasonable request by the Issuer or the Trustee, the Collateral Manager shall provide the Issuer or the Trustee respectively, with sufficient information and reports as are reasonably necessary to maintain the books and records of the Issuer.

Notwithstanding anything in this Agreement or the Indenture to the contrary, the Collateral Manager, the Issuer, the Trustee, the Fiscal Agent, the Initial Purchaser and the Holders and beneficial owners of the Securities (and each of their respective employees, representatives or other agents) may disclose to any and all Persons, without limitation of any kind, the U.S. tax treatment and U.S. tax structure (in each case, under applicable federal, state or local law) of the transactions contemplated by this Agreement and all materials of any kind (including opinions or other tax analyses) that are provided to them relating to such U.S. tax treatment and U.S. tax structure; provided that such U.S. tax treatment and U.S. tax structure shall be kept confidential to the extent reasonably necessary to comply with applicable U.S. federal or state laws.

7. Obligations of Collateral Manager.

Subject to the terms of the Indenture and to Section 10 hereof, the Collateral Manager shall use all commercially reasonable efforts and act in good faith to ensure that no action is taken by it, and shall not intentionally or with reckless disregard take any action, which would (a) materially adversely affect the status of the Issuer for purposes of U.S. federal or state law or any other law which, in the Collateral Manager's good faith judgment is applicable to the Issuer, (b) not be permitted by the Issuer's organizational documents, (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 U.S. federal, state or other applicable securities law the violation of which would adversely affect, in any material respect, the business, operations, assets or financial condition of the Issuer, or the ability of the Collateral Manager to perform its obligations hereunder, (d) require registration of the Issuer or the pool of Collateral as an "investment company" under the Investment Company Act (and such requirement has not been eliminated after a period of 45 days), (e) result in the Issuer violating the terms of, or result in a Default under, the Indenture, including, without limitation, any representations made thereunder with respect to the Assets or (f) adversely affect the interests of the Secured Parties in the pool of Assets in any material respect (other than actions permitted hereunder or under the Indenture); provided that it is understood that, in connection with the foregoing provisions and any other provision of this Agreement and any other Transaction Document (including the Indenture) applicable to the Collateral Manager, the Collateral Manager shall not be required to make any independent investigation of any laws or regulations or interpretations thereof that may affect or be applicable to the holders of the Securities. It is further understood that the Collateral Manager and its Affiliates and their respective principals,

partners, members, stockholders, directors, managers, managing directors, officers, employees and agents shall not be liable to the Issuer, the Trustee, the Fiscal Agent, any Secured Party or any other Person except as provided in Section 10. If the Collateral Manager is ordered to take any action by the Issuer (which may be by the Board of Managers) that, in the Collateral Manager's sole judgment, would have one or more of the consequences set forth above, the Collateral Manager shall notify promptly the Issuer, the Trustee and each Rating Agency; provided that the Collateral Manager need not take such action unless the Issuer (which may be by the Board of Managers) again requests the Collateral Manager to do so and the Trustee and a Majority of the Holders of the Securities (voting separately by Class) have consented thereto in writing. In addition, the Collateral Manager need not take such action unless arrangements satisfactory to it are made to insure or indemnify the Collateral Manager from any liability it may incur as a result of such action. The Collateral Manager covenants that it shall comply in all material respects with applicable laws and regulations relating to its performance under this Agreement. Notwithstanding anything contained in this Agreement to the contrary, any indemnification by the Issuer provided for in this Section 7 and in Section 10 shall be payable out of the Assets as an Administrative Expense in accordance with the Priority of Payments.

8. Compensation.

(a) The Issuer shall pay to the Collateral Manager, for services rendered and performance of its obligations under this Agreement, the Base Management Fee, the Subordinated Management Fee and the Incentive Management Fee at the times, in the amounts and with the priority provided in the Indenture.

(b) The Collateral Manager may elect in its sole discretion to defer payment of all or a portion of the Base Management Fees or the Subordinated Management Fees on any Payment Date by providing written notice thereof to the Trustee of such election at least five Business Days prior to such Payment Date (such amounts, together with any amounts so deferred, or deferred as a result of insufficient funds, on prior dates that remain unpaid, the "Deferred Base Management Fee" or the "Deferred Subordinated Management Fee," as applicable, and, collectively, the "Deferred Management Fees"). The Collateral Manager may elect to receive payment of all or any portion of the Deferred Base Management Fee or the Deferred Subordinated Management Fee on any Payment Date to the extent of funds available in accordance with the Priority of Payments (including in accordance with the Deferred Base Management Fee Cap) on such Payment Date by providing notice to the Trustee of such election and the amount of such fees to be paid on or before five Business Days preceding such Payment Date. No prior election to defer the payment of all or a portion of the Base Management Fees or the Subordinated Management Fees on a Payment Date shall imply a similar election on a subsequent Payment Date. Any election to waive the Management Fees or Deferred Management Fees may also be made by written standing instructions to the Trustee; *provided* that such standing instruction may be rescinded by the Collateral Manager at any time.

(c) If this Agreement is terminated pursuant to Section 12 or 13, any accrued and unpaid Management Fees or Deferred Management Fees will immediately become due and payable in accordance with the Priority of Payments on the next Payment Date to the outgoing Collateral Manager; provided that with respect to the Incentive Management Fee, any Incentive Management Fee payable on the Payment Date occurring immediately following the date of such

termination shall be payable in accordance with the Priority of Payments on such Payment Date or any Payment Date thereafter to the terminated Collateral Manager and the successor collateral manager pro rata based on the number of days each served as Collateral Manager during the Collection Period in which this Agreement is terminated.

(d) Without limitation of Section 8(b), the Collateral Manager may in its sole discretion also elect to waive payment of all or a portion of the Management Fees (including any Deferred Management Fees and any accrued and unpaid interest thereon) that are due and payable in accordance with the Priority of Payments on any Payment Date and designate that the amount of such waived Management Fees or Deferred Management Fees be applied as Interest Proceeds or Principal Proceeds (as specified by the Collateral Manager in its sole discretion) under the Priority of Payments by providing written notice to the Trustee of such election and specification at least five Business Days prior to such Payment Date.

(e) Unless otherwise specified herein (including clause (ix) of the following sentence) or in the Indenture, the Collateral Manager shall be responsible for its ordinary rent, office expenses and employee salaries incurred in connection with the performance of its obligations pursuant to this Agreement. Except as set forth in the preceding sentence, to the extent funds are available therefor in accordance with the Priority of Payments, the Collateral Manager will be paid and reimbursed by the Issuer, for all reasonable costs and expenses whatsoever incurred by the Collateral Manager in connection with entering into this Agreement and the performance of its obligations hereunder or incurred in connection with the transactions contemplated hereby or by the Indenture, including, without limitation, any and all of the following, whether incurred by the Collateral Manager before or after the Closing Date, (i) rating agency expenses, (ii) specialty and custom software expenses for the monitoring of the Collateral Obligations, Eligible Investments and other assets of the Issuer, (iii) the fees and disbursements of the Collateral Manager and its counsel with respect to the offering and sale of the Securities, (iv) the reasonable expenses of employing outside lawyers or consultants in connection with the restructuring of any Collateral Obligation, (v) fees payable to the independent manager of the Issuer, (vi) the reasonable fees and expenses of employing outside lawyers to provide advice with respect to any provisions of the Indenture, this Agreement or all Transaction Documents, including any amendment or waiver thereto or hereto, (vii) the reasonable expenses of exercising observation rights (including through a representative) pursuant to Section 18, (viii) data services fees of the Collateral Manager of up to $100,000 per annum, (ix) reasonable costs and expenses incurred in connection with any action taken with respect to the Collateral Obligations, Eligible Investments and other assets of the Issuer (including, without limitation, costs and expenses incurred with respect to potential investments by the Issuer, even if such investment is not made by or on behalf of the Issuer, and brokerage commissions) and (x) the reasonable fees and expenses of employing outside lawyers or consultants in connection with the Advisers Act and any other law, rule or regulation. Notwithstanding the foregoing, in the event the Collateral Manager has documented fees or expenses that are allocable to one or more entities in addition to the Issuer to which the Collateral Manager provides management or advisory services, the Issuer shall be responsible for only a pro rata portion of such fees and expenses, based on the aggregate assets under management of all entities to which such costs or expenses are allocable. All obligations of the Issuer pursuant to this Section 8(e) shall be subject to, and payable only in accordance with, the Priority of Payments.

9. Benefit of the Agreement.

The Collateral Manager agrees that its obligations under this Agreement shall be enforceable by the Issuer and the Trustee on behalf of the Secured Parties.

10. Limits of Collateral Manager Responsibility; Indemnification.

(a) Subject to Section 7, the Collateral Manager assumes no responsibility under this Agreement other than to render the services called for hereunder and under the terms of the Indenture applicable to it with reasonable care and in good faith and, subject to the standard of conduct described in the next succeeding sentence, shall not be responsible for any action of the Issuer or the Trustee in following or declining to follow any advice, recommendation or direction of the Collateral Manager. The Collateral Manager and its Affiliates and their respective principals, partners, members, stockholders, directors, managers, managing directors, officers, employees and agents shall not be liable to the Issuer, the Trustee, the Fiscal Agent, the Collateral Administrator, any Secured Party or the Holders of the Securities or any other Persons for any Losses (as defined below) incurred, or for any decrease in the value of the Assets, as a result of the actions taken or recommended, or for any omissions, by the Collateral Manager or its Affiliates or their respective principals, partners, members, stockholders, directors, managers, managing directors, officers, employees or agents under this Agreement or the Indenture, except (i) by reason of acts or omissions which have been determined in a final judicial proceeding to constitute bad faith, willful misconduct or gross negligence in the performance of, or reckless disregard with respect to, its obligations hereunder; or (ii) that arise out of or are based upon any Collateral Manager Information in the Offering Circular that contains any untrue statement of a material fact or omits to state a material fact necessary in order to make any statements in the Collateral Manager Information in the final Offering Circular as of the date hereof, in light of the circumstances under which they were made, not misleading, as determined in a final judicial proceeding (each, a "Collateral Manager Breach"). United States federal and state securities laws impose liabilities under certain circumstances on persons who act in good faith and nothing contained herein will constitute a waiver or limitation of any rights which the Issuer or any holder of Securities may have under any applicable federal or state securities laws. Notwithstanding anything in this Agreement or the Indenture to the contrary, any obligation of the Collateral Manager to apply commercially reasonable efforts in purchasing and disposing of Collateral Obligations and Eligible Investments and the performance of its other duties under this Agreement and the Indenture shall permit the Collateral Manager to take into account its investment decision-making process and any other considerations it deems appropriate. It is understood in connection with the foregoing provisions and any other provision of this Agreement and any other Transaction Document (including the Indenture) applicable to the Collateral Manager, that the Collateral Manager is not required to make any independent investigation of any laws or regulations or interpretations thereof that may affect or be applicable to the holders of the Securities. The Collateral Manager and its Affiliates and their respective principals, partners, members, stockholders, directors, managers, managing directors, officers, employees and agents shall be entitled to indemnification by the Issuer in accordance with Section 10(b) and the Priority of Payments Notwithstanding anything to the contrary in this Agreement or in the Indenture, in no event shall the Collateral Manager or its Affiliates be liable for special, indirect, consequential or punitive damages.

(b) To the maximum extent allowed under applicable law, including, without limitation, as applicable, ERISA, the Issuer shall indemnify and hold harmless (the Issuer, in such case the "Indemnifying Party") the Collateral Manager and its Affiliates and their respective principals, partners, members, stockholders, directors, managers, managing directors, officers, employees and agents (each, an "Indemnified Party") from and against any and all expenses, losses, damages, liabilities, demands, charges or claims of any nature whatsoever (including reasonable attorneys' fees and expenses) (collectively, "Losses"), as incurred, in respect of or arising from (i) the issuance of the Securities, (ii) the transactions described in the final Offering Circular, the Indenture, this Agreement or the Transaction Documents, (iii) any action or failure to act by any Indemnified Party, or (iv) in respect of any untrue statement or alleged untrue statement of a material fact contained in the Offering Circular, or any omission or alleged omission to state a material fact necessary to make the statements in the Offering Circular, in light of the circumstances under which they were made, not misleading; provided that with respect to the foregoing indemnity, the Issuer shall not be liable for any Losses that arise out of or are based upon any Collateral Manager Breach. The obligations of the Issuer under this Section 10 to indemnify any Indemnified Party for any Losses will be payable solely out of the Assets in accordance with the Priority of Payments. Notwithstanding anything to the contrary in this Agreement or the Indenture, in no event will the Collateral Manager or its Affiliate be liable for special, direct, consequential or punitive damages.

The foregoing provisions, however, shall not be construed to relieve any person of any liability to the extent that such liability may not be waived, modified or limited under applicable law.

An Indemnified Party shall (or with respect to the Collateral Manager's Affiliates and the principals, partners, members, stockholders, directors, managers, managing directors, officers, employees and agents of the Collateral Manager and its Affiliates, the Collateral Manager shall cause such Indemnified Party to) notify promptly the Indemnifying Party if the Indemnified Party receives a complaint, claim, compulsory process or other notice of any loss, claim, damage or liability giving rise to a claim for indemnification under this Section 10, but failure so to notify the Indemnifying Party (i) shall not relieve such Indemnifying Party from its obligations under this Section 10 unless and to the extent that it did not otherwise learn of such action or proceeding and to the extent such failure results in the forfeiture by the Indemnifying Party of substantial rights and defenses and (ii) shall not, in any event, relieve the Indemnifying Party of any obligations to any Person entitled to indemnity pursuant to this Section 10 other than the indemnification obligations provided for in this Section 10.

(c) With respect to any claim made or threatened against an Indemnified Party, or compulsory process or request served upon such Indemnified Party for which such Indemnified Party is or may be entitled to indemnification under this Section 10, such Indemnified Party shall (or with respect to the Collateral Manager's Affiliates and the principals, partners, members, stockholders, directors, managers, managing directors, officers, employees and agents of the Collateral Manager and its Affiliates, the Collateral Manager shall cause such Indemnified Party to), at the Indemnifying Party's expense:

(i) provide the Indemnifying Party such information and cooperation with respect to such claim as the Indemnifying Party may reasonably require, including, but not limited to, making appropriate personnel available to the Indemnifying Party at such reasonable times as the Indemnifying Party may request;

(ii) cooperate and take all such steps as the Indemnifying Party may reasonably request to preserve and protect any defense to such claim;

(iii) in the event suit is brought with respect to such claim, upon reasonable prior notice, afford to the Indemnifying Party the right, which the Indemnifying Party may exercise in its sole discretion and at its expense, to participate in the investigation, defense and settlement of such claim and, to the extent that it shall wish, to assume the defense thereof, with counsel satisfactory to such Indemnified Party (who shall not, except with the consent of the Indemnified Party, be counsel to the Indemnifying Party), and, after notice from the Indemnifying Party to such Indemnified Party of its election to so assume the defense thereof, the Indemnifying Party shall not be liable to such Indemnified Party under such subsection for any legal expenses of other counsel or any other expenses directly related to the defense thereof, in each case subsequently incurred by such Indemnified Party, other than reasonable costs of investigation;

(iv) neither incur any material expense to defend against any such claim nor make any admission with respect thereto (other than routine or incontestable admissions or factual admissions the failure to make which would expose such Indemnified Party to (A) unindemnified liability or (B) any liability in respect of which, in the good faith determination of such Indemnified Party, the Indemnifying Party is unlikely to have sufficient funds available to indemnify the Indemnified Party in full, taking into account the priorities set forth in Article XI of the Indenture) without the prior written consent of the Indemnifying Party; provided that the Indemnifying Party shall have advised such Indemnified Party that such Indemnified Party is entitled to be indemnified hereunder with respect to such claim; and

(v) without the prior written consent of the Indemnifying Party, which consent shall not be unreasonably withheld or delayed, neither release, settle or compromise any claim giving rise to a claim for indemnity hereunder, nor 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; provided that such Indemnified Party shall not be required to seek or obtain such consent if it determines in good faith, that the Indemnifying Party is unlikely to have sufficient funds available to indemnify it in full, taking into account the priorities set forth in Article XI of the Indenture; provided that the Indemnifying Party shall have advised such Indemnified Party that such Indemnified Party is entitled to be indemnified hereunder with respect to such claim.

(d) In the event that any Indemnified Party expressly waives in writing its right to indemnification hereunder, the Indemnifying Party shall not be entitled to appoint counsel to represent such Indemnified Party nor shall the Indemnifying Party reimburse such Indemnified Party for any costs of counsel to such Indemnified Party.

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, for all purposes herein, deemed to be an independent contractor and shall, unless otherwise expressly provided herein 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.

12. Term; Termination.

(a) This Agreement shall continue in force until the first of the following occurs: (i) the payment in full or redemption in whole of the Securities and the termination of the Indenture in accordance with its terms; (ii) the liquidation of the Assets and the final distribution of the proceeds of such liquidation to the Holders; or (iii) the termination of this Agreement in accordance with Section 12(b) or (c) or Section 13. In the absence of the circumstances described in clause (i) or (ii) of the preceding sentence, no termination of this Agreement or any removal or resignation of the Collateral Manager shall be effective until written acceptance of appointment by a successor Collateral Manager and the effective assumption by such successor collateral manager of the duties of the Collateral Manager have been received. The Collateral Manager hereby acknowledges and agrees that the Collateral Manager shall continue to perform its obligations hereunder and under the Indenture in the manner provided herein and therein until the payment in full or redemption in whole of the Securities and the termination of the Indenture in accordance with its terms unless any of the events described in clause (ii) or (iii) of the second preceding sentence occur prior thereto.

(b) Notwithstanding any other provision hereof to the contrary, this Agreement may be terminated without cause by the Collateral Manager, and the Collateral Manager may resign, upon 90 days' prior written notice to the Issuer and the Trustee (or such shorter notice as is acceptable to the Issuer and the Trustee; *provided* that the Collateral Manager shall have the right to resign immediately upon the effectiveness of any material change in applicable law or regulations that renders the performance by the Collateral Manager of its duties under this Agreement or under the Indenture to be a violation of such law or regulation). The Issuer shall use its best efforts to appoint a successor Collateral Manager to assume such duties and obligations.

(c) This Agreement shall be automatically terminated in the event that the Board of Managers determines in good faith that the Issuer or any portion of the pool of Assets has become required to register as an investment company under the provisions of the Investment Company Act by virtue of any action taken by the Collateral Manager (and such requirement has not been eliminated after a period of 45 days), and the Issuer notifies the Collateral Manager thereof.

(d) 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 Sections 2(h)(i), 6, 8(c), 10, 14, 15 and 33, which provisions shall survive the termination of this Agreement.

(e) Within 30 days of the resignation, termination or removal of the Collateral Manager pursuant to Section 12 or 13 while any of the Securities are outstanding, a Majority of the Preferred Interests shall propose a successor Collateral Manager to the Issuer that satisfies the criteria set forth in clause (g) below by delivering notice thereof to the Trustee, the Collateral Manager and the Holders of the Controlling Class. A Majority of the Controlling Class shall have 30 days from receipt of such notice to (i) object to such successor collateral manager, and (ii) propose a successor collateral manager that satisfies the criteria set forth in clause (g) below by delivering notice of such objection and proposed successor to the Trustee, the Collateral Manager and the Holders of the Preferred Interests. If no such notice is received by the Trustee within such time period, such proposed successor collateral manager shall be appointed Collateral Manager. If, however, such notice is received by the Trustee within such time period, a Majority of the Preferred Interests shall have 30 days from receipt of such notice to (i) object to such successor collateral manager, and (ii) propose a successor collateral manager that satisfies the criteria set forth in clause (g) below by delivery of notice of such objection and proposed successor to the Trustee, the Collateral Manager and the Holders of the Controlling Class. If no such notice is received by the Trustee within such time period, such proposed successor collateral manager shall be appointed Collateral Manager. If, however, such notice is received by the Trustee within such time period, a Majority of the Controlling Class shall have 30 days from receipt of such notice to (i) object to such successor collateral manager, and (ii) propose a successor collateral manager that satisfies the criteria set forth in clause (g) below by delivery of notice of such objection and proposed successor to the Trustee, the Collateral Manager and the Holders of the Preferred Interests. If such notice is received by the Trustee within such time period, a Majority of the Preferred Interests shall have 30 days from receipt of such notice to object to such successor collateral manager by delivery of notice of such objection to the Trustee, the Collateral Manager and the Holders of the Controlling Class. If no such notice of objection is received by the Trustee within such time period, such successor collateral manager proposed by a Majority of the Controlling Class will be appointed Collateral Manager.

(f) Notwithstanding the foregoing, if no successor Collateral Manager shall have been appointed by the Issuer or an instrument of acceptance by a successor Collateral Manager shall not have been delivered as provided in clause (g) below within 180 days following the date of resignation, termination or removal of the Collateral Manager, the Collateral Manager, a Majority of the Preferred Interests or a Majority of the Controlling Class may petition any court of competent jurisdiction for the appointment of a successor Collateral Manager without the approval of any Holders of Securities. If neither the Collateral Manager, a Majority of the Preferred Interests nor the Majority of the Controlling Class shall petition a court of competent jurisdiction within 45 days of having the right to do so, then any Holder of Securities of the Controlling Class may so petition.

(g) Any successor collateral manager shall be an institution that (i) has demonstrated an ability to professionally and competently perform duties similar to those imposed upon the Collateral Manager, (ii) is legally qualified and has the capacity to act as

collateral manager and assume all of the responsibilities, duties and obligations of the Collateral Manager hereunder and under the applicable terms of the Indenture, (iii) by its appointment will not cause or result in the Issuer or any portion of the Assets becoming required to register under the provisions of the Investment Company Act and (iv) has accepted its appointment in writing and has agreed to perform all duties of the Collateral Manager pursuant to this Agreement and any letter agreement that the Collateral Manager executed in connection with its duties hereunder.

(h) Upon the acceptance by a successor Collateral Manager of such appointment, all rights and obligations of the Collateral Manager under this Agreement shall terminate, except as provided in Sections 2(h)(i), 6, 8(c), 10, 14(a), 15 and 33. Upon expiration of the applicable notice period with respect to termination specified in this Section 12 or Section 13, as applicable, and upon the acceptance by a successor Collateral Manager of such appointment, all authority and power of the Collateral Manager under this Agreement and the Indenture, whether with respect to the Assets or otherwise, shall automatically and without further action by any Person pass to and be vested in the successor Collateral Manager upon the appointment thereof. Nevertheless, the Collateral Manager shall take such steps as may be reasonably necessary to transfer such authority and power.

13. Termination for Cause.

This Agreement may be terminated, and the Collateral Manager may be removed (1) by the Issuer for cause upon ten (10) Business Days' prior written notice from the Issuer or (2) by the Issuer or the Trustee for cause, upon ten (10) Business Days' prior written notice at the direction of a Majority of the Controlling Class (excluding, in each case, any Manager Securities) unless a Majority of the Controlling Class withdraws such direction within ten (10) Business Days after such written notice by the Issuer or the Trustee; provided that the termination of this Agreement pursuant to Section 13(c) shall be automatic with no notice required from the Issuer, the Trustee or any other person. Notice of such removal for cause shall be delivered by or on behalf of the Issuer to the Holders of each Class of Securities. In determining whether the requisite number of the Holders of Securities has given such direction pursuant to this Section 13 and any related direction under Section 12 in connection with a removal or termination for cause (but, notwithstanding anything herein to the contrary, not for a replacement following a removal for cause), Securities owned by the Collateral Manager or any Affiliate (including any Securities held by the Collateral Manager or any of its Affiliates or any fund established and controlled by the Collateral Manager or any Affiliate thereof) shall be disregarded and deemed not to be Outstanding. No such termination or removal shall be effective until the date as of which a successor collateral manager shall have agreed in writing to assume all of the Collateral Manager's duties and obligations pursuant to this Agreement. For purposes of determining "cause" with respect to termination of this Agreement pursuant to this Section 13, such term shall mean only any one of the following events:

(a) willful violation or willful breach by the Collateral Manager of any provision of this Agreement or the Indenture applicable to the Collateral Manager (unrelated to the economic performance of the Collateral), it being understood that an action (or failure to act) by the Collateral Manager based on its good faith interpretation of a provision of the Collateral Management Agreement or the Indenture will not be considered a willful violation or willful breach;

(b) violation by the Collateral Manager of any material provision of this Agreement or the Indenture applicable to the Collateral Manager (other than as covered by the preceding clause (a) and it being understood that the failure of any Coverage Test, Investment Criteria, Interest Diversion Test or Collateral Quality Test is not such a violation) which violation (1) has a material adverse effect on the Holders and (2) if capable of being cured, is not cured within 30 days of the Collateral Manager having actual knowledge of, or receiving notice from the Issuer or the Trustee of, such violation, or, if such violation is not capable of cure within 30 days but is capable of being cured in a longer period, the Collateral Manager fails to cure such violation within the period in which a reasonably prudent person could cure such violation, but in no event greater than 60 days of the Collateral Manager having actual knowledge of, or receiving notice from the Issuer or the Trustee of, such violation;

(c) 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 (i) 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; (ii) 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, 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 60 days; (iii) 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, winding-up, reorganization, arrangement, readjustment of debt, insolvency or dissolution, 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 60 days or result in adjudication of bankruptcy or insolvency; or (iv) permits or suffers all or any substantial part of its properties or assets to be sequestered or attached by court order and the order remains undismissed for 60 days;

(d) the occurrence of any act constituting fraud or criminal negligence and resulting in a conviction by the Collateral Manager or any managing director of the Collateral Manager who has direct supervisory responsibility for the investment activities of the Issuer and such managing director continues to have such direct supervisory responsibility for a period of 30 days after such conviction; or

(e) the occurrence of any event specified in clause (a) or (b) of the definition of Event of Default which default is directly the result of any act or omission of the Collateral Manager resulting from a breach of its duties under this Agreement or under the Indenture (unrelated to the economic performance of the Assets).

If any of the events specified in this Section 13 shall occur, the Collateral Manager shall give prompt written notice thereof to the Issuer, the Trustee and each Rating Agency then rating the Notes upon the Collateral Manager's having actual knowledge of the occurrence of such event.

14. Action Upon Termination.

(a) From and after the effective date of termination of this Agreement, the Collateral Manager shall not be entitled to compensation for further services hereunder, but shall be paid all compensation accrued to the date of termination and its pro rata portion of any Incentive Management Fee payable on the Payment Date occurring immediately following such date of termination, as provided in Section 8(c), and shall be entitled to receive any amounts owing under Sections 7, 8 and 10. For the avoidance of doubt, following the resignation or removal of the Collateral Manager, any Deferred Management Fees will be treated as if the outgoing Collateral Manager had given notice to the Trustee of the Collateral Manager's election to receive payment of all of the Deferred Management Fees and shall be payable to the outgoing Collateral Manager on the next Payment Date in accordance with the Priority of Payments and any ongoing discretionary deferral by the outgoing Collateral Manager shall thereafter terminate and have no further force or effect. Upon termination, the Collateral Manager shall as soon as practicable:

(i) deliver to the Issuer or to the successor collateral manager if so directed by the Issuer, all property and documents of the Trustee or the Issuer or otherwise relating to the Assets then in the custody of the Collateral Manager; provided that the Collateral Manager may keep copies of any documents required to be retained in compliance with the record keeping requirements of the Advisers Act; and

(ii) deliver to the Trustee an accounting with respect to the books and records delivered to the Trustee or the successor collateral manager appointed pursuant to Sections 12(e), (f) and (g).

Notwithstanding such termination, the Collateral Manager shall remain liable for its acts or omissions hereunder to the extent set forth in Section 10 arising prior to termination 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 breach of the representations and warranties made by the Collateral Manager in Section 17(b) or from any failure of the Collateral Manager to comply with the provisions of this Section 14 or its obligations under Section 2(h)(i) and Section 6 (with respect to confidentiality).

The Collateral Manager agrees that, notwithstanding any termination, it shall reasonably cooperate in any Proceeding arising in connection with this Agreement, the Indenture or any of the Assets (excluding any such Proceeding in which claims are asserted against the Collateral Manager) upon receipt of appropriate indemnifications and expense reimbursement.

(b) The Issuer agrees that it shall give each Rating Agency then rating the Rated Notes notice of any resignation or removal of the Collateral Manager under this Agreement and of the appointment of any successor collateral manager.

15. Use of Name.

The Collateral Manager hereby grants to the Issuer a non-exclusive, non-transferable license to use the name "Carlyle" as part of the name of the Issuer and in offering memoranda, statements and reports to investors and other documents with respect to the Issuer. It is understood that the name "Carlyle" and any logo associated with that name is the valuable property of the Collateral Manager. From and after the effective date of termination of this Agreement, the Collateral Manager shall be entitled to direct the Issuer to cease to use the "Carlyle" name and logo and to take such action as may be necessary to change their respective names and to eliminate all references to such name and logo in the Issuer's statements and reports to investors and other documents in respect of the Issuer as promptly as possible thereafter, provided that the Collateral Manager shall reimburse the Issuer for any reasonable fees and expenses incurred in connection with such direction.

16. Assignments.

The Collateral Manager may not assign any of its rights or responsibilities under this Agreement without (a) obtaining a Rating Agency Confirmation for such assignment and (b) the written consent of the Issuer, a Majority of the Controlling Class and a Majority of the Preferred Interests; *provided* that, notwithstanding the foregoing, the Collateral Manager shall be permitted to assign any or all of its rights and delegate any or all of its obligations under this Agreement to an Affiliate (without the consent of the Issuer, a Majority of the Controlling Class, a Majority of the Preferred Interests or any other Person, or without obtaining a Rating Agency Confirmation) so long as such Affiliate (A) has demonstrated an ability to professionally and competently perform duties similar to those imposed upon the Collateral Manager under this Agreement and the Indenture; (B) is legally qualified and has the capacity to act as Collateral Manager under this Agreement; (C) has the systems and technology, or rights to the systems and technology, necessary to perform the duties and obligations being assigned or delegated to it; and (D) immediately after such assignment performs its obligations under this Agreement using substantially the same team of principal individuals which would have performed such obligations had the assignment not occurred; *provided, further*, that to the extent any consent is required under the Advisers Act for any assignment pursuant to the immediately preceding proviso, the Collateral Manager will obtain the consent of the Issuer (which may be by the Board of Managers). Notwithstanding the foregoing, the assignment by the Collateral Manager of any or all of its rights or the delegation of any or all of its obligations under this Agreement to any Affiliate will require prompt notification to the Controlling Class and each Rating Agency.

Notwithstanding the immediately preceding paragraph, without the consent of, opportunity to object or any other action by, the Issuer or any holder of Securities or any other Person, and without Rating Agency Confirmation, the Collateral Manager may assign this Agreement and all of its rights or obligations under this Agreement to any person into which the Collateral Manager may be merged or converted or with which it may be consolidated, or any person resulting from any merger, conversion or consolidation to which the Collateral Manager or the collateral management business of the Collateral Manager is a party, or any person otherwise acquiring or succeeding to all or substantially all of the collateral management business of the Collateral Manager, *provided* that the surviving entity (A) has demonstrated an ability to professionally and competently perform duties similar to those imposed upon the

Collateral Manager under this Agreement and the Indenture, (B) is legally qualified and has the capacity to act as Collateral Manager under this Agreement and (C) has the systems and technology, or rights to the systems and technology, necessary to perform the duties and obligations being assigned or delegated to it; *provided, further*, that, to the extent any consent is required under the Advisers Act for any assignment pursuant to the immediately preceding proviso, the Collateral Manager shall obtain the consent of the Issuer (which may be by the Board of Managers).

Any assignment made in accordance with this Agreement shall bind the assignee hereunder in the same manner as the Collateral Manager is bound, including pursuant to any previously existing letter agreement. In addition, the assignee shall execute and deliver to the Issuer, the Trustee and each Rating Agency then rating the Rated Notes a counterpart of this Agreement naming such assignee as Collateral Manager. Upon the execution and delivery of such a counterpart by the assignee, the Collateral Manager shall be released from further obligation pursuant to this Agreement, except with respect to its obligations arising under Section 10 prior to such assignment 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 breach of the representations and warranties made by the Collateral Manager in Section 17(b) or from any failure of the Collateral Manager to comply with the provisions of this Section 16 or its obligations under Section 2(h)(i) and Section 6 (with respect to confidentiality). In addition, Sections 8(c), 14, 15, 22, 24, 25 and 33 shall survive any release of the Collateral Manager from its obligations under this Agreement pursuant to any assignment.

This Agreement shall not be assigned by the Issuer without the prior written consent of the Collateral Manager, the Trustee and a Majority of each Class of Securities, except in the case of assignment by the Issuer (i) 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 thereunder, or (ii) to the Trustee as contemplated by the Indenture. In the event of any assignment by the Issuer, the Issuer shall use reasonable efforts to cause its successor to execute and deliver to the Collateral Manager such documents as the Collateral Manager shall consider reasonably necessary to effect fully such assignment.

17. Representations and Warranties.

(a) The Issuer hereby represents and warrants to the Collateral Manager as follows:

(i) The Issuer is a limited liability company duly organized, validly existing and in good standing under the laws of the State of Delaware and has full limited liability company 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 or the conduct of its business requires, or the performance of its obligations under this Agreement, the Account Agreement, the Indenture or the Securities would require such qualification, except for failures to be so qualified, authorized or licensed that would not in the aggregate have a material adverse effect on the business, operations, assets or financial condition of the Issuer.

(ii) The Issuer has full limited liability company power and authority to execute and deliver this Agreement, the Indenture, the Account Agreement and the Securities and perform all obligations required hereunder and thereunder and has taken all necessary action to authorize this Agreement, the Indenture, the Account Agreement and the Securities on the terms and conditions hereof and thereof and the execution, delivery and performance of this Agreement, the Indenture, the Account Agreement and the Securities and the performance of all obligations imposed upon it hereunder and thereunder. No consent of any other person including, without limitation, stockholders and creditors of the Issuer, and no license, permit, approval or authorization of, exemption by, notice or report to, or registration, filing or declaration with, any governmental authority, other than those that may be required under state securities or "blue sky" laws and those that have been or shall be obtained in connection with this Agreement, the Indenture, the Account Agreement or the issuance of the Securities, is required by the Issuer in connection with this Agreement, the Indenture, the Account Agreement or the Securities or the execution, delivery, performance, validity or enforceability of this Agreement, the Indenture, the Account Agreement or the Securities or the obligations imposed upon it hereunder or thereunder. This Agreement, the Indenture, the Account Agreement and the Securities constitute, and each instrument or document required hereunder or thereunder, when executed and delivered hereunder or thereunder, shall constitute, the legally valid and binding obligation of the Issuer enforceable against the Issuer in accordance with its terms, subject, as to enforcement, to (A) 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, winding up or similar event applicable to the Issuer and (B) 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 shall 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 documents 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 is or may be bound, the violation of which would have a material adverse effect on the business, operations, assets or financial condition of the Issuer, and shall 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 an "investment company" which is required to be registered under the Investment Company Act.

(v) The Issuer is not in violation of its organizational documents or in breach or violation of or in default under the Indenture, the Account Agreement or any contract or agreement to which it is a party or by which it or any of its assets 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 performance by the Issuer of its duties hereunder.

(b) The Collateral Manager hereby represents and warrants to the Issuer as follows:

(i) The Collateral Manager is a limited liability company duly organized, validly existing and in good standing under the laws of the State of Delaware 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 as a foreign limited liability company 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 validity or enforceability of this Agreement and the provisions of the Indenture applicable to the Collateral Manager; or the performance by the Collateral Manager of its duties hereunder or thereunder. The Collateral Manager is a registered investment adviser under the United States Investment Advisers Act of 1940, as amended (the "Advisers Act").

(ii) The Collateral Manager has the necessary power and authority to execute, deliver and perform this Agreement and all obligations required hereunder and under the provisions of the Indenture applicable to the Collateral Manager and has taken all necessary action to authorize this Agreement on the terms and conditions hereof and the execution, delivery and performance of this Agreement and all obligations required hereunder and under the terms of the Indenture applicable to the Collateral Manager. No consent of any other person, including, without limitation, 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 in connection with this Agreement or the execution, delivery, performance, validity or enforceability of this Agreement or the obligations required hereunder or under the terms of the Indenture applicable to the Collateral Manager. This Agreement has been, and each instrument and document required hereunder or under the terms of the Indenture, will be, executed and delivered by a duly authorized officer of the Collateral Manager, and this Agreement constitutes, and each instrument and document required hereunder or under the terms of the Indenture when executed and delivered by the Collateral Manager hereunder or under the terms of the Indenture, will constitute, the valid and legally binding obligations of the Collateral Manager enforceable against the Collateral Manager in accordance with their terms, subject, as to enforcement, to (A) 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 Collateral Manager and (B) 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 performance by the Collateral Manager of the terms of the Indenture applicable to it will not violate any provision of any existing law or regulation binding on the Collateral Manager, or any order, judgment, award or decree of any court, arbitrator or governmental authority binding on the Collateral Manager, or the organizational documents 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 any of its subsidiaries, 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.

(iv) There is no charge, investigation, action, suit or proceeding before or by any court pending or, to the best 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, or on the validity or enforceability of, this Agreement and the provisions of the Indenture applicable to the Collateral Manager hereunder.

(v) The Collateral Manager is not in violation of its organizational documents 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 Collateral Manager 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 applicable to the Collateral Manager hereunder, or the performance by the Collateral Manager of its duties hereunder or thereunder.

(vi) The information (as such information may be amended or supplemented) provided by the Collateral Manager expressly for inclusion in the Collateral Manager Information does not purport to provide the scope of disclosure required to be included in a prospectus with respect to a registrant in connection with the offer and sale of securities of such registrant registered under the Securities Act; however, the Collateral Manager Information contained in the Offering Circular as of its date (or, if amended or supplemented, as consented to by the Collateral Manager, as of the date of any such amendment or supplement of or to such information), and as of the Closing Date does not and will 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 light of the circumstances under which they were made, not misleading.

18. Observation Rights.

The Issuer covenants and agrees that, upon request by the Collateral Manager, the Issuer shall notify the Collateral Manager in advance of each meeting of the Board of Managers. In addition, upon request by the Collateral Manager, the Issuer will provide to the Collateral Manager, at the time of distribution to the Board of Managers, any materials to be distributed to the Board of Managers in connection with such meeting. The Issuer will afford a representative of the Collateral Manager the opportunity to be present at each such meeting upon request by the Collateral Manager, in person or by telephone at the option of the Collateral Manager.

19. Notices.

Unless expressly provided otherwise herein, all notices, requests, demands and other communications required or permitted under this Agreement shall be in writing (including by facsimile) and shall be deemed to have been duly given, made and received when delivered against receipt or upon actual receipt of registered or certified mail, postage prepaid, return receipt requested, or, in the case of notice by facsimile or electronic mail, when received in legible form (as evidenced by the sender's written record of a telephone call to the recipient in which the recipient acknowledged receipt of such facsimile or electronic mail message), in each case addressed as set forth in Section 14.3 of the Indenture.

Any party may alter the mailing address, facsimile number or electronic mail address to which communications or copies are to be sent by giving notice of such change of address in conformity with the provisions of this Section 19 for the giving of notice.

20. Binding Nature of Agreement; Successors and Assigns; No Third-Party Beneficiaries.

This Agreement shall be binding upon and inure to the benefit of the parties hereto and the Trustee and their respective heirs, personal representatives, successors and assigns as provided herein. Other than the parties hereto and the Trustee and their respective heirs, personal representatives, successors and assigns there are and shall be no third-party beneficiaries of this Agreement.

21. Entire Agreement; Amendments.

This Agreement contains the entire agreement and understanding among the parties hereto with respect to the subject matter hereof, and supersedes all prior and contemporaneous agreements, understandings, inducements and conditions, express or implied, oral or written, of any nature whatsoever with respect to the subject matter hereof. The express terms hereof control and supersede any course of performance and/or usage of the trade inconsistent with any of the terms hereof. This Agreement may not be modified or amended without the consent of each Class materially and adversely affected by such amendment (other than in respect of an amendment or modification of the type that may be made to the Indenture without the consent of any holder of a Security) and subject to obtaining Rating Agency Confirmation; *provided* that the Issuer will be entitled to rely on a certificate of the Collateral Manager attesting that each such class is not materially and adversely affected by such amendment and *provided*, further, that no consent of the Holders may be required in connection

with any amendment or modification to this Agreement the sole purpose of which is to comply with changes in the Retention Requirements. For so long as any of the Securities are listed on the Irish Stock Exchange, the Issuer shall cause a copy of any amendment or modification of this Agreement to be sent to the Irish Stock Exchange.

22. Conflict with the Indenture.

In the event that this Agreement requires any action to be taken with respect to any matter and the Indenture requires that a different action be taken with respect to such matter, and such actions are mutually exclusive, the provisions of the Indenture in respect thereof shall control.

23. Subordination and Assignment.

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 and each of the Collateral Manager and Issuer hereby consents to the assignment of this Agreement as provided in Section 15.1 of the Indenture. Without limiting the foregoing, the Collateral Manager hereby acknowledges and agrees that its claims in respect of any accrued and unpaid Incentive Management Fee shall, both before and after the commencement of the winding-up of the Issuer, be subordinated to the claims of the Holders of the Preferred Interests to the payment of any distribution on the Preferred Interests in the manner and to the extent provided in the Priority of Payments.

24. Governing Law; Submission to Jurisdiction; Venue, Etc.

THIS AGREEMENT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK.

With respect to Proceedings relating to this Agreement, to the fullest extent permitted by applicable law, each party irrevocably (i) submits to the non-exclusive jurisdiction of the courts of the State of New York and the United States District Court located in the Borough of Manhattan in New York City 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 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 either party 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.

THE PARTIES HERETO IRREVOCABLY CONSENT TO THE SERVICE OF ANY AND ALL PROCESS IN ANY ACTION OR PROCEEDING BY THE MAILING OR DELIVERY OF COPIES OF SUCH PROCESS TO EACH SUCH PARTY AT THE ADDRESS SPECIFIED IN SECTION 19 OF THIS AGREEMENT. THE PARTIES HERETO AGREE THAT A FINAL JUDGMENT SHALL BE CONCLUSIVE AND MAY BE ENFORCED IN OTHER JURISDICTIONS BY SUIT ON THE JUDGMENT OR IN ANY OTHER MANNER PROVIDED BY LAW.

25. 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.

26. Costs and Expenses.

The reasonable costs and expenses (including the fees and disbursements of counsel and accountants) incurred by the Collateral Manager in connection with the negotiation and preparation of and the execution of this Agreement, and all matters incident thereto, shall be borne by the Issuer as an Administrative Expense.

27. 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.

28. Execution in Counterparts.

This Agreement may be executed in any number of counterparts by facsimile or other written form of communication, each of which shall be deemed to be an original as against any party whose signature appears thereon, and all of which shall together constitute 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.

29. Provisions Separable.

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.

30. Number and Gender.

Words used herein, regardless of the number and gender specifically used, will be deemed and construed to include any other number, singular or plural, and any other gender, masculine, feminine or neuter, as the context requires.

31. Written Disclosure Statement.

The Issuer acknowledges receipt of Part II of the Collateral Manager's Form ADV filed with the Securities and Exchange Commission, as required by Rule 204-3 under the Advisers Act, more than 48 hours' prior to the date of execution of this Agreement.

32. Survival of Representations, Warranties and Indemnities.

Each representation and warranty made or deemed to be made herein or pursuant hereto, and each indemnity provided for hereby, shall survive indefinitely.

33. Non Recourse.

(a) Notwithstanding any other provision of this Agreement to the contrary, no recourse shall be had for the payment of any amount owing in respect of this Agreement, from time to time and at any time, against any officer, director, employee, stockholder or incorporator of the Issuer. All obligations of the Issuer under this Agreement, shall constitute limited recourse obligations of the Issuer. Recourse in respect of any obligations of the Issuer hereunder shall, from time to time and at any time, be limited to the amounts derived from or referable to the Assets available at such time distributed in accordance with the Priority of Payments. Upon the exhaustion of the Assets, all remaining claims against the Issuer arising from this Agreement or any transaction contemplated hereby shall be extinguished and shall not thereafter revive.

(b) This Section 33 shall survive the termination of this Agreement.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first written above.

CARLYLE GMS INVESTMENT MANAGEMENT L.L.C., as Collateral Manager

By: /s/ Orit Mizrachi
Name: Orit Mizrachi
Title: Officer

CARLYLE GMS FINANCE MM CLO 2015-1 LLC, as Issuer

By: /s/ Donald J. Puglisi
Name: Donald J. Puglisi
Title: Independent Manager

[Signature Page to Collateral Management Agreement]

Exhibit 10.4

Execution Version

CONTRIBUTION AGREEMENT

This CONTRIBUTION AGREEMENT (this "Agreement"), date as of June 26, 2015, by and between Carlyle GMS Finance, Inc., a Maryland corporation, as the contributor (the "Contributor"), and Carlyle GMS Finance MM CLO 2015-1 LLC, a Delaware limited liability company, as the contributee (the "Contributee").

RECITALS

A. WHEREAS, the Contributor owns 100% of the membership interests of the Contributee.

B. WHEREAS, the Contributor desires to contribute, and the Contributee has agreed to receive from the Contributor, all of the loans and other debt obligations listed on Schedule I hereto (including the loans and other debt obligations subject to that certain Distribution and Contribution Agreement, dated as of the date hereof between the Contributor and Carlyle GMS Finance SPV LLC (the "Distribution and Contribution Agreement") and any rights of the Contributor in connection therewith) (the "Contributed Collateral Obligations"), in each case, together with, among other things, the related rights of payment thereunder and the interest of the Contributor in the related property and other interests securing the payments to be made under such Contributed Collateral Obligations;

C. WHEREAS, subject to the conditions set forth herein, the Contributee and the Contributor intend that any such contribution of the Contributed Collateral Obligations be an irrevocable, unconditional, absolute transfer thereof, without any recourse whatsoever, including without any recourse to the Contributor with regard to collectibility;

D. WHEREAS, (a) in exchange for the contribution of the Contributed Collateral Obligations, the Contributor will receive an increase in the capital account of the Contributor in the Contributee and 125,900,000 preferred limited liability company interests of the Contributee with a nominal value of $125,900,000 to be issued to the Contributor in accordance with the Amended and Restated Limited Liability Company Agreement of the Contributee, dated as of June 26, 2015 (the "Contributee LLC Agreement") (the "Preferred Interests" or the "Contribution Value") and (b) on the date hereof the Contributor shall receive a one-time cash distribution on the date hereof in the amount of $254,086,652.75 (the "Closing Date Dividend").

AGREEMENT

NOW, THEREFORE, in consideration of the mutual covenants and promises contained herein and for other good and valuable consideration the receipt and adequacy of which are hereby acknowledged, the parties hereto agree as follows:

Section 1. Contribution and Receipt of the Contributed Collateral Obligations.

(a) Subject to the terms and conditions of this Agreement, on and as of the date hereof (the "Contribution Date"), the Contributor hereby contributes (the "Contribution") to the Contributee, without recourse, and the Contributee hereby receives, as a contribution to its capital, all right, title and interest of the Contributor (whether now owned or hereafter acquired or arising, and wherever located) in and to the Contributed Collateral Obligations (including, without limitation all rights, title and interest of the Contributor under the Distribution and Contribution Agreement (including any rights the Contributor has thereunder to enter into the Master Participation Agreement for Par/Near Par Trades attached as an exhibit thereto)). The Contributor hereby acknowledges that the Contribution to the Contributee hereunder is absolute and irrevocable, without reservation or retention of any interest whatsoever by the Contributor. The Contributee hereby acknowledges that the Contribution to the Contributee will be credited to the capital account of the Contributor in the Contributee as further set forth herein and in the Contributee LLC Agreement.

1. The Contributor shall, in connection with the Contribution, execute and/or deliver to the Contributee any such loan assignment agreements or any other agreements in connection with the Contributed Collateral Obligations as may be necessary or reasonably advisable to effect the Contribution with respect to each Contributed Collateral Obligation.

2. On and after the Contribution Date, the Contributee shall own the Contributed Collateral Obligations Contributed by the Contributor to the Contributee on the Contribution Date, and the Contributor shall not take any action inconsistent with such ownership and shall not claim (except for tax purposes) any ownership interest in such Contributed Collateral Obligations.

3. The Contribution and receipt of the Contributed Collateral Obligations under this Agreement shall be without recourse to the Contributor; it being understood that the Contributor shall be liable to the Contributee for all representations, warranties and covenants made by the Contributor pursuant to the terms of this Agreement, all of which obligations are limited so as not to constitute recourse to the Contributor for the credit risk of the respective obligors of the Contributed Collateral Obligations.

4. In connection with the receipt by the Contributee of Contributed Collateral Obligations as contemplated by this Agreement, the Contributor further agrees that it shall, at its own expense, indicate clearly and unambiguously in its computer files on or prior to the Contribution Date, and its financial statements, that such Contributed Collateral Obligations have been transferred to the Contributee in accordance with this Agreement.

(b) On the date hereof the Contributee shall (i) issue to the Contributor the Preferred Interests and (ii) distribute to the Contributor the Closing Date Dividend.

Section 2. Participations Pending Assignment.

Pending receipt of any required consents to, and the effectiveness of, the assignment of each of the Contributed Collateral Obligations to the Contributee in accordance with the applicable underlying instrument (including, without limitation, with respect to the Contributed Collateral Obligations which the Contributor has received pursuant to the

Distribution and Contribution Agreement and which are to be contributed to the Contributee pursuant to the terms hereof), the Contributor also (a) transfers to the Contributee its rights, pursuant to the Distribution and Contribution Agreement, to enter into the Master Participation Agreement for Par/Near Par Trades attached as an exhibit thereto pursuant to which the Contributee may acquire from Carlyle GMS Finance SPV LLC a 100% participation in such Contributed Collateral Obligations (each an "SPV Participation") and (b) agrees to enter into a Master Participation Agreement for Par/Near Par Trades in the form attached as Exhibit A hereto in respect of the Contributed Collateral Obligations that were not received pursuant to the Distribution and Contribution Agreement pursuant to which the Contributee may acquire from the Contributor a 100% participation in such Contributed Collateral Obligations (each a "Contributor Participation" and, together with the SPV Participations, each a "Participation"). In connection with the assignment of the Contributor's rights under the Distribution and Contribution Agreement (including, without limitation, with respect to the SPV Participations), for administrative convenience, the parties hereto agree to enter into a tri-party agreement between the Contributor, the Contributee and Carlyle GMS Finance SPV LLC to, among other things, effect the transfer of the Contributed Collateral Obligations from Carlyle GMS Finance SPV LLC to the Contributee, as designee of the Contributor under the Distribution and Contribution Agreement, and the transfer of the Closing Date Dividend to Carlyle GMS Finance SPV LLC, as designee of the Contributor and in satisfaction of the contribution of amounts set forth in the Distribution and Contribution Agreement from the Contributor to Carlyle GMS Finance SPV LLC.

Section 3. Nature of the Contribution.

(a) It is the express intent of the parties hereto that the Contribution of the Contributed Collateral Obligations by the Contributor to the Contributee hereunder be, and be treated for all purposes (other than for tax purposes) as an absolute contribution to the capital of the Contributee by the Contributor (free and clear of any lien, security interest, charge or encumbrance other than customary permitted liens) of such Contributed Collateral Obligations, in consideration of, or in exchange for, the issuance of the Preferred Interests to the Contributor and an increase in the capital account of the Contributor in the Contributee. It is, further, not the intention of the parties that such Contribution be deemed a pledge of the Contributed Collateral Obligations by the Contributor to the Contributee to secure a debt or other obligation of the Contributor.

(b) Notwithstanding Section 3(a) above, in the event that, notwithstanding the intent of the parties, the Contributed Collateral Obligations, or any portion thereof, is held to continue to be property of the Contributor, then the parties hereto agree that: (i) this Agreement shall also be deemed to be, and hereby is, a "security agreement" within the meaning of Article 9 of the Uniform Commercial Code (the "UCC"); (ii) the contribution of the Contributed Collateral Obligations provided for in this Agreement shall be deemed to be a grant by the Contributor to the Contributee of, and the Contributor does hereby grant to the Contributee, a first priority security interest (subject only to customary permitted liens) in all of the Contributor's right, title and interest in and to the Contributed Collateral Obligations and all amounts payable to the holders of the Contributed Collateral Obligations in accordance with the terms thereof and all proceeds of the conversion, voluntary or involuntary, of the foregoing into cash, instruments, securities or other property, whether in the form of cash, instruments,

securities or other property, to secure the prompt and complete payment of a loan deemed to have been made in an amount equal to the aggregate Contribution Value of the Contributed Collateral Obligations together with all of the other obligations of the Contributor hereunder; (iii) the possession by the Contributee (or the Trustee for the benefit of the Secured Parties) of Contributed Collateral Obligations and such other items of property as constitute instruments, money, negotiable documents or chattel paper shall be, subject to clause (iv), for purposes of perfecting the security interest pursuant to the UCC; and (iv) acknowledgements from persons holding such property shall be deemed acknowledgements from custodians, bailees or agents (as applicable) of the Contributee for the purpose of perfecting such security interest under applicable law. The parties further agree in such event that any assignment of the interest of the Contributor pursuant to any provision hereof shall also be deemed to be an assignment of any security interest created pursuant to the terms of this Agreement. The Contributor shall, to the extent consistent with this Agreement, take such actions as may be necessary to ensure that, if this Agreement were deemed to create a security interest in the Contributed Collateral Obligations, such security interest would be deemed to be a perfected security interest of first priority (subject only to customary permitted liens) under applicable law and will be maintained as such throughout the term of this Agreement. The Contributee 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, which rights and remedies shall be cumulative.

(c) It is the intention of each of the parties hereto that the Contributed Collateral Obligations Contributed by the Contributor to the Contributee pursuant to this Agreement shall constitute assets owned by the Contributee and shall not be part of the Contributor's estate in the event of the filing of a bankruptcy petition by or against the Contributor under any bankruptcy or similar law.

(d) The Contributee agrees to treat, and shall cause the Contributor to treat, for all purposes (other than for tax purposes), the transactions effected by this Agreement as contributions of assets to the Contributee in exchange for the issuance of the Preferred Interests to the Contributor and an increase in the capital account of the Contributor in the Contributee. The Contributor agrees to reflect in the Contributor's financial records and to include a note in the publicly filed annual and quarterly financial statements of the Contributor indicating that: (i) assets related to transactions that do not meet GAAP requirements for accounting sale treatment are reflected in the consolidated balance sheet of the Contributor within the "investments" line and are disclosed in the Contributor's schedule of investments, and (ii) those assets are owned by a special purpose entity that is consolidated in the financial statements of the Contributor, and the creditors of that special purpose entity have received ownership and/or security interests in such assets and such assets are not intended to be available to the creditors of the Contributor (or any affiliate of the Contributor other than the Contributee) of such assets to that special purpose entity.

(e) For purposes of complying with the requirements of the Asset-Backed Securities Facilitation Act of the State of Delaware, 6 Del. C. § 2701A, et seq. (the "Securitization Act"), each of the parties hereto hereby agrees that:

1. Any property, assets or rights purported to be contributed, in whole or in part, by the Contributor pursuant to this Agreement shall be deemed to no longer be the property, assets or rights of the Contributor;

2. None of the Contributor, its creditors or, in any insolvency proceeding with respect to the Contributor or the Contributor's property, a bankruptcy trustee, receiver, debtor in possession or similar person, to the extent the issue is governed by Delaware law, shall have any rights, legal or equitable, whatsoever to reacquire (except pursuant to a provision of this Agreement), reclaim, recover, repudiate, disaffirm, redeem or recharacterize as property of the Contributor any property, assets or rights purported to be contributed, in whole or in part, by the Contributor pursuant to this Agreement;

3. In the event of bankruptcy, receivership or other insolvency proceeding with respect to the Contributor or the Contributor's property, to the extent the issue is governed by Delaware law, such property, assets and rights shall not be deemed to be part of the Contributor's property, assets, rights or estate; and

4. The transactions contemplated by the indenture to be dated as of the date hereof between the Contributee and State Street Bank and Trust Company, as trustee (as the same may be supplemented or otherwise modified from time to time, the "Indenture") and any related transaction documents shall constitute a "securitization transaction" as such term is used in the Securitization Act.

Section 4. Representations and Warranties.

(a) Representations and Warranties of the Contributor. The Contributor hereby represents and warrants to the Contributee as of the date hereof that:

1. Organization and Good Standing. The Contributor has been duly formed, and is validly existing as a limited liability company in good standing under the laws of the jurisdiction of its formation.

2. Due Qualification. The Contributor is duly qualified to do business and is in good standing as a corporation, and has obtained all necessary qualifications, licenses and approvals, in all jurisdictions in which the ownership or lease of property or the conduct of its business requires such qualifications, licenses or approvals, except where the failure to receive such qualifications would not be reasonably expected to result in a material adverse effect on the Contributed Collateral Obligations or the ability of the Contributor to perform its obligations under this Agreement.

3. Power and Authority; Due Authorization; Execution and Delivery. The Contributor (i) has the corporate, partnership or company power and authority, as the case may be, to (a) execute and deliver this Agreement, and (b) perform its obligations under this Agreement, and (ii) has duly authorized, by all necessary limited liability company action the execution, delivery and performance of this Agreement and the transfer of the Contributed Collateral Obligations on the terms and conditions herein provided. This Agreement has been duly executed and delivered by the Contributor.

4. Binding Obligation. This Agreement constitutes a legal, valid and binding obligation of the Contributor enforceable against the Contributor in accordance with its respective terms, except as such enforceability may be limited by insolvency laws and by general principles of equity (whether considered in a suit at law or in equity).

5. No Violation. The consummation of the transactions contemplated by this Agreement and the fulfillment of the terms hereof 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 Contributor's organizational documents, or any material contractual obligation of the Contributor, (ii) result in the creation or imposition of any lien upon any of the Contributor's properties pursuant to the terms of any such material Contractual Obligation, other than this Agreement, or (iii) violate in any material respect any law applicable to the Contributor.

6. No Proceedings. There is no litigation, proceeding or investigation pending or, to the knowledge of the Contributor, threatened against the Contributor, before any applicable governmental 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 would reasonably be expected to have a material adverse effect on the Contributed Collateral Obligations or the ability of the Contributor to perform its obligations under this Agreement.

7. Consents. All approvals, authorizations, consents, orders, licenses or other actions of any person or of any governmental authority (if any) required for the due execution, delivery and performance by the Contributor of this Agreement have been obtained, except as otherwise contemplated herein. Other than any consents required to assign the Contributed Collateral Obligations to the Contributee pursuant to the underlying instruments with respect to the Contributed Collateral Obligations, each Contributed Collateral Obligation is not subject to any condition to or restriction on the ability of the holder thereof to sell, pledge, assign, or otherwise transfer such Contributed Collateral Obligation or to exercise or enforce the provisions thereof or of any document related thereto whether set forth in such Contributed Collateral Obligation itself or in any document related thereto, it being understood that any condition or restriction that, after giving effect to the applicable anti-assignment provisions of the UCC or other applicable law, is ineffective shall not itself negatively affect a determination of whether a Contributed Collateral Obligation is freely transferable.

8. Solvency. The Contributor is not the subject of any insolvency event. The Contributor is solvent and the transactions contemplated by this Agreement do not and will not render the Contributor not solvent.

9. Ownership of Contributed Collateral Obligations. Immediately prior to the transfer of the Contributed Collateral Obligations hereunder (and pursuant to the Distribution and Contribution Agreement with respect to the Contributed Collateral Obligations to be transferred from Carlyle GMS Finance SPV LLC), the Contributor owns and has good and marketable title to such Contributed Collateral Obligations. Upon the issuance of the Preferred Interests to the Contributor and the increase in the capital account of the Contributor in the Contributee by an amount equal to the value of the Contribution, the Contributee will receive such Contributed Collateral Obligations free and clear of any lien.

10. Location of Offices. The Contributor's location (within the meaning of Article 9 of the UCC) is set forth opposite the Contributor's name on Schedule II hereto, as may be supplemented from time to time. The Contributor has not changed its name (whether by amendment of its certificate of formation, by reorganization or otherwise) or its jurisdiction of organization and has not changed its location for purposes of the UCC within the four months preceding the date hereof.

11. Value Given. The Contributor has received reasonably equivalent value from the Contributee in consideration for the Contribution to the Contributee of each Contributed Collateral Obligations on the applicable Contribution Date as contemplated by this Agreement. No such transfer shall have been made for or on account of an antecedent debt of the Contributor or any of its affiliates to the Contributee. No such transfer is or may be voidable or subject to avoidance under any section of the bankruptcy code of the United States.

12. Special Purpose Entity. The Contributee is an entity with assets and liabilities separate and distinct from those of the Contributor and any other affiliates thereof, and the Contributor hereby acknowledges that the Contributee and the other parties to the transactions contemplated by the Indenture are entering into the transactions contemplated thereby in reliance upon the identity of the Contributee as a legal entity that is separate from the Contributor and from each other affiliate of the Contributor.

The representations and warranties in this Section shall survive the termination of this Agreement and the Contribution of any Contributed Collateral Obligations to the Contributee. Upon discovery by the Contributor or the Contributee 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 immediately upon obtaining knowledge of such breach.

(b) Representations and Warranties of the Contributee. The Contributee hereby represents and warrants to the Contributor as of the date hereof that:

1. Organization and Good Standing. The Contributee has been duly formed, and is validly existing as a limited liability company, in good standing under the laws of the State of Delaware.

2. Due Qualification. The Contributee is duly qualified to do business and is in good standing as a limited liability company, and has obtained all necessary qualifications, licenses and approvals in all jurisdictions in which the ownership or lease of property or the conduct of its business requires such qualifications, licenses or approvals, except where the failure to obtain such approvals or licenses would not be reasonably expected to result in a material adverse effect on the Contributee or the ability of the Contributee to perform its obligations under this Agreement.

3. Power and Authority; Due Authorization; Execution and Delivery. The Contributee has the power and authority to execute and deliver this Agreement and to carry out the terms of this Agreement, and has duly authorized by all necessary action the execution, delivery and performance of this Agreement and the receipt of the Contributed Collateral Obligations on the terms and conditions herein provided. This Agreement has been duly executed and delivered by the Contributee.

4. Binding Obligation. This Agreement constitutes a legal, valid and binding obligation of the Contributee enforceable against the Contributee in accordance with its terms, except as such enforceability may be limited by insolvency laws and by general principles of equity (whether considered in a suit at law or in equity).

5. No Violation. The consummation of the transactions contemplated by this Agreement, and the fulfillment of the terms hereof 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 Contributee's organizational documents or any contractual obligation of the Contributee, (ii) result in the creation or imposition of any lien upon any of the Contributee's properties pursuant to the terms of any such material Contractual Obligation, other than this Agreement or (iii) violate any law applicable to Contributee.

6. No Proceedings. There is no litigation, proceeding or investigation pending or, to the knowledge of the Contributee, threatened against the Contributee, before any applicable governmental 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 material adverse effect on the Contributee.

7. Consents. All approvals, authorizations, consents, orders, licenses or other actions of any person or of any governmental authority (if any) required for the due execution, delivery and performance by the Contributee of this Agreement have been obtained, except as otherwise contemplated herein, or where the failure to obtain such approvals, authorizations, consents, orders or licenses would not be reasonably expected to result in a material adverse effect on the Contributee.

8. Value Given. The Contributee has given reasonably equivalent value to the Contributor in consideration for the Contribution to the Contributee of the Contributed Collateral Obligations as contemplated by this Agreement, no such transfer has been made for or on account of an antecedent debt owed by the Contributor or any of its affiliates to the Contributee, and no such transfer is or may be voidable or subject to avoidance as to the Contributee under any section of the bankruptcy code of the United States.

9. Solvency. The Contributee is not the subject of any insolvency event. The Contributee is solvent and the transactions contemplated by this Agreement do not and will not violate Section 18-607 of the Delaware Limited Liability Company Act or render the Contributee not solvent.

Section 5. Miscellaneous.

(a) Amendments. This Agreement may be amended or modified only by a written instrument executed by all parties hereto.

(b) Governing Law. 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, EXCEPT THAT SECTIONS 1 AND 3 HEREOF SHALL, IN ACCORDANCE WITH 6 DEL. C. §2708, BE GOVERNED BY THE LAWS OF THE STATE OF DELAWARE. 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.

(c) Consent to Jurisdiction; Service of Process. Each party hereto hereby irrevocably submits to the non-exclusive jurisdiction of any New York State or Federal court sitting in New York City in any action or proceeding arising out of or relating to this Agreement, and each party hereto hereby irrevocably agrees that all claims in respect of such action or proceeding may be heard and determined in such New York State court or, to the extent permitted by law, in such Federal court. The parties hereto hereby irrevocably waive, to the fullest extent they may effectively do so, the defense of an inconvenient forum to the maintenance of such action or proceeding. The parties hereto agree 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. In addition, each of the parties hereto hereby irrevocably and unconditionally agrees (a) to be subject to the non-exclusive jurisdiction of the courts of the State of Delaware and of the federal courts sitting in the State of Delaware, and (b) (1) to the extent such party is not otherwise subject to service of process in the State of Delaware, to appoint and maintain an agent in the State of Delaware as such party's agent for acceptance of legal process, and (2) that, to the fullest extent permitted by applicable law, service of process may also be made on such party by prepaid certified mail with a proof of mailing receipt validated by the United States Postal Service constituting evidence of valid service, and that service made pursuant to (b) (1) or (2) above shall, to the fullest extent permitted by applicable law, have the same legal force and effect as if served upon such party personally within the State of Delaware.

(d) Headings. The section headings contained in this Agreement are inserted for convenience only and shall not affect in any way the meaning or interpretation of this Agreement. Each of the Schedules and Exhibits to this Agreement are hereby incorporated into and made a part of this Agreement.

(e) Counterparts. This Agreement may be executed in any number of multiple counterparts, each of which shall be deemed to be an original copy and all of which shall constitute one agreement, binding on all parties hereto. Delivery of an executed counterpart of a signature page to this Agreement by facsimile shall be effective as delivery of a manually executed counterpart of this Agreement.

(f) Successor and Assigns. This Agreement shall be binding upon, shall inure to the benefit of, and shall be enforceable by the parties hereto and their respective legal representatives, successors and permitted assigns.

(g) Further Assurances. Each of the parties hereto does hereby covenant and agree on behalf of itself, its legal representatives, successors and permitted assigns, without further consideration, to prepare, execute, acknowledge, file, record, publish, and deliver such other instruments, documents and statements, and to take such other action as may be required by law or reasonably necessary to carry out the purposes of this Agreement.

(h) Severability. In the event that any provision of this Agreement as applied to any party or to any circumstance shall be adjudged by a court to be void, unenforceable or inoperative as a matter of law, then the same shall in no way affect any other provision in this Agreement, the application of such provision in any other circumstance or with respect to any other party, or the validity of enforceability of this Agreement as a whole

(i) Bankruptcy Non-Petition and Limited Recourse; Claims. The Contributor hereby agrees that it will not institute against, or join any other person in instituting against, the Contributee, any bankruptcy, reorganization, arrangement, insolvency, winding-up, moratorium or liquidation proceedings or other proceedings under U.S. federal or state bankruptcy or similar laws 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 Securities (as defined in the Indenture), between the Contributee and State Street Bank and Trust Company, a trust company organized under the laws of the Commonwealth of Massachusetts, provided, however, that nothing in this clause (i) shall preclude, or be deemed to estop, the Contributor (A) from taking any action prior to the expiration of the applicable preference period in (x) any case or proceeding voluntarily filed or commenced by the Contributee, as the case may be, or (y) any involuntary insolvency proceeding filed or commenced against the Contributee, as the case may be, by a person other than the Contributor or any of its affiliates that has entered into an agreement with the Contributor similar to this Section 5(i), or (B) from commencing against the Contributee, or any properties of the Contributee, any legal action which is not a bankruptcy, reorganization, arrangement, insolvency, winding-up, moratorium or liquidation proceeding.

(Signature Page Follows)

IN WITNESS WHEREOF, the parties hereto have duly executed this Agreement as of the date first set forth above.

CARLYLE GMS FINANCE, INC., as Contributor

By: /s/ Orit Mizrachi
Name: Orit Mizrachi
Title: Chief Operating Officer

CARLYLE GMS FINANCE MM CLO 2015-1 LLC, as Contributee

By: /s/ Donald J. Puglisi

Schedule I

Loan List

Carlyle GMS Finance MM CLO 2015-1
Contribution from Carlyle GMS Finance, Inc.

Issuer/Borrower Name	Tranche	Maturity	Par	Purchase Price	Purchase Proceeds
Access CIG, LLC	First Lien	10/17/2021	10,000,000.00	100.25%	10,025,000.00
AF Borrower LLC (Accuvant)	First Lien	1/28/2022	12,000,000.00	100.04%	12,004,800.00
Allied Security Holdings LLC	Second Lien	8/14/2021	3,600,000.00	100.29%	3,610,440.00
Alpha Packaging Holdings, Inc.	First Lien	5/12/2020	8,000,000.00	98.21%	7,856,800.00
Anaren, Inc.	First Lien	02/18/2021	8,000,000.00	98.75%	7,900,000.00
Audax AAMP Holdings, Inc.	First Lien	6/24/2017	8,000,000.00	100.00%	8,000,000.00
Berlin Packaging L.L.C.	Second Lien	10/1/2022	3,600,000.00	101.25%	3,645,000.00
Blue Bird Body Company	First Lien	06/27/2020	8,000,000.00	96.35%	7,708,000.00
Brooks Equipment Company, LLC	First Lien	8/29/2020	6,705,747.12	99.61%	6,679,594.71
Capstone Logistics Acquisition, Inc.	First Lien	10/07/2021	8,000,000.00	98.28%	7,862,400.00
Castle Management Borrower LLC (Highgate Hotels L.P.)	First Lien	09/18/2020	6,803,000.00	97.23%	6,614,556.90
Castle Management Borrower LLC (Highgate Hotels L.P.)	Delayed Draw Term Loan	09/18/2020	1,197,000.00	97.23%	1,163,843.10
Central Security Group, Inc.	First Lien	10/06/2020	8,000,000.00	98.01%	7,840,800.00
Charter NEX US Holdings, Inc	Second Lien	2/5/2023	3,600,000.00	96.96%	3,490,560.00
Consolidated Aerospace Manufacturing, LLC	First Lien	3/27/2020	5,202,321.84	98.25%	5,111,281.21
Coyote Logistics, LLC	First Lien	3/26/2022	12,000,000.00	99.84%	11,980,800.00
CRCI Holdings, Inc. (CLEAResult Consulting, Inc.)	First Lien	07/10/2019	4,955,000.00	98.68%	4,889,594.00
Dent Wizard International Corporation	First Lien	4/7/2020	7,000,000.00	98.94%	6,925,800.00
Diversitech Corporation	Second Lien	11/19/2022	3,600,000.00	95.73%	3,446,280.00
DTZ U.S. Borrower, LLC	First Lien	11/5/2021	6,563,550.01	98.84%	6,487,412.83
DTZ U.S. Borrower, LLC	Delayed Draw Term Loan	11/5/2021	1,436,449.99	98.84%	1,419,787.17
EP Minerals, LLC	First Lien	08/20/2020	8,000,000.00	99.67%	7,973,600.00
FCX Holdings Corp.	First Lien	8/4/2020	8,000,000.00	98.49%	7,879,200.00
Genex Holdings, Inc.	First Lien	05/30/2021	4,275,384.62	98.76%	4,222,369.85
Genoa, A QoL Healthcare Company, LLC	Second Lien	4/30/2023	3,600,000.00	97.08%	3,494,880.00
Green Energy Partners/Stonewall LLC	First Lien	11/13/2021	8,300,000.00	101.00%	8,383,000.00
Indra Holdings Corp. (Totes Isotoner)	First Lien	5/1/2021	12,000,000.00	97.96%	11,755,200.00
Institutional Shareholder Services, Inc.	Second Lien	4/30/2022	3,600,000.00	94.54%	3,403,440.00
Jazz Acquisition, Inc. (Wencor)	Second Lien	6/19/2022	3,600,000.00	96.00%	3,456,000.00
Landslide Holdings, Inc. (LANDesk Software)	Second Lien	2/25/2021	3,500,000.00	93.06%	3,257,100.00
Miller Heiman, Inc.	First Lien	09/30/2019	8,000,000.00	97.27%	7,781,600.00
MSX International, Inc.	First Lien	08/21/2020	8,000,000.00	100.78%	8,062,400.00
National Technical Systems, Inc.	First Lien	6/12/2021	8,000,000.00	99.00%	7,920,000.00
NES Global Talent Finance US LLC	First Lien	10/3/2019	8,000,000.00	97.63%	7,810,400.00
Novetta, LLC	First Lien	10/02/2020	8,000,000.00	99.08%	7,926,400.00
Paradigm Acquisition Corp	First Lien	6/2/2022	10,000,000.00	99.11%	9,911,000.00
Pelican Products, Inc.	First Lien	04/11/2020	6,876,956.77	98.62%	6,782,054.76
Phillips-Medisize Corporation	Second Lien	6/16/2022	3,600,000.00	99.63%	3,586,680.00
Plano Molding Company, LLC	First Lien	5/12/2021	12,000,000.00	100.16%	12,019,200.00
PSC Industrial Holdings Corp.	First Lien	12/05/2020	8,000,000.00	99.00%	7,920,000.00
SolAero Technologies Corp. (Emcore)	Incremental Term Loan	12/10/2020	9,400,000.00	99.59%	9,361,460.00
Synarc-Biocore Holdings, LLC	First Lien	03/10/2021	10,000,000.00	98.12%	9,812,000.00
Systems Maintenance Services Holding, Inc.	First Lien	10/18/2019	2,209,322.04	98.52%	2,176,624.07
TASC, Inc.	First Lien	5/23/2020	8,000,000.00	100.94%	8,075,200.00
Teaching Strategies, LLC	First Lien	10/1/2019	8,000,000.00	99.22%	7,937,600.00
The Hygenic Corporation (Performance Health)	First Lien	10/11/2020	10,000,000.00	99.80%	9,980,000.00
The SI Organization, Inc.	First Lien	11/23/2019	6,575,267.61	100.38%	6,600,253.63
The Topps Company, Inc.	First Lien	10/02/2018	8,000,000.00	100.00%	8,000,000.00
TruckPro, LLC	First Lien	8/6/2018	8,000,000.00	99.76%	7,980,800.00
U.S. Farathane, LLC	First Lien	12/23/2021	8,000,000.00	100.27%	8,021,600.00
Vetcor Professional Practices LLC	First Lien	4/20/2021	7,000,000.00	99.77%	6,983,900.00
Violin Finco S.A.R.L (Alexander Mann Solutions)	First Lien	12/20/2019	8,000,000.00	100.00%	8,000,000.00
Vitera Healthcare Solutions, LLC	First Lien	11/04/2020	8,000,000.00	99.85%	7,988,000.00
Watchfire Enterprises, Inc.	Second Lien	10/2/2021	3,600,000.00	95.81%	3,449,160.00
Zest Holdings, LLC	First Lien	08/16/2020	8,000,000.00	100.38%	8,030,400.00

Schedule II

Seller	Location
Carlyle GMS Finance, Inc.	Maryland

Exhibit A

Master Participation Agreement

MASTER PARTICIPATION AGREEMENT FOR PAR/NEAR PAR TRADES

TRANSACTION SPECIFIC TERMS

THIS MASTER PARTICIPATION AGREEMENT FOR PAR/NEAR PAR TRADES is dated as of the Agreement Date and entered into by and between Seller and Buyer to govern the purchase and sale of the Participation in the Loans, the Commitments (if any) and the other Transferred Rights, in accordance with the terms, conditions and agreements set forth in Annex A hereto (the "Standard Terms"). The Standard Terms are incorporated herein by reference without any modification whatsoever except as specifically supplemented and modified by the terms and elections set forth in the Transaction Summary and Sections A through H below. The Standard Terms and the Transaction Specific Terms together constitute a single integrated Master Participation Agreement for Par/Near Par Trades governing the Transaction. With respect to the Transaction, the Parties agree to be bound by the Standard Terms and the Transaction Specific Terms set forth herein.

TRANSACTION SUMMARY

Trade Date:	**June 26, 2015**
Agreement Date:	**June 26, 2015**
Seller:	**Carlyle GMS Finance, Inc.**
Buyer:	**Carlyle GMS Finance MM CLO 2015-1 LLC**
Set-Off Applicable (Y/N):	**N**

SEE SCHEDULE 1 FOR ADDITIONAL TERMS

A. DEFINITIONS

Capitalized terms used in this Agreement shall have the respective meanings ascribed thereto in Section 1 of the Standard Terms, as supplemented by Section A of the Transaction Specific Terms and as otherwise may be provided in other provisions of this Agreement. Terms defined in a Credit Agreement and not otherwise defined in this Agreement shall have the same meanings in this Agreement with respect to the relevant part of the Participation as in such Credit Agreement. Except as otherwise expressly set forth herein, each reference herein to "the Agreement," "this Agreement," "herein," "hereunder" or "hereof" shall be deemed a reference to this Agreement. If there is any inconsistency between the Transaction Specific Terms and the Standard Terms, the Transaction Specific Terms shall govern and control.

In this Agreement:

"Agent" with respect to any Credit Agreement means the Administrative Agent or other comparable Agent specified in Schedule 1 with respect to such Credit Agreement.

"Assignment" with respect to any Credit Agreement means the applicable document form specified in Schedule 1 with respect to such Credit Agreement that is in the form specified in such Credit Agreement for an assignment of the Loans and Commitments (if any) and any Elevation Required Consents to such assignment, as well as any other relevant assignment or consent documents required under such Credit Agreement, as specified in Schedule 1 with respect to such Credit Agreement.

"Commitments" means the commitment tranche(s), and in the principal amount(s), specified in Schedule 1 with respect to each Credit Agreement.

"Elevation Required Consents" with respect to each Credit Agreement means the consent(s), acknowledgement(s) and/or notice(s) (if any) required by the relevant Transaction Documents to assign the relevant Transferred Rights in connection with an Elevation, as specified in Schedule 1 with respect to such Credit Agreement.

"Elevation Transfer Fee" with respect to each Credit Agreement means the transfer or other similar fee payable to the relevant Agent in connection with the Assignment submitted in connection with an Elevation (if any), as specified in Schedule 1 with respect to such Credit Agreement.

"Loans" means the loan tranche(s), and in the outstanding principal amount(s), specified in Schedule 1 with respect to each Credit Agreement.

"Participation Required Consents" with respect to each Credit Agreement means the consent(s), acknowledgement(s) and/or notice(s) required by the relevant Transaction Documents to grant a participation in the Transferred Rights, as specified in Schedule 1 with respect to such Credit Agreement.

"Participation Transfer Fee" means the transfer fee (if any) set forth in Section E.1 payable to Seller in connection with the assignment by Buyer of all or any portion of the Participation, subject to Section 10.1 of the Standard Terms and Conditions.

"Unfunded Commitments" means that part of the Commitments that has not been funded in the form of loans, advances, letter of credit disbursements, and in the principal amounts, specified in Schedule 1 with respect to each Credit Agreement including, if any, issued and undrawn letters of credit in the principal amount specified in Schedule 1 with respect to such Credit Agreement and any other Unfunded Commitments that may still be drawn as specified in Schedule 1 with respect to such Credit Agreement, not including any portion of the Unfunded Commitments that is irrevocably "frozen" (i.e., that is not subject to future drawing).

B. SECTION 5 (BUYER'S REPRESENTATIONS AND WARRANTIES)

If "Yes" is specified under "Delivery of Credit Documents" in the Transaction Summary with respect to a Credit Agreement, Buyer represents and warrants that it (i) was not a Lender on the Trade Date under such Credit Agreement and (ii) requested copies of the Credit Documents in relation to such Credit Agreement from Seller on or prior to the Trade Date.

C. SECTION 8 (DISTRIBUTIONS: INTEREST AND FEES; PAYMENTS; COMMITMENT REDUCTIONS)

C.1 Section 8.3 (Wire Instructions).

Buyer's Wire Instructions:

Bank Name: State Street Corporation
ABA #: 011-000-028
Credit Account #: 10627966
Account Name: CGMS Finance MM CLO 2015-1 LLC
Ref: "Loan Name / Type of Payment"

Seller's Wire Instructions:

Bank Name: State Street
ABA #: 011-000-028
Account #: 10168441
Account Name: Carlyle GMS Finance Inc.
Ref: CRCO

C.2 Section 8.7 (Set-Off).

If "Yes" is specified under "Set-Off" in the Transaction Summary, clause (i) of the proviso to the second sentence of Section 8.7 shall apply.

D. SECTION 9 (NOTICES; RECORDS)

Buyer's Address for Notices and Delivery:

520 Madison Avenue
New York, New York 10022
Attention: Orit Mizrachi
Telephone: (212) 813-4508
Facsimile: (212) 813-4393
Electronic Mail Address: orit.mizrachi@carlyle.com

with a copy to

c/o Carlyle GMS Investment Management L.L.C.
520 Madison Avenue
New York, New York 10022
Attention: Orit Mizrachi
Telephone: (212) 813-4508
Facsimile: (212) 813-4939
Electronic Mail Address: orit.mizrachi@carlyle.com

Seller's Address for Notices and Delivery:

c/o Carlyle GMS Finance, Inc.
520 Madison Avenue
38th Floor
New York, NY 10022
Attention: Orit Mizrachi
Telephone: (212) 813-4508
Facsimile: (212) 813-4393
Electronic Mail Address: orit.mizrachi@carlyle.com

E. SECTION 10 (FURTHER TRANSFERS)

E.1 Select one:

☒ There is no Participation Transfer Fee.

☐ There is a Participation Transfer Fee, in the amount of $/£/€ _____.

F. SECTION 11 (VOTING)

F.1 "Voting" select one with respect to all Transferred Rights:

☒ Buyer shall have voting rights with respect to all Transferred Rights, subject to Section 11.1(a) of the Standard Terms and Conditions.

☐ Buyer shall have no voting rights in respect of any Transferred Rights, subject to Section 11.1(b) of the Standard Terms and Conditions, except with respect to the following matters:

F.2 With respect to all Transferred Rights and Assumed Obligations, for purposes of determining the Majority Holders or Majority Claims Holders pursuant to Section 11.1(a) of the Standard Terms and Conditions:

☐ the interests or claims held by Seller for its own account shall be counted;

☒ the interests or claims held by Seller for its own account shall not be counted;

AND

☐ the interests or claims held by Affiliates of Seller shall be counted.

☒ the interests or claims held by Affiliates of Seller shall not be counted.

G. SECTION 15 (ELEVATION)

G.1 Select one:

☒ Any Elevation Transfer Fee shall be paid as follows:

☐ Such Elevation Transfer Fee shall be paid by Seller to the Agent and Buyer shall reimburse Seller in an amount equal to

☐ one-half thereof.

☐ [other relevant fraction or percentage] thereof.

☒ Such Elevation Transfer Fee shall be paid by Buyer to the Agent and Seller shall reimburse Buyer in an amount equal to

☐ one-half thereof.

☒ [other relevant fraction or percentage] 100% thereof.

H. SECTION 31 (FURTHER PROVISIONS)

H.1 Notwithstanding any other provision of this Agreement, the Seller hereby acknowledges and agrees that all obligations from time to time and at any time of the Buyer arising out of or in connection herewith shall constitute limited recourse obligations of the Buyer, payable solely from the assets of the Buyer available at such time. Upon realization of such assets of the Buyer and their reduction to zero, all unpaid or unsatisfied claims against the Buyer arising out of or in connection herewith shall be deemed to be extinguished and shall not thereafter revive. No party shall have any claim for any shortfall upon realization of such assets of the Buyer and their reduction to zero. The Seller will have no recourse to any of the directors, officers, employees, shareholders, members, governors, agents or affiliates of the Buyer with respect to any claims, losses, damages, liabilities, indemnities or other obligations in connection with any transactions contemplated hereby. The Seller agrees that it will not petition a court, or take any action or commence any proceedings for the liquidation or the winding-up of the Buyer or any other bankruptcy or insolvency proceedings with respect to the Buyer until one year (or, if longer, the preference period then in effect) and one day after the later of the termination of this Agreement or the date on which the final payment has been made in respect of the Buyer's rated securities. The provisions of this Section H.1 shall survive the termination of this Agreement.

H.2 Notwithstanding any other provision of this Agreement, the Buyer hereby acknowledges and agrees that all obligations from time to time and at any time of the Seller arising out of or in connection herewith shall constitute limited recourse obligations of the Seller, payable solely from the assets of the Seller available at such time. Upon realization of such assets of the Seller and their reduction to zero, all unpaid or unsatisfied claims against the Seller arising out of or in connection herewith shall be deemed to be extinguished and shall not thereafter revive. No party shall have any claim for any shortfall upon realization of such assets of the Seller and their reduction to zero. The Buyer will have no recourse to any of the directors, officers, employees, shareholders, members, governors, agents or affiliates of the Seller with respect to any claims, losses, damages, liabilities, indemnities or other obligations in connection with any transactions contemplated

hereby. The Buyer agrees that it will not petition a court, or take any action or commence any proceedings for the liquidation or the winding-up of the Seller or any other bankruptcy or insolvency proceedings with respect to the Seller until one year (or, if longer, the preference period then in effect) and one day after the later of the termination of this Agreement or the date on which the final payment has been made in respect of the Seller's rated securities. The provisions of this Section H.2 shall survive the termination of this Agreement.

H.3 (a) Notwithstanding the other terms and conditions of this Agreement, including Section 18, Buyer consents to the disclosure by Seller of this Agreement to SunTrust Bank, as administrative agent under the Senior Secured Revolving Credit Agreement (as amended or modified, the "Seller Financing Agreement") among Seller, as borrower, the Lenders party thereto, and SunTrust Bank, as administrative agent (the "Administrative Agent").

(b) Notwithstanding the other terms and conditions of this Agreement, including Section 18, Seller consents to the disclosure by Buyer of this Agreement to State Street Bank and Trust Company, as Trustee under the Indenture dated as of July 26, 2015 (as amended or modified, the Buyer Indenture) among Buyer and State Street Bank and Trust Company.

H.4 Elevation. Section 15 of the Standard Terms is hereby amended and restated as follows:

> Subject to the terms and provisions of the Credit Documents and any applicable law or regulation, each Party agrees to take such actions as are necessary (including obtaining all Elevation Required Consents (if any)), as soon as reasonably practicable, to cause Buyer or any actual or prospective transferee or subparticipant with respect to all or any portion of the Participation (any such Entity or Buyer, a "Permitted Assignee") to become a Lender under the Credit Agreement with respect to all or any part of the Transferred Rights (an "Elevation"; and the date on which such Permitted Assignee becomes a Lender under the Credit Agreement, the "Elevation Date"); provided that, (x) if any Funding Advance or other fees or amounts shall then be due and payable or any other obligations are due and owing to Seller by Buyer, the Elevation will not be permitted, and (y) if an Elevation would contravene any law, rule, order or regulation applicable to either Party, the Elevation will not be permitted. Upon the Elevation Date, to the extent of such Elevation, (i) Buyer shall assume all of the Assumed Obligations, (ii) Seller shall have no further responsibility in respect of such Assumed Obligations and (iii) this Agreement shall terminate except as provided in the last sentence of Section 16. At the time of Elevation, Buyer and Seller shall each pay its applicable share of any applicable Elevation Transfer Fee, as specified in Section G.1 of the Transaction Specific Terms. Notwithstanding the foregoing, the occurrence of an Elevation shall not affect (a) each Party's rights or obligations under this Agreement, (b) the indemnities set forth in Section 6, in each case arising on or before the Elevation Date, including, without limitation, any rights or obligations relating to a Party's breach of any of

its representations, warranties, covenants or agreements hereunder, (c) Seller's obligation to deliver to Buyer any Distributions (whether received before, on or after the Elevation Date) pursuant to Section 8 of this Agreement or (d) either Party's right to reimbursement of Agent Expenses pursuant to Section 7.1.

H.5 Grant of Security. To secure its obligations under this Agreement, Seller hereby pledges, assigns and grants to Buyer a continuing security interest in, lien on and right of set-off against, all of its right, title and interest (if any), whether now owned or hereafter acquired, in, to and under each Loan and the Transferred Rights subject to this Agreement and all proceeds thereof whether now existing or hereafter arising (collectively, the "Collateral"). Seller hereby represents that (x) the creation and perfection of the forgoing security interests by Seller are within its corporate powers and have been duly authorized by all necessary corporate and, if required, stockholder action; and (y) the foregoing security interests constitute valid and (subject to the filing of a financing statement in accordance with the Uniform Commercial Code as in effect in the State of Delaware (in the form attached hereto as Schedule 2) in the Filing Office of the State of Delaware) perfected first priority security interests in the Collateral securing the Seller's obligations under this Agreement. Notwithstanding the foregoing grant, Seller acknowledges and agrees that it has not retained any beneficial or equitable interest in the Loans that are being transferred to Buyer pursuant to and are the subject of this Agreement.

H.6 Events of Default; Remedies. Upon (i) the failure of Seller to comply with or perform any agreement or obligation to be complied with or performed by Seller in accordance with this Agreement, which failure has not been cured within five Business Days (or two Business Days for a failure to deliver Distributions) of Seller having been so notified by Buyer; (ii) a representation made or repeated or deemed to have been made or repeated by Seller in this Agreement proves to have been incorrect or misleading in any material respect; (iii) Seller (1) becomes insolvent or is unable to pay its debts as they become due; (2) makes a general assignment, arrangement or composition with or for the benefit of its creditors; (3) institutes or has instituted against it a proceeding seeking a judgment of insolvency or bankruptcy or any other relief under any bankruptcy or insolvency law or other similar law affecting creditors' rights, or a petition is presented for its winding-up or liquidation, and, in the case of any such proceeding or petition instituted or presented against it, such proceeding or petition (A) results in a judgment of insolvency or bankruptcy or the entry of an order for relief or the making of an order for its winding-up or liquidation or (B) is not dismissed, discharged, stayed or restrained in each case within 30 days of the institution or presentation thereof; (4) has a resolution passed for its winding-up, official management or liquidation; (5) seeks or becomes subject to the appointment of an administrator, provisional liquidator, conservator, receiver, trustee, custodian or other similar official for it or for all or substantially all its assets; (6) has a secured party (other than the Buyer) take possession of all or substantially all its assets or has a distress, execution, attachment, sequestration or other legal process levied, enforced or sued on or against all or substantially all its assets and such secured party maintains possession, or any such process is not dismissed, discharged, stayed or restrained, in each case within 30 days thereafter; (7) causes or is subject to any event with respect to it which, under the applicable laws of any jurisdiction, has an analogous effect to any of the events specified in clauses (1)

through (6); or (8) takes any action in furtherance of, or indicating its consent to, approval of, or acquiescence in, any of the foregoing acts; or (iv) Seller disaffirms, disclaims, repudiates or rejects, in whole or in part, or challenges the validity of, its pledge of Collateral or its other obligations hereunder (any of the foregoing, an "Event of Default"), Buyer may exercise (or cause its agents or co-agents, if any, to exercise) any or all of the remedies available to it (or to such agents or co-agents) under this Agreement or applicable law. Without limiting the generality of the foregoing, if an Event of Default shall have occurred and be continuing, Buyer may exercise, in addition to all other rights and remedies given by law or this Agreement, all the rights and remedies of a secured party under the UCC (whether or not in effect in the jurisdiction where such rights are exercised and whether or not the UCC applies to the affected Collateral) with respect to any Collateral. Seller agrees that it will execute and deliver such documents and take such other action as Buyer deems necessary or advisable in order that any such sale or other disposition may be made in compliance with law.

H.7 Covenant to Maintain Existence. Seller hereby agrees to not wind-up, liquidate or dissolve at any time prior to the termination of this Agreement in accordance with Section 15 and/or Section 16 of the Standard Terms.

H.8 Reserved.

H.9 Other Undertakings. Seller hereby covenants or represents, as applicable, as of the Settlement Date and, where specifically indicated, the Agreement Date, that:

(i) as of the date hereof it will not grant, and has not granted, any liens on the Participations other than the lien provided herein or under the Seller Financing Agreement;

(ii) it shall maintain the necessary service providers and have sufficient funds to pay for the expenses related to elevating each of the Participations, to continue its existence and to effect the duties and obligations of Seller as provided herein, in each case until the termination of this Agreement in accordance with Section 15 and/or Section 16 of the Standard Terms;

(iii) [Reserved];

(iv) The Loans, the Commitments and the Transferred Rights have been, upon payment of the Purchase Price, released from the lien of the Administrative Agent under the Seller Financing Agreement and the Seller will cause all Distributions to be paid to the account of the Buyer within one Business Day of receipt thereof;

(v) Other than as granted to the Buyer and as released by the Administrative Agent on the date of this Agreement, there is no charge, pledge or lien or other security interest in any Loan or Participation subject to this Agreement;

(vi) The Purchase Price paid by Buyer to Seller for the Participation represents the amount agreed to by the Buyer and the Seller as of the date of determination thereof;

(vii) [Reserved];

(viii) (i) Seller has not instituted, and Seller does not have pending against it, a proceeding seeking a judgment of its insolvency or bankruptcy or any other relief under any bankruptcy or insolvency law or other similar law affecting creditors' rights; and Seller does not have a petition presented for its winding-up or liquidation; (ii) Seller has not and will not sell the Participation or otherwise transfer an interest in the Loans in contemplation thereof or to prevent the application of its assets in the manner described in the Bankruptcy Code or any other applicable insolvency law, and (iii) Seller is not selling the Participation to Buyer with an intent to hinder or delay payment to or defraud the creditors of Seller;

(ix) There are no agreements, arrangements or understandings, written or otherwise, with respect to the Loans or the Transferred Rights, other than the Transaction Documents, the Contribution Agreement, the Distribution and Contribution Agreement, the Multilateral Agreement and this Agreement;

(x) Seller does not have the right under this Agreement, nor will Seller attempt in any way, to take any unilateral action to modify or alter the terms of any transfer of the Loans and Transferred Rights subsequent to the Settlement Date;

(xi) No provision exists whereby the Purchase Price will be modified subsequent to the Settlement Date;

(xii) There are no guarantees, keep-well arrangements, collateral security or other arrangements involving Seller which have the effect of a recourse provision against Seller with respect to the Transaction;

(xiii) Seller will exercise its rights related to the Loans, the Commitments and the Transferred Rights in a manner consistent with this Agreement and with the Buyer Indenture and will not consent, directly or indirectly, to any proposed amendment or modification of the Credit Documents to the extent such amendment or modification would be prohibited pursuant to the terms of the Buyer Indenture;

(xiv) Seller will not take any action inconsistent with Buyer's ownership of the Participation or, upon Elevation, the Loans. If a third party, including a potential purchaser of the Loans, should inquire with respect to any Loan which has not been elevated, Seller will disclose that the Participation has been sold to Buyer and will claim no beneficial interest in the Loans;

(xv) On the date hereof and after giving effect to the Transaction, Seller is solvent, and has adequate capital or assets to carry on its business;

(xvi) The transfer of the participation interest in and to the Loans pursuant to this Agreement constitutes an arm's length secondary market transaction customary for syndicated leveraged loans; and

(xvii) Upon consummation of the transfer of the respective Participations in each Loan on the date hereof, Seller acknowledges that it is not the beneficial owner of any Loan, has no right to any Distributions and is not liable for failure by any underlying obligor to make any payment on any Loan.

H.10 Seller and Buyer Acknowledgement. Seller and Buyer hereby understand and acknowledge, ratify and consent to (i) the role of the collateral manager of the Buyer as the investment advisor of the Seller and (ii) waive any conflicts or potential conflicts arising out of or related thereto.

IN WITNESS WHEREOF, Seller and Buyer have executed this Agreement by their duly authorized officers or representatives as of the Agreement Date.

SELLER

CARLYLE GMS FINANCE, INC.

By: _____
Name:
Title:

BUYER

CARLYLE GMS FINANCE MM CLO 2015-1, LLC

By: _____
Name:
Title:

Annex A

Standard Terms

MASTER PARTICIPATION AGREEMENT FOR PAR/NEAR PAR TRADES

STANDARD TERMS AND CONDITIONS

The following shall govern the Transaction described in the Transaction Specific Terms.

1. **Definitions**

1.1 General. Capitalized terms used in this Agreement shall have the respective meanings ascribed thereto in Section 1 of the Standard Terms, as supplemented by Section A of the relevant Transaction Specific Terms, and as otherwise may be provided in other provisions of this Agreement. Terms defined in a Credit Agreement and not otherwise defined in this Agreement shall have the same meanings in this Agreement with respect to the relevant part of the Participation as in such Credit Agreement. Except as otherwise expressly set forth herein, each reference herein to "the Agreement," "this Agreement," "herein," "hereunder" or "hereof" shall be deemed a reference to this Agreement. If there is any inconsistency between the Transaction Specific Terms and the provisions of the Standard Terms, the Transaction Specific Terms shall govern and control.

1.2 In this Agreement:

"**Act**" has the meaning specified in Section 11.1 (a).

"**Adequate Protection Order**" means any order of the relevant bankruptcy court authorizing or ordering any Borrower or any Obligor(s) to make adequate protection payments to the Lenders under the related Credit Agreement.

"**Adequate Protection Payments**" means, with respect to the Transferred Rights, amounts (other than PIK Interest) authorized and/or ordered to be paid as adequate protection for the loans and obligations owed under a Credit Agreement pursuant to an Adequate Protection Order that accrue during the period before (but excluding) the earlier of (a) the Settlement Date and (b) the Commencement Date.

"**Affiliate**" means "affiliate" as defined in either (a) Bankruptcy Code §101(2) or (b) Rule 144 of the Securities Act.

"**Agent Expenses**" means any costs, liabilities, losses, claims, damages, and expenses incurred by, and any indemnification claims of, any Agent, for which such Agent has recourse under the Credit Documents and that are attributable or allocable to the Transferred Rights.

"**Agreement**" means this Master Participation Agreement between Seller and Buyer dated as of the Agreement Date governing the Transaction, such Agreement consisting of the Standard Terms as modified and supplemented by the Transaction Specific Terms.

"**Agreement Date**" means the date specified as such in the Transaction Summary.

"**Assumed Obligations**" means all obligations and liabilities of Seller with respect to, or in connection with, all Transferred Rights arising or occurring on or after the Settlement Date; excluding, however, the Retained Obligations.

"**Bankruptcy Code**" means the Bankruptcy Reform Act of 1978, 11 U.S.C. §§101 et seq., as amended.

"**Benefit Plan**" means an "employee benefit plan" (as defined in ERISA) that is subject to Title I of ERISA, a "plan" as defined in Section 4975 of the Code or any Entity whose assets include (for purposes of ERISA Section 3(42) or otherwise for purposes of Title I of ERISA or Section 4975 of the Code) the assets of any such "employee benefit plan" or "plan."

"**Borrower**" means, collectively, the Entity or Entities specified as such in the Transaction Summary with respect to each Credit Agreement and such other borrower(s) as may be identified in such Credit Agreement.

"**Buyer**" means the Entity specified as such in the Transaction Summary.

"**Business Day**" means any day that is not (a) a Saturday, (b) a Sunday, (c) any other day on which the Federal Reserve Bank of New York is closed or (d) only with respect to the determination of T+7, any other day on which the New York Stock Exchange is closed.

"**Buyer Excluded Information**" has the meaning specified in Section 5.1(g).

"**Buyer Indemnitees**" has the meaning specified in Section 6.1.

"**Code**" means the Internal Revenue Code of 1986, as amended, and the rules and regulations promulgated under it.

"**Commencement Date**" means (a) for Early Day Trades with respect to a Credit Agreement, the date fourteen (14) Business Days after the Trigger Date with respect to such Credit Agreement and (b) for all other trades with respect to a Credit Agreement, the date seven (7) Business Days after the Trade Date with respect to such Credit Agreement.

"**Contractual Currency**" has the meaning specified in Section 28.1.

"**Contribution Agreement**" means that certain Contribution Agreement, dated as of the Agreement Date by and between the Seller and the Buyer, as such agreement may be amended, supplemented or otherwise modified from time to time in accordance with its terms.

"**Credit Agreements**" means the agreements specified as such in the Transaction Summary (including all intercreditor agreements, subordination agreements, waivers and amendments entered into pursuant thereto or in connection therewith).

"**Credit Documents**" means the Credit Agreements and all Guaranties, security agreements, mortgages, deeds of trust, letters of credit, reimbursement agreements, waivers, amendments, modifications, supplements, forbearances, intercreditor agreements, subordination agreements and all other agreements, documents or instruments executed and delivered in connection therewith.

"**Distribution**" means any payment or other distribution, whether received by setoff or otherwise, of cash (including interest), notes, securities, or other property (including Loan Collateral) or proceeds under or in respect of the Transferred Rights; excluding, however, any Retained Interest Distribution.

"**Distribution and Contribution Agreement**" means the Distribution and Contribution Agreement dated as of the Agreement Date by and between the Seller and Carlyle GMS Finance SPV LLC.

"**Early Day Trade**" with respect to a Credit Agreement means a trade for which the Trade Date is a date on or before the sixth (6th) Business Day following the Trigger Date for such trade with respect to such Credit Agreement.

"**Elevation**" has the meaning specified in Section 15.

"**Elevation Date**" has the meaning specified in Section 15.

"**Elevation Transfer Fee**" means any fee payable to the relevant Agent under a Credit Document to effect an Elevation, which shall be paid in accordance with Section G.2 of the Transaction Specific Terms.

"**Encumbrance**" means any (a) mortgage, pledge, lien, security interest, charge, hypothecation, security agreement, security arrangement or encumbrance or other adverse claim against title of any kind; (b) purchase, option, call or put agreement or arrangement; (c) subordination agreement or arrangement other than as specified in the Credit Documents; or (d) agreement or arrangement to create or effect any of the foregoing.

"**Entity**" means any individual, partnership, corporation, limited liability company, association, estate, trust, business trust, Governmental Authority, fund, investment account or other entity.

"**ERISA**" means the Employee Retirement Income Security Act of 1974, as amended, and the rules and regulations promulgated under it.

"**Experts**" has the meaning specified in Section 12.2.

"**Federal Funds Rate**" means, for any date, the weighted average (rounded upwards, if necessary, to the next 1/100 of 1%) of the rates set by the Federal Reserve Bank of New York on overnight federal funds transactions with members of the Federal Reserve System arranged by federal funds brokers, as published on the next succeeding Business Day in The Wall Street Journal (Eastern Edition), or, if such rate

is not so published for any day that is a Business Day, the average (rounded upwards, if necessary, to the next 1/100 of 1%) of the quotations for such day for such transactions received by the Parties from three federal funds brokers of recognized standing selected by the Parties. For a day that is not a Business Day, the Federal Funds Rate shall be the rate applicable to federal funds transactions on the immediately preceding day for which such rate is reported.

"**Funded Loan**" has the meaning specified in Section 8.7.

"**Funding Advance**" has the meaning specified in Section 8.5.

"**Funding Date**" has the meaning specified in Section 8.5.

"**Funding Memorandum**" means the document agreed upon by Buyer and Seller (whether or not signed) that specifies the calculations determining the Purchase Price with respect to the Participation.

"**Funding Notice**" has the meaning specified in Section 8.5.

"**Governmental Authority**" means any federal, state, or other governmental department, agency, institution, authority, regulatory body, court or tribunal, foreign or domestic, and includes arbitration bodies, whether governmental, private or otherwise.

"**Guaranty**" means a guaranty of any of a Borrower's obligations under the related Credit Documents, including a Borrower's obligations in connection with the related Loans.

"**Indemnified Party**" has the meaning specified in Section 6.3.

"**Indemnifying Party**" has the meaning specified in Section 6.3.

"**Interest and Accruing Fees**" means all interest and accruing ordinary course fees (such as commitment, facility, letter of credit and other similar fees) that are paid in connection with the Loans and Commitments (if any) in accordance with the related Credit Documents from and after the Trade Date; provided that Interest and Accruing Fees shall not include any PIK Interest.

"**Judgment Currency**" has the meaning specified in Section 28.1.

"**Judgment Currency Conversion Date**" has the meaning specified in Section 28.1.

"**Lender**" means a lender under a Credit Agreement, and its successors, transferees and permitted assigns.

"**Loan Collateral**" means any property, whether real or personal, tangible or intangible, of whatever kind and wherever located, whether now owned or hereafter acquired or created, in or over which an Encumbrance has been, or is purported to have been, granted to (or otherwise created) or for the benefit of the Lenders under any Credit Documents.

"**Loans**" means the Loan(s) in the amount(s) specified in the Transaction Specific Terms, as such amounts may change from time to time after the Settlement Date as a result of the funding of Unfunded Commitments and the repayment of principal, and includes the note(s) (if any) evidencing such Loan(s) issued under the respective Credit Agreements.

"**LSTA**" means The Loan Syndications and Trading Association, Inc.®

"**Majority Claims Holders**" has the meaning specified in Section 11.1 (a).

"**Majority Holders**" has the meaning specified in Section 11.1(a).

"**Multilateral Assignment Agreement**" means the Multilateral Assignment Agreement dated as of the Agreement Date among the Carlyle GMS Finance SPV LLC, the Seller and the Buyer.

"**Obligor**" means any Entity (other than Borrowers, Lenders and any administrative, collateral, syndication, documentation or other similar agent under any Credit Agreement) that is obligated under any Credit Documents.

"**Operative Documents**" means (i) this Agreement and (ii) upon Elevation, the Assignment.

"**Participation**" has the meaning specified in Section 2.1(a).

"**Participation Transfer Fee**" has the meaning specified in Section 10.1(a).

"**Party**" means Buyer or Seller, as applicable.

"**Permitted Assignee**" has the meaning specified in Section 15.

"**PIK Interest**" means any paid-in-kind interest, fees or other amounts paid or payable from and after the Trade Date in connection with any Loans and Commitments (if any) in accordance with any Credit Documents or Adequate Protection Order (if any), as applicable.

"**Post-Elevation Transfer**" has the meaning specified in Section 10.2.

"**Pre-Elevation Transfer**" has the meaning specified in Section 10.1.

"**Pre-Settlement Date Accruals**" means all Interest and Accruing Fees that accrue during the period before (but excluding) the earlier of (a) the Settlement Date and (b) T+7; so long as payment or distribution of such Interest and Accruing Fees is made (i) on or before the due date thereof or the expiration of any applicable grace period, each as specified in the relevant Credit Agreement as in effect on the Trade

Date (or, if no such grace period exists, the expiration of thirty (30) days from such due date), and (ii) before a default by the relevant Borrower or any Obligor in connection with other payment obligations of such Borrower or any related Obligor under the relevant Credit Agreement; otherwise such Interest and Accruing Fees (if and when paid) and any other accrued amounts due thereafter shall be for the account of Buyer, and Seller shall not be entitled to any part thereof.

"PTEs" means the prohibited transaction class exemptions issued by the U.S. Department of Labor.

"**Purchase Price**" means the price relating to the Transaction and set forth in the Funding Memorandum (if any).

"**Reimbursement Claims**" means any claim of Seller arising in connection with the return, disgorgement or reimbursement by Seller to Borrower, or any other Entity, of all or any portion of any payment or transfer received by Seller on account of the Transferred Rights prior to the Settlement Date.

"**Retained Interest**" means the right retained by Seller to receive, in accordance with the provisions of Section 8.2, payments or other distributions, whether received by setoff or otherwise, of cash (including interest), notes, securities or other property (including Loan Collateral) or proceeds paid or delivered in respect of the Pre-Settlement Date Accruals or the Adequate Protection Payments (if any); provided that Retained Interest shall not include any PIK Interest.

"**Retained Interest Distribution**" means a payment or other distribution, whether received by setoff or otherwise, of cash (including interest), notes, securities or other property (including Loan Collateral) or proceeds payable or deliverable to Seller in respect of a Retained Interest.

"**Retained Obligations**" means all obligations and liabilities of Seller relating to all Transferred Rights (i) arising or occurring prior to the Settlement Date, (ii) that result from Seller's breach of its representations, warranties, covenants, or agreements under this Agreement or any Credit Documents, (iii) that result from Seller's bad faith, gross negligence, or willful misconduct or (iv) that are attributable to Seller's actions or obligations in any capacity other than as a Lender under any Credit Documents.

"**Securities Act**" means the Securities Act of 1933, 15 U.S.C. §§77a et seq., as amended, and the rules and regulations promulgated under it.

"**Seller**" means the Entity specified as such in the Transaction Summary.

"**Seller Excluded Information**" has the meaning specified in Section 4.1(h).

"**Seller Indemnitees**" has the meaning specified in Section 6.2.

"**Seller's Claims**" has the meaning specified in Section 11.1(a).

"**Settlement Date**" means the date on which Seller receives the Purchase Price.

"**Standard Terms**" means these Standard Terms and Conditions.

"**T+7"** means the date that is seven (7) Business Days after the Trade Date.

"**Trade Date**" means the date(s) specified as such in the Transaction Summary.

"**Transaction**" means the purchase and sale of the Participation to which this Agreement relates.

"**Transaction Documents**" means the Credit Documents and the Operative Documents (provided that, as used in Sections 4.1 and 5.1, "Transaction Documents" shall not include any Assignments).

"**Transaction Specific Terms**" means the specific terms and elections governing the Transaction that are set forth in the Transaction Summary and Sections A through H of this Agreement.

"**Transaction Summary**" means the Transaction Summary set forth in the Transaction Specific Terms.

"**Transferee**" has the meaning specified in Section 10.1(a).

"**Transferred Rights**" means (i) all of Seller's rights in its capacity as a Lender under each Credit Agreement and any other documents or instruments delivered pursuant thereto to the extent related to the Loans and Commitments (if any), including without limitation any letters of credit, Guaranties, and swingline loans included in the Loans (excluding, however, the Retained Interest, if any) and (ii) to the extent relating to the rights set forth in the preceding clause (i) and permitted to be assigned under applicable law, all claims, suits, causes of action and any other right of Seller in its capacity as a Lender against any Entity, whether known or unknown, arising under or in connection with such 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.

"**Trigger Date**" with respect to the Loans and Commitments (if any) under a Credit Agreement is the date of initial funding under such Credit Agreement, unless there is no funding of any facilities under such Credit Agreement at or about the time it becomes effective, in which case the "Trigger Date" is the date such Credit Agreement is executed and delivered.

2. **Participation**

2.1 In consideration of the mutual covenants and agreements in, and subject to the terms and conditions of, this Agreement:

(a) subject to the satisfaction or waiver of the conditions in Section 3.2, Seller irrevocably sells, grants and conveys an undivided 100% participation interest in and to the Loans, the Commitments (if any) and the Transferred Rights (the "Participation") to Buyer with effect on and after the Settlement Date;

(b) subject to the satisfaction or waiver of the conditions in Section 3.1, Buyer irrevocably acquires the Participation, and agrees to reimburse Seller for all amounts paid in respect of the Assumed Obligations (or, in the case of Section 8.5, perform its funding obligations with respect to the Assumed Obligations thereunder), with effect on and after the Settlement Date; and

(c) Seller agrees to remain responsible for, and assumes and agrees timely to perform and comply with, the Retained Obligations. Until the Elevation Date, Seller shall hold title to the Loans and the Commitments (if any) for the benefit of Buyer to the extent of the Participation.

3. **Conditions Precedent**

3.1 Buyer's obligations to pay the Purchase Price to Seller, to acquire the Participation and to agree to reimburse Seller for the Assumed Obligations shall be subject to the conditions that (a) Seller's representations and warranties in this Agreement shall have been true and correct on the Agreement Date and/or the Settlement Date (as specified in Section 4.1), (b) Seller shall have complied in all material respects with all covenants required by this Agreement to be complied with by it on or before the Settlement Date and (c) Buyer shall have received (i) the Transaction Specific Terms duly executed on behalf of Seller and (ii) all acknowledgements and consents specified in the definition of Participation Required Consents.

3.2 Seller's obligation to sell, grant and convey the Participation to Buyer shall be subject to the conditions that (a) Buyer's representations and warranties in this Agreement shall have been true and correct on the Agreement Date and/or the Settlement Date (as specified in Section 5.1), (b) Buyer shall have complied in all material respects with all covenants required by this Agreement to be complied with by it on or before the Settlement Date, (c) Seller shall have received (i) the Transaction Specific Terms duly executed on behalf of Buyer and (ii) all acknowledgements and consents specified in the definition of Participation Required Consents and (d) Seller shall have received payment of the Purchase Price from Buyer.

4. **Seller's Representations and Warranties**

4.1 Seller represents and warrants to Buyer (as of the Settlement Date and, where specifically indicated, the Agreement Date) that:

(a) Seller (i) is, and was on the Agreement Date, duly organized and validly existing under the laws of its jurisdiction of organization or incorporation, (ii) is, and was on the Agreement Date, in good standing under such laws and (iii) has, and had on the Agreement Date, full power and authority to execute, deliver and perform its obligations under the Transaction Documents to which it is or will become a party.

(b) Seller's execution, delivery, and performance of the Transaction Documents to which it is or will become a party have not resulted, did not result on the Agreement Date and will not result in a breach or violation of any provision of (i) Seller's organizational documents, (ii) any statute, law, writ, order, rule or regulation of any Governmental Authority applicable to Seller, (iii) any judgment, injunction, decree or determination of any Governmental Authority applicable to Seller or (iv) any contract, indenture, mortgage, loan agreement, note, lease or other agreement, document or instrument to which Seller may be a party, by which Seller may be bound or to which any of the assets of Seller is subject.

(c) (i) The Transaction Documents to which Seller is, and was on the Agreement Date, a party (a) have been duly and validly authorized, executed and delivered by Seller and (b) are the legal, valid and binding obligations of Seller, enforceable against Seller in accordance with their respective terms, except that such enforceability against Seller may be limited by bankruptcy, insolvency, winding-up or other similar laws of general applicability affecting the enforcement of creditors' rights generally and by a court's discretion in relation to equitable remedies; and

(i) Other than the Participation Required Consents or, in connection with an Elevation, the Elevation Required Consents, no notice to, registration with, consent or approval of or any other action by any relevant Governmental Authority or other Entity is, will be or was on the Agreement Date required for Seller to execute, deliver, and perform its obligations under, the Transaction Documents to which Seller is or will become a party.

(d) Seller is the sole legal and beneficial owner of and has good title to each of the Loans, the Commitments (if any) and the other Transferred Rights free and clear of any Encumbrance.

(e) The outstanding principal amount(s) of the Loans and the principal amount(s) of the Commitments (if any) and Unfunded Commitments (if any) as of the Settlement Date are accurately stated in the Transaction Specific Terms, (b) any PIK Interest that accreted to the principal amount of the Loans on or after the Trade Date but on or prior to the Settlement Date is specified in Schedule 1 with respect to the relevant Loans and, with respect to Loans under any Credit Agreement, is a proportionate share of PIK Interest that accreted during such period to all of Seller's loans of the same tranche under such Credit Agreement as such Loans, and (c) all PIK Interest (if any) that accreted to the principal amount of the Loans after the applicable settlement date on which Seller acquired the Loans but on or prior to the Settlement Date is included in the outstanding principal amount(s) of the Loans listed in the Transaction Specific Terms.

(f) The amounts utilized in calculating the Purchase Price, as specified in the Funding Memorandum (if any), are true and correct as of each applicable date.

(g) Seller (i) is a sophisticated Entity with respect to the sale of the Participation and the retention of the Retained Obligations, (ii) has adequate information concerning the business and financial condition of the Borrowers and Obligors to make an informed decision regarding the sale of the Participation and the retention of the Retained Obligations and (iii) has independently and without reliance upon Buyer, and based on such information as Seller has deemed appropriate, made its own analysis and decision to enter into this Agreement, except that Seller has relied upon Buyer's express representations, warranties, covenants, agreements and indemnities in this Agreement. Seller acknowledges that Buyer has not given Seller any investment advice, credit information or opinion on whether the sale of the Participation or the retention of the Retained Obligations is prudent.

(h) Seller acknowledges that (i) Buyer currently may have, and later may come into possession of, information with respect to the Transferred Rights, the Retained Obligations, Borrowers, Obligors or any of their respective Affiliates that is not known to Seller and that may be material to a decision to sell the Participation and to retain the Retained Obligations ("Seller Excluded Information"), (ii) Seller has determined to sell the Participation and to retain the Retained Obligations notwithstanding its lack of knowledge of Seller Excluded Information and (iii) Buyer shall have no liability to Seller or any Seller Indemnitee, and Seller waives and releases any claims that it might have against Buyer or any Buyer Indemnitee whether under applicable securities laws or otherwise, with respect to the nondisclosure of Seller Excluded Information in connection with the Transaction; provided, however, that Seller Excluded Information shall not and does not affect the truth or accuracy of Buyer's representations or warranties in this Agreement.

(i) Seller is an "accredited investor" as defined in Rule 501 under the Securities Act. Without characterizing the Participation as a "security" within the meaning of applicable securities laws, Seller has not made any offers to sell, or solicitations of any offers to buy, all or any portion of the Participation in violation of any applicable securities laws.

(j) Either (i) no interest in the Participation is being sold by or on behalf of one or more Benefit Plans or (ii) the transaction exemption set forth in one or more PTEs, such as PTE 84-14 (a class exemption for certain transactions determined by independent qualified professional asset managers), PTE 95-60 (a class exemption for certain transactions involving insurance company general accounts), PTE 90-1 (a class exemption for certain transactions involving insurance company pooled separate accounts), PTE 91-38 (a class exemption for certain transactions involving bank collective investment funds), and PTE 96-23 (a class exemption for certain transactions determined by in-house asset managers) is applicable with respect to the sale of the Participation.

(k) If as of the Trade Date Buyer was not a Lender under a Credit Agreement and if "Yes" is specified opposite "Delivery of Credit Documents" in the Transaction

Summary with respect to such Credit Agreement, Seller provided to Buyer, on or prior to the Settlement Date (a) such Credit Agreement and all intercreditor agreements, subordination agreements, waivers and amendments executed in connection therewith, in each case as currently in effect, and (b) any other Credit Documents related to such Credit Agreement reasonably requested by Buyer.

4.2 Except as expressly stated in this Agreement, Seller makes no representations or warranties, express or implied, with respect to the Transaction.

4.3 Seller acknowledges that: (a) its transfer of the Participation to Buyer is irrevocable; (b) Seller shall have no recourse to the Transferred Rights or the Participation except to the extent (if any) permitted pursuant to Section 8.7; and (c) Seller shall have no recourse to Buyer, except for (i) Buyer's breaches of its representations, warranties or covenants and (ii) Buyer's indemnities, in each case as expressly stated in this Agreement.

5. **Buyer's Representations and Warranties**

5.1 Buyer represents and warrants to Seller (as of the Settlement Date and, where specifically indicated, the Agreement Date) that:

(a) Buyer (i) is, and was on the Agreement Date, duly organized and validly existing under the laws of its jurisdiction of organization or incorporation, (ii) is, and was on the Agreement Date, in good standing under such laws and (iii) has, and had on the Agreement Date, full power and authority to execute, deliver and perform its obligations under, the Transaction Documents to which it is or will become a party.

(b) Buyer's execution, delivery, and performance of the Transaction Documents to which it is or will become a party have not resulted, did not result on the Agreement Date and will not result in a breach or violation of any provision of (i) Buyer's organizational documents, (ii) any statute, law, writ, order, rule or regulation of any Governmental Authority applicable to Buyer, (iii) any judgment, injunction, decree or determination of any Governmental Authority applicable to Buyer or (iv) any contract, indenture, mortgage, loan agreement, note, lease or other agreement, document or instrument by which Buyer may be a party, by which Buyer may be bound or to which any of the assets of Buyer is subject.

(c) (i) The Transaction Documents to which Buyer is, and was on the Agreement Date, a party (a) have been duly and validly authorized, executed and delivered by Buyer and (b) are the legal, valid and binding obligations of Buyer, enforceable against Buyer in accordance with their respective terms, except that such enforceability may be limited by bankruptcy, insolvency, winding-up or other similar laws of general applicability affecting the enforcement of creditors' rights generally and by a court's discretion in relation to equitable remedies; and

(ii) Other than the Participation Required Consents or, in connection with an Elevation, the Elevation Required Consents, no notice to, registration with, consent or approval of or any other action by any relevant Governmental Authority or other Entity is, will be or was on the Agreement Date required for Buyer to execute, deliver, and perform its obligations under the Transaction Documents to which Buyer is or will become a party.

(d) Without characterizing the Participation as a "security" within the meaning of applicable securities laws, Buyer is not purchasing the Participation with a view towards the sale or distribution thereof in violation of the Securities Act; provided, however, that Buyer may resell the Participation if such resale is in compliance with Section 10.

(e) Buyer (i) is a sophisticated Entity with respect to the purchase of the Participation and the agreement to reimburse Seller in respect of the Assumed Obligations, (ii) is able to bear the economic risk associated with the purchase of the Participation and the agreement to reimburse Seller in respect of the Assumed Obligations, (iii) has adequate information concerning the business and financial condition of the Borrowers and Obligors to make an informed decision regarding the purchase of the Participation and the agreement to reimburse Seller in respect of the Assumed Obligations, (iv) has such knowledge and experience, and has made investments of a similar nature, so as to be aware of the risks and uncertainties inherent in the purchase of rights and assumption of liabilities of the type contemplated in this Agreement and (v) has independently and without reliance upon Seller, and based on such information as Buyer has deemed appropriate, made its own analysis and decision to enter into this Agreement, except that Buyer has relied upon Seller's express representations, warranties, covenants, agreements and indemnities in this Agreement. Buyer acknowledges that Seller has not given Buyer any investment advice, credit information or opinion on whether the purchase of the Participation or the agreement to reimburse Seller in respect of the Assumed Obligations is prudent.

(f) Except as otherwise provided in this Agreement, Buyer has not relied and will not rely on Seller to furnish or make available any documents or other information regarding the credit, affairs, financial condition or business of any Borrower or any Obligor, or any other matter concerning any Borrower or any Obligor.

(g) Buyer acknowledges that (i) Seller currently may have, and later may come into possession of, information with respect to the Transferred Rights, the Assumed Obligations, Borrowers, Obligors or any of their respective Affiliates that is not known to Buyer and that may be material to a decision to purchase the Participation and agree to reimburse Seller in respect of the Assumed Obligations ("Buyer Excluded Information"), (ii) Buyer has determined to purchase the Participation and agree to reimburse Seller in respect of the Assumed Obligations notwithstanding its lack of knowledge of the Buyer Excluded Information and (iii) Seller shall have no liability to Buyer or any Buyer Indemnitee, and Buyer waives and releases any claims that it might have against Seller or any Seller Indemnitee, whether under applicable securities laws or otherwise, with respect to the nondisclosure of the Buyer Excluded Information in connection with the Transaction; provided, however, that the Buyer Excluded Information shall not and does not affect the truth or accuracy of Seller's representations or warranties in this Agreement.

(h) (i) Less than 25% in the aggregate, of the Participation is being purchased by, and shall at all times be held by, Benefit Plans and (ii) to the extent that any interest in the Participation is being acquired by or on behalf of an Entity that is, or at any time while such interest is held thereby will be, a Benefit Plan, the transaction exemption set forth in one or more PTEs, such as PTE 84-14 (a class exemption for certain transactions determined by independent qualified professional asset managers), PTE 95-60 (a class exemption for certain transactions involving insurance company general accounts), PTE 90-1 (a class exemption for certain transactions involving insurance company pooled separate accounts), PTE 91-38 (a class exemption for certain transactions involving bank collective investment funds), and PTE 96-23 (a class exemption for certain transactions determined by in-house asset managers) is applicable with respect to the purchase and holding of the Participation and the exercise of Buyer's rights thereunder.

(i) Buyer acknowledges that, (i) if applicable, it has received copies of (a) the Credit Agreements and all intercreditor agreements, subordination agreements, waivers and amendments executed in connection therewith, in each case as currently in effect, and (b) any other Credit Documents requested by Buyer, and (ii) without in any way limiting the representations and warranties of Seller contained in this Agreement, it is assuming all risk with respect to the accuracy or sufficiency of the Credit Documents, other than any representations, warranties or covenants made by Seller in this Agreement or the Credit Documents to which Seller is a party.

(j) Without characterizing the Participation as a security, Buyer is an "accredited investor" as defined in Rule 501 under the Securities Act.

5.2 Except as expressly stated in this Agreement and the Assignment, Buyer makes no representations or warranties, express or implied, with respect to the Transaction.

5.3 Buyer acknowledges that (a) Seller's transfer of the Participation to Buyer and Buyer's agreement to reimburse Seller in respect of the Assumed Obligations are irrevocable and (b) Buyer shall have no recourse to Seller, except for (i) Seller's breaches of its representations, warranties or covenants and (ii) Seller's indemnities, in each case as expressly stated in this Agreement.

6. **Indemnification**

6.1 Seller shall indemnify, defend, and hold Buyer and its officers, directors, agents, partners, members, controlling Entities and employees (collectively, "Buyer Indemnitees") harmless from and against any liability, claim, cost, loss, judgment, damage or expense (including reasonable attorneys' fees and expenses) that any Buyer Indemnitee incurs or suffers as a result of, or arising out of a breach of any of Seller's representations, warranties, covenants or agreements in this Agreement.

6.2 Buyer shall indemnify, defend, and hold Seller and its officers, directors, agents, partners, members, controlling Entities, and employees (collectively, "Seller Indemnitees") harmless from and against any liability, claim, cost, loss, judgment, damage or expense (including reasonable attorneys' fees and expenses) that any Seller Indemnitee incurs or suffers as a result of or arising out of (a) a breach of any of Buyer's representations, warranties, covenants or agreements in this Agreement or (b) Seller's acting or refraining to act pursuant to any direction of (i) Buyer pursuant to this Agreement or (ii) under the circumstances described in the proviso in Section 11.1(a), any Majority Holders or any Majority Claims Holders; provided, however, that Buyer's share of the indemnity under clause (b)(ii) with respect to any Credit Agreement shall be limited to a fraction, the numerator of which is (a) the outstanding principal amount of the portion of the Participation related to such Credit Agreement or (b) if Seller has consented to transfers of the Participation related to such Credit Agreement (or a portion thereof) pursuant to Section 10.1(a), the then outstanding principal amount of the claims beneficially held by Buyer in respect of which the action involved is taken by Seller under such Credit Agreement, and the denominator of which is the then aggregate outstanding principal amount of all claims in respect of which the action involved is taken by Seller under such Credit Agreement.

6.3 If a third party commences any action or makes any demand against either Party for which such Party ("Indemnified Party") is entitled to indemnification under this Agreement, such Indemnified Party shall promptly notify the other Party ("Indemnifying Party") of such action or demand; provided, however, that if the Indemnified Party assumes the defense of the action and fails to provide prompt notice to the Indemnifying Party, such failure shall not limit in any way the Indemnifying Party's obligation to indemnify the Indemnified Party except to the extent that such failure materially prejudices the Indemnifying Party's ability to defend the action. The Indemnifying Party may, at its own expense and without limiting its obligation to indemnify the Indemnified Party, participate in the defense of such action with counsel reasonably satisfactory to the Indemnified Party, or the Indemnifying Party may, at its own expense and without limiting its obligation to indemnify the Indemnified Party, assume the defense of such action with counsel reasonably acceptable to the Indemnified Party. In any event, the Party that has assumed the defense of such action shall provide the other Party with copies of all notices, pleadings, and other papers filed or served in such action. Neither Party shall make any settlement or adjustment without the other Party's prior consent, which consent (a) in the case of the Indemnifying Party will not be unreasonably withheld if the settlement or adjustment involves only the payment of money damages by the Indemnifying Party and (b) in the case of the Indemnified Party may be withheld for any reason if the settlement or adjustment involves performance or admission by the Indemnified Party.

6.4 Each indemnity in this Agreement is a continuing obligation, separate and independent from the other obligations of the Parties and survives termination of this Agreement or any transfer pursuant to Section 10 of this Agreement. It is not necessary for a Party to incur expense or make payment before enforcing a right of indemnity conferred by this Agreement.

7. **Costs and Expenses**

7.1 If either Party pays any Agent Expenses, Assumed Obligations or Retained Obligations for which the other Party is responsible in accordance with the definitions thereof and the terms of this Agreement, such other Party shall, promptly upon the request of the Party that shall have paid such amounts, reimburse such paying Party for the full amount paid on such other Party's behalf.

7.2 The Parties agree to bear their own respective legal and other costs and expenses for preparing, negotiating, executing and delivering this Agreement and any related documents and consummating the Transaction.

7.3 Buyer shall reimburse Seller, promptly upon request for its applicable pro rata share of all out-of-pocket expenses and disbursements (including reasonable fees and disbursements of counsel) incurred by Seller in connection with the administration of the Participation, the Transferred Rights, the Credit Documents or any related documents and any effort to enforce or protect Seller's or Buyer's rights or interests thereunder.

8. **Distributions; Interest and Fees; Payments; Commitment Reductions**

8.1 (a) If at any time after the Trade Date (whether before, on or after the Settlement Date) Seller received or receives a Distribution, Seller shall (i) accept, and from and after the Settlement Date, hold such Distribution for the account and sole benefit of Buyer, (ii) except to the extent (if any) permitted pursuant to Section 8.7, from and after the Settlement Date have no equitable or beneficial interest in such Distribution and (iii) deliver such Distribution (free of any withholding, setoff, recoupment, or deduction of any kind except as required by law or to the extent (if any) permitted pursuant to Section 8.7) promptly (but in the case of a cash Distribution received (a) on or prior to the Settlement Date, in no event later than the Settlement Date, and (b) after the Settlement Date, in no event later than two (2) Business Days after the date on which Seller receives such Distribution) to Buyer in the same form received and, when necessary or appropriate, with Seller's endorsement (without recourse, representation, or warranty), except to the extent prohibited under any applicable law, rule or order. If Seller fails to pay any cash Distribution to Buyer in accordance with the time periods set forth in clause (iii) of this Section 8.1(a), then Seller shall pay interest on such payment for the period from (and including) the day on which such payment is actually received by Seller to (but excluding) the day such payment is actually paid to Buyer, in accordance with Section 8.4.

(b) If a Distribution includes securities or other non-cash Distribution, Seller shall, to the extent permitted by law, endorse (without recourse, representation or warranty) or use commercially reasonable efforts (at Buyer's sole expense) to assist Buyer to cause to be registered in Buyer's name, or such name as Buyer may direct, and deliver such securities to Buyer or to such Entity as Buyer may direct as soon as practicable. Pending such transfer, Seller shall (from and after the Settlement Date) hold the same on behalf and for the sole benefit of Buyer, and Seller shall have no equitable or beneficial interest in any such Distribution.

(c) Subject to applicable law, Buyer is entitled to receive any Distribution to be remitted by Seller under this Agreement without the withholding of any tax. If Seller receives a Distribution that it is required to remit to Buyer, Buyer shall furnish to Seller such forms, certifications, statements and other documents as Seller may reasonably request to evidence Buyer's exemption from the withholding of any tax imposed by the United States of America or any other jurisdiction, whether domestic or foreign, or to enable Seller to comply with any applicable laws or regulations relating thereto, and Seller may refrain from remitting such Distribution until such forms, certifications, statements and other documents have been so furnished.

(d) If all or any portion of a Distribution received by Seller and transferred to Buyer pursuant to this Section 8.1 is required to be returned or disgorged by Seller to any Entity, Buyer shall promptly return such Distribution (or portion thereof) to Seller together with all related interest and charges payable by Seller in respect thereof.

8.2 (a) If at any time after an Elevation Date Buyer receives a Retained Interest Distribution, Buyer shall (i) accept and hold such Retained Interest Distribution for the account and sole benefit of Seller, (ii) have no equitable or beneficial interest in such Retained Interest Distribution and (iii) deliver such Retained Interest Distribution (free of any withholding, setoff, recoupment, or deduction of any kind except as required by law) promptly (but in the case of a cash Retained Interest Distribution, in no event later than two (2) Business Days after the date on which Buyer receives it) to Seller in the same form received and, when necessary or appropriate, with Buyer's endorsement (without recourse, representation, or warranty), except to the extent prohibited under any applicable law, rule or order. If Buyer fails to pay any cash Retained Interest Distribution to Seller within two (2) Business Days of receipt thereof, then Buyer shall pay interest on such Retained Interest Distribution for the period from (and including) the day on which such Retained Interest Distribution is actually received by Buyer to (but excluding) the day such Retained Interest Distribution is actually paid to Seller, in accordance with Section 8.4.

(b) If a Retained Interest Distribution includes securities or other non-cash Distribution, Buyer shall, to the extent permitted by law, endorse (without recourse, representation or warranty), or use commercially reasonable efforts (at Seller's sole expense) to assist Seller to cause to be registered in Seller's name, or such name as Seller may direct, and deliver such securities to Seller or to such Entity as Seller may direct as soon as practicable. Pending such transfer, Buyer shall hold the same on behalf and for the sole benefit of Seller and Buyer shall have no equitable or beneficial interest in any such Retained Interest Distribution.

(c) Subject to applicable law, Seller is entitled to receive any Retained Interest Distribution to be remitted by Buyer under this Agreement without the withholding of any tax. If Buyer receives a Retained Interest Distribution that it is required to remit to Seller, Seller shall furnish to Buyer such forms, certifications, statements and other documents as Buyer may reasonably request to evidence Seller's exemption from the withholding of any tax imposed by the United States of America or any other jurisdiction, whether domestic or foreign, or to enable Buyer to comply with any applicable laws or regulations relating thereto, and Buyer may refrain from remitting such Retained Interest Distribution until such forms, certifications, statements and other documents have been so furnished.

(d) If all or any portion of a Retained Interest Distribution received by Buyer and transferred to Seller pursuant to this Section 8.2 is required to be returned or disgorged by Buyer to any Entity, Seller shall promptly return such Retained Interest Distribution (or portion thereof) to Buyer together with all related interest and charges payable by Buyer in respect thereof.

8.3 Except as provided in Sections 8.1, 8.2, 8.5 or 28, all payments made by Buyer to Seller or by Seller to Buyer under this Agreement shall be made in the lawful currency of the United States by wire transfer of immediately available funds to Seller or Buyer, as applicable, in accordance with the wire instructions specified in Section C.1 of the Transaction Specific Terms.

8.4 With respect to the payment of any funds or other property under this Agreement (including the delivery of Distributions under Section 8.1 and Retained Interest Distributions under Section 8.2), whether from Seller to Buyer or from Buyer to Seller, (a) the Party required to deliver a Distribution or a Retained Interest Distribution may withhold therefrom any tax required by law to be withheld, and (b) the Party failing to make full payment of any amount when due shall, upon demand by the other Party, pay such defaulted amount together with interest on it (for each day from (and including) the date when due to (but excluding) the date when actually paid) at a rate equal to the Federal Funds Rate.

8.5 Without limiting the generality of Section 2.1 to the extent that there are Unfunded Commitments or Agent Expenses, upon the receipt by Seller of a notice of a proposed funding from the related Borrower or the related Agent with respect to a borrowing of funds or Agent Expenses (a "Funding Notice"), Seller shall, upon receipt of a Funding Notice, notify Buyer, by electronic transmission or telecopier, at least one (1) Business Day prior to the date on which the funds are due (the "Funding Date"), if possible, of (a) any funding to be made in respect of the portion of the Participation consisting of Unfunded Commitments or in respect of Agent Expenses; (b) the amount of such funding (the "Funding Advance"); (c) the currency in which the Funding Advance is to be paid; and (d) the Funding Date. Buyer shall pay the Funding Advance to Seller in immediately available funds, without set-off, counterclaim or deduction of any kind not later than 12:00 (noon) (New York time) on the Funding Date, except in the case of Unfunded Commitments for which same day funding is required under the related Credit Documents or other Funding Advances of which Seller has failed to give Buyer at least one Business Day's notice, in which case, if Seller delivers the Funding Notice to Buyer at or prior to 1:00 p.m. (New York time) on the Funding Date, Buyer shall pay the Funding Advance to Seller not later than 5:00 p.m. (New York time) on the Funding Date and, if Seller delivers the Funding Notice to Buyer after 1:00 p.m. (New York time) on the Funding Date, Buyer shall pay the Funding Advance to Seller not later than 12:00 p.m. (noon) (New York time) on the next succeeding Business Day.

8.6 Upon the receipt of the Funding Advance from Buyer, Seller shall fund the Funding Advance in full, in immediately available funds, without set-off, counterclaim or deduction of any kind in accordance with the terms of the related Credit Agreement. If after Seller receives a Funding Advance from Buyer hereunder, Seller is no longer required under the related Credit Documents to pay any portion of such Funding Advance to the related Agent or related Borrower under the related Credit Documents, then Seller shall promptly refund such portion of the Funding Advance to Buyer.

8.7 If the Funding Advance is received by Seller at any time after 5:00 p.m. (New York time) on the Funding Date, such Funding Advance shall be deemed to have been received on the next succeeding Business Day. Without regard to (a) the date Buyer receives the Funding Notice from Seller and (b) Buyer's payment of the Funding Advance, any funding by Seller of any Unfunded Commitments (a "Funded Loan") (together with any and all rights of Seller which arise in respect thereto (including without limitation rights to repayment and all rights in, to and under the related Credit Agreement) shall be deemed to be part of the Participation from and after the time such Funded Loan is made by Seller; provided, however that unless Buyer's delay in paying the Funding Advance to Seller is the result of Seller's failure promptly to notify Buyer of the payment obligation in accordance with Section 8.5, Seller may, in its sole discretion, (i) if "Set-Off" is specified to be applicable in the Transaction Summary, set-off all or any portion of an unpaid Funding Advance against Buyer's right to receive payments with respect to the Transferred Rights and the Participation or (ii) charge Buyer interest at a per annum rate equal to the Federal Funds Rate from and including the time of such Funded Loan by Seller to but excluding the date Buyer pays the Funding Advance to Seller. For the avoidance of doubt, if Seller receives a Funding Notice from a Borrower or Agent on the Funding Date, Seller's notice to Buyer of such Funding Notice after 1:00 p.m. (New York time) on such date shall not be deemed a failure promptly to notify Buyer of its payment obligation in accordance with Section 8.5 for purposes of the preceding proviso and Seller may, in its sole discretion, charge Buyer interest as provided herein.

8.8 Notwithstanding anything set forth in Sections 8.5, 8.6 and 8.7 or any other provision of this Agreement to the contrary, Seller shall be under no obligation to bid for competitive bid loans (or similar voluntary loan facilities, if any) on behalf of Buyer under any Credit Agreement in respect of the Commitments (if any) or otherwise.

8.9 If the commitments of all the Lenders under a Credit Agreement of the same class or tranche as any Commitments (if any) are reduced or terminated in part and such reduction or termination applies to the aggregate commitments held by Seller under such Credit Agreement, at the request of the related Borrower or otherwise, such reduction shall be applied pro rata to the related Commitments.

9. **Notices; Records**

9.1 All communications between the Parties in respect of, or notices, requests, directions, consents or other information sent under, this Agreement shall be in writing, hand delivered or sent by overnight courier, electronic transmission or telecopier, addressed to the relevant Party at its address, electronic mail or facsimile number specified in Section D of the Transaction Specific Terms or at such other address, electronic mail or facsimile number as such Party may subsequently request in writing. Except as otherwise provided in Section 11.2, all such communications and notices shall be effective upon receipt.

9.2 Prior to the Elevation Date (if any), Seller shall, subject to applicable law and regulation and the Credit Documents, use commercially reasonable efforts to furnish and convey to Buyer or Buyer's designee at the address specified in the Transaction Specific Terms (or at such other address as Buyer otherwise directs) all written information and documents received by Seller in its capacity as a Lender from time to time with respect to any Credit Documents and

the respective Transferred Rights as soon as practicable after the same are received by Seller, but in any event within three (3) Business Days of such receipt; provided, however, that if such information or documents relate to any matter in respect of which an Act is to be taken, Seller shall furnish and convey such information or documents to Buyer or Buyer's designee as soon as practicable upon receipt and, in any event, prior to such time when such Act is to be taken if received with reasonably sufficient time for Seller to furnish or convey such information or documents; provided, further, that Seller shall have no liability to Buyer regarding the validity or content of the information and documents furnished pursuant to this Section 9.2. Buyer shall reimburse Seller for any reasonable out-of-pocket expenses incurred by Seller in connection with Seller's performance of its obligations under this Section 9.2.

9.3 From the Elevation Date through the 45th day thereafter, if Seller receives any notices, correspondence or other documents in respect of the Transferred Rights or any Credit Document that, to the best of Seller's knowledge, were not sent to the related Lenders generally, Seller shall promptly forward them to Buyer.

9.4 Seller shall maintain records of all payments made to Seller and all payments received from Buyer with respect to the Participation, which records shall, absent manifest error, be conclusive. Such records shall be available for inspection by Buyer from time to time upon reasonable prior notice to Seller during regular business hours.

10. **Further Transfers**

10.1 The provisions of this Section 10.1 shall apply to any sale, assignment and any other transfer of the Participation or any of Buyer's rights hereunder or any part thereof or interest therein (each a "Pre-Elevation Transfer") prior to the occurrence of an Elevation with respect to such rights, part or interest:

(a) Buyer may not make a Pre-Elevation Transfer without the prior consent of Seller, which consent shall not be unreasonably withheld or delayed; provided, however, that no Pre-Elevation Transfer shall be effective unless (i) such Pre-Elevation Transfer does not violate any applicable law or regulation or cause Seller to violate or be in breach of any provision of any Transaction Document, (ii) the transferee in such Pre-Elevation Transfer (the "Transferee") makes to Buyer for the benefit of Seller substantially each of the representations, warranties and covenants set forth in Sections 5.1, 8.1(c) and 18.3, (iii) Buyer has paid or caused to be paid to Seller the transfer fee (if any) specified in Section E.1 of the Transaction Specific Terms (such fee, a "Participation Transfer Fee") and (iv) the Transferee either (a) is organized under the laws of the United States or any State thereof or (b) has (1) represented to Seller that under applicable law and treaties no taxes will be required to be withheld by Seller with respect to any payments to be made to such Transferee in respect of the Transferred Rights and (2) shall have furnished to Seller such forms, certifications, statements and other documents as Seller has requested or may request from time to time to evidence the Transferee's exemption from the withholding of any tax imposed by any jurisdiction or to enable Seller to comply with any applicable laws or regulations relating thereto.

(b) Notwithstanding anything contained in this Section 10.1 to the contrary, Buyer may grant one or more subparticipation(s) in the Participation and its rights under this Agreement, or any part thereof or interest therein, without the prior consent of or notice to Seller; provided, however, that no such subparticipation shall be effective unless (i) such subparticipation does not violate any applicable law or regulation or cause Seller to violate or be in breach of any provision of any Transaction Document, (ii) the subparticipant makes to Buyer for the benefit of Seller substantially each of the representations, warranties and covenants set forth in Sections 5.1(e) and (h) and 18.3, and (iii) the subparticipant agrees to obtain from any Entity to which it transfers any interest therein for the benefit of Seller substantially each of the representations, warranties and covenants set forth in Sections 5.1(e) and (h) and 18.3; provided further that, in the event of a subparticipation, Buyer shall remain solely responsible for its obligations under this Agreement and Seller shall continue to deal solely and directly with Buyer in connection with Buyer's obligations hereunder and not with Buyer's participant.

10.2 After an Elevation, Buyer may sell, assign, grant a participation in, or otherwise transfer all or any portion of the Transferred Rights, this Agreement and its rights under this Agreement, or any interest in any of the foregoing, but only to the extent of such Elevation, without the consent of or notice to Seller (each, a "Post-Elevation Transfer"); provided, however, that notwithstanding any such sale, assignment, participation or transfer, unless Seller otherwise consents in writing (which consent Seller shall not unreasonably withhold or delay), Seller shall continue to deal solely and directly with Buyer in connection with Buyer's obligations under this Agreement.

10.3 Seller may assign its rights under this Agreement without the prior consent of Buyer; provided, however, that Seller may not delegate its obligations under this Agreement without the prior consent of Buyer (which shall not be unreasonably withheld or delayed).

11. **Voting**

11.1 The provisions of the subsection of this Section 11.1 specified in Section F of the Transaction Specific Terms shall apply to the Transaction:

(a) On and after the Settlement Date, Seller (i) shall not take (or refrain from taking) any action with respect to the Transferred Rights and Assumed Obligations (an "Act") other than in accordance with the prior instructions of Buyer and (ii) shall take (or refrain from taking) any Act with respect thereto in accordance with the prior instructions of Buyer, in each case except (i) as restricted or prohibited under applicable law, rule, order or the Credit Documents (and such restrictions or prohibitions are hereby incorporated by reference as if set forth herein) or (ii) if following such instructions might (in Seller's reasonable determination) expose Seller to any obligation, liability or expense that in Seller's reasonable judgment is material and for which Seller has not been provided adequate indemnity; provided, however, that (x) if the Act involved is not divisible in respect of the portion of the Participation related to a Credit Agreement but may be made only in respect of all loans and commitments held by Seller under such Credit Agreement ("Seller's Claims"), then Seller shall take such Act in accordance with the direction (if timely given) of holders (including Seller, if applicable) owning or holding interests representing more than 50% of the total amount of Seller's Claims (the "Majority Holders"); or (y) if the Act arises after the commencement of a bankruptcy, insolvency or a similar proceeding relating to the Borrower and/or any Obligor under such Credit Agreement,

and is not divisible in respect of all loans and commitments that Seller may own from time to time under such Credit Agreement, but is divisible in respect of all claims of the same class that Seller may have against the Borrower and/or any Obligor under such Credit Agreement, then Seller shall take such Act in accordance with the directions (if timely given) of the majority (including Seller, if applicable) of holders (the "Majority Claims Holders") in respect of all such claims (measured by amount of claims). For purposes of determining the Majority Holders or Majority Claims Holders pursuant to the preceding sentence, (A) the interests or claims held by Seller for its own account and the interests or claims held by Affiliates of Seller shall be counted or not counted as specified in Section F of the Transaction Specific Terms, and (B) Seller shall only be required to obtain instructions relating to any Act to be taken in respect of the Transferred Rights and Assumed Obligations related to such Credit Agreement from (x) Buyer or (y) if Seller has consented to transfers of the Transferred Rights related to such Credit Agreement (or any portion thereof) pursuant to Section 10.1(b), the then current holders of the aggregate principal amount of the claims outstanding in respect of which such Act is to be taken by Seller. Buyer acknowledges that it shall be bound by any decisions of the Majority Holders or the Majority Claims Holders, as the case may be, to take or not take an Act.

OR

(b) On and after the Settlement Date, Seller shall continue to have sole authority to make, grant and exercise (or refrain from making, granting and exercising) all votes, whether pursuant to amendments, consents or waivers, and otherwise to exercise (or refrain from exercising) all other rights and remedies with respect to the Transferred Rights and Assumed Obligations, except with respect to the matters specified in Section F of the Transaction Specific Terms. Only with respect to such matters, Seller shall take (or refrain from taking) any Act in accordance with the prior instructions of Buyer subject to Section 11.1 (a) above.

11.2 Any consent, instruction or other direction of Buyer permitted under Section 11.1 must be in writing and shall not be effective unless received by Seller no later than one (1) Business Day prior to the date on which such direction must be taken by Seller; provided, however, that if Seller gives notice to Buyer of the Act that is to be taken less than one (1) Business Day prior to the time when such Act is to be taken and Buyer gives a consent or other direction to Seller prior to the time when such Act is to be taken, Seller shall make commercially reasonable efforts to take into account such direction with respect to such Act. Absent such timely consent or other direction (including the withholding of such consent) from Buyer, Seller shall be entitled (but not required), in its sole discretion, to deem that Buyer has given its consent to take (or refrain from taking) any Act on behalf of Buyer with respect to such matters; provided, however, that in doing so, Seller shall act in good faith and subject to the provisions of Section 12.

12. **Standard of Care**

12.1 Seller will not be held to the standard of care of a fiduciary but will exercise the same duty of care in the administration and enforcement of the Participation and the Transferred Rights it would exercise if it held the Transferred Rights solely for its own account, and except for losses that result from Seller's bad faith, gross negligence, willful misconduct or breach of any of the express terms and provisions of this Agreement, it shall not be liable for any error in judgment or for any action taken or omitted to be taken by it. Seller may rely on any notice, consent, certificate, request or other written document or communication received by Seller from Buyer or any employee or agent of Buyer and believed by Seller in good faith to be genuine.

12.2 Seller (i) may rely on legal counsel (including counsel for any Borrower, any Agent or any other Lender), independent public accountants and other experts selected or accepted in good faith by Seller (collectively, the "Experts") and Seller shall not be liable for any action taken or omitted to be taken in good faith by Seller in accordance with the advice of such Experts, (ii) may serve as a member of a creditors' committee performing such acts as may be authorized and vote (subject to Section 11 hereof) as a member of a designated class of creditors for a plan of reorganization related to any part of the Transferred Rights, (iii) shall be entitled to rely on, and shall incur no liability by acting upon, any conversation, notice, consent, certificate, statement, order, or any document or other writing (including, without limitation, facsimile, electronic mail, or other telecommunication device) believed by Seller to be genuine, (iv) except as expressly set forth in Section 4, makes no warranty or representation (express or implied) and shall not be responsible for any statement, warranty or representation made in connection with any Credit Agreement or any related document or for the financial condition of any Borrower, (v) shall not have any duty to inspect the property (including the books and records) of any Borrower or any Obligor, (vi) except as provided in Section 11, and subject to the standard of care set forth in Section 12.1, shall have no obligations to make any claim, or assert any lien upon, any property held by Seller or assert any offset in respect thereto, (vii) shall have no duties or obligations hereunder other than those expressly provided for herein and (viii) shall have no obligation to take any action which Seller determines in good faith could violate applicable law, rule, regulation, order, any Credit Agreement or other Credit Documents or, in Seller's reasonable judgment, prejudice Seller's continuing relationship with any regulatory authority or damage Seller's reputation or, unless and until it shall have been provided adequate indemnity therefor, expose Seller to any material obligation, liability or expense.

12.3 Except for reports and other documents and information expressly required to be furnished to Buyer pursuant to Sections 9.2 and 9.3 above, Seller shall not have any duty or responsibility to provide Buyer with any credit or other information concerning the affairs, financial condition or business of any Borrower or any Obligor which may come into the possession of Seller or any of its Affiliates.

12.4 Notwithstanding Sections 12.1, 12.2 and 12.3 above, nothing in this Section 12 shall relieve Seller from any liability for its breach of any of its representations, warranties, covenants or agreements contained in this Agreement.

13. **Exercise of Rights and Remedies**

13.1 No amendment of any provision of this Agreement shall be effective unless it is in writing and signed by the Parties, and no waiver of any provision of this Agreement, nor consent to any departure by either Party from it, shall be effective unless it is in writing and signed by the affected Party, and then such waiver or consent shall be effective only in the specific instance and for the specific purpose for which given.

13.2 No failure on the part of a Party to exercise, and no delay in exercising, any right or remedy under this Agreement shall operate as a waiver by such Party, nor shall any single or partial exercise of any right or remedy under this Agreement preclude any other or further exercise thereof or the exercise of any other right or remedy. The rights and remedies of each Party provided herein (a) are cumulative and are in addition to, and are not exclusive of, any rights or remedies provided by law (except as otherwise expressly set forth in this Agreement) and (b) are not conditional or contingent on any attempt by such Party to exercise any of its rights or remedies under any other related document or against the other Party or any other Entity.

14. **Survival; Successors and Assigns**

14.1 All representations, warranties, covenants, indemnities and other provisions made by the Parties shall be considered to have been relied upon by the Parties, shall (as to representations and warranties) be true and correct as of the Settlement Date and any other date set forth in Sections 4.1 or 5.1, as the case may be, and shall survive the execution, delivery and performance of this Agreement and the other Operative Documents.

14.2 This Agreement, including the representations, warranties, covenants and indemnities contained in this Agreement, shall inure to the benefit of, be binding upon and be enforceable by and against the Parties and their respective successors and permitted assigns.

15. **Elevation**

Subject to the terms and provisions of the Credit Documents and any applicable law or regulation, each Party agrees to use commercially reasonable efforts and to take such actions as are necessary (including obtaining all relevant Elevation Required Consents (if any)), as soon as reasonably practicable, to cause Buyer or any actual or prospective transferee or subparticipant with respect to all or any part of the Participation who is mutually acceptable to the Parties (any such Entity or Buyer, a "Permitted Assignee") to become a Lender under a Credit Agreement with respect to all or any part of the related Transferred Rights (an "Elevation"; and the date on which such Permitted Assignee becomes a Lender under such Credit Agreement, the "Elevation Date"); provided that, (x) if any Funding Advance or other fees or amounts shall then be due and payable or any other obligations are due and owing to Seller by Buyer, an Elevation shall not be permitted with respect to the relevant Loans and/or Commitments, as applicable, and (y) if an Elevation would contravene any law, rule, order or regulation applicable to either Party, an Elevation shall not be permitted with respect to the relevant Loans and/or Commitments, as applicable. Upon the Elevation Date, to the extent of such Elevation, (i) Buyer shall assume all of the Assumed Obligations, (ii) Seller shall have no further responsibility in respect of such Assumed Obligations and (iii) this Agreement shall terminate except as provided in the last sentence of Section 16. At the time of Elevation, Buyer and Seller shall each pay its applicable share of any applicable Elevation Transfer Fee, as specified in Section G.1 of the Transaction Specific Terms. Notwithstanding the foregoing, the occurrence of an Elevation shall not affect (a) each Party's rights or obligations under this Agreement, (b) the indemnities set forth in Section 6, in each case arising on or before the Elevation Date, including, without limitation, any rights or obligations relating to a Party's breach of any of

its representations, warranties, covenants or agreements hereunder, (c) Seller's obligation to deliver to Buyer any Distributions (whether received before, on or after the Elevation Date) pursuant to Section 8 of this Agreement or (d) either Party's right to reimbursement of Agent Expenses pursuant to Section 7.1.

16. **Termination**

This Agreement shall terminate when (i) Seller shall have received all Distributions in respect of the Loans and the Commitments (if any) and shall, to the extent required hereunder, have distributed the same to Buyer, provided that if all such Distributions are received in connection with a restructuring of any Loans and Commitments that requires Seller contemporaneously to fund new advances to any Borrower, then such Distributions shall be retained by Seller to the extent necessary to fund such new advances, and this Agreement (a) shall not terminate and (b) shall apply to such new advances, modified mutatis mutandis, (ii) the Commitments (if any) have been terminated and (iii) the Borrowers and the Obligors shall no longer have any obligations under the Credit Documents (other than obligations that, in accordance with the terms of the Credit Documents, shall survive the termination thereof). Notwithstanding the foregoing, the termination of this Agreement shall not affect (a) either Party's rights or obligations hereunder or (b) the indemnities set forth in Section 6, in each case arising on or before the date of such termination, including, without limitation, any rights or obligations relating to a Party's breach of any of its representations, warranties, covenants or agreements hereunder.

17. **Further Assurances**

Each Party agrees to (i) execute and deliver, or cause to be executed and delivered, all such other and further agreements, documents and instruments and (ii) take or cause to be taken all such other and further actions as the other Party may reasonably request to effectuate the intent and purposes, and carry out the terms, of this Agreement, including the procurement of the relevant Elevation Required Consents in connection with an Elevation (if any). Without limiting the generality of the foregoing, on and after an Elevation, Seller agrees that if (i) notes have been issued evidencing all or any portion of the Loans and the Commitments (if any), (ii) Buyer or Buyer's designee or assignee requests that a new note or notes be issued to it, and (iii) the related Agent, the related Borrower or any Governmental Authority requires either (x) the delivery of any note(s) evidencing any Loans and Commitments (if any) previously issued to Seller or (y) the delivery of customary lost note documentation by Seller prior to the issuance thereof, then Seller shall use commercially reasonable efforts to either deliver such note(s) or customary lost note documentation to the related Agent; provided that Seller shall not be required to deliver either a note or such lost note documentation if no note was ever issued or delivered to it.

18. **Disclosure**

18.1 Each Party agrees that, without the prior consent of the other Party, it shall not disclose the contents of this Agreement to any Entity, except that any Party may make any such disclosure (a) as required to implement or enforce this Agreement, (b) if required to do so by any law, court, regulation, subpoena or other legal process, (c) to any Governmental Authority or

self-regulatory Entity having or asserting jurisdiction over it, (d) if its attorneys advise it that it has a legal obligation to do so or that failure to do so may result in it incurring a liability to any other Entity or sanctions that may be imposed by any Governmental Authority, (e) to its Affiliates, professional advisors and auditors or (f) as set forth in Section 18.2.

18.2 Buyer may disclose the contents of this Agreement to any proposed transferee, assignee, participant, or other Entity proposing to enter into contractual relations with Buyer in respect of the Transferred Rights or any part of them.

18.3 Buyer agrees, and shall cause each Buyer's designee for purposes of receiving information or documents in accordance with Section 9.2 to agree, that it shall maintain the confidentiality of any information and documents delivered to Buyer to the extent required therein and to the same extent as if Buyer were a party to the Credit Documents and shall, upon Seller's request, provide to Seller a confidentiality undertaking to such effect in accordance with the terms of the Credit Documents prior to the delivery of any such information or documents.

19. **Parties' Relationships**

Each Party and any of their respective Affiliates may engage in any kind of lawful business or other relationship with any Borrower, any Obligor or any of their respective Affiliates, without liability to the other Party or any obligation to disclose such business or relationship to the other Party.

20. **Entire Agreement; Conflict**

20.1 This Agreement and the other Operative Documents constitute the entire agreement of the Parties with respect to the Transaction and supersede all previous and contemporaneous negotiations, promises, covenants, agreements, understandings, representations and warranties in respect thereof, all of which have become merged and finally integrated into this Agreement and the other Operative Documents.

20.2 As between Seller and Buyer, if there is any inconsistency or conflict between this Agreement and any of the other Operative Documents, the provisions of this Agreement shall govern and control. If there is any inconsistency between the Transaction Specific Terms and the Standard Terms, the Transaction Specific Terms shall govern and control.

21. **Counterparts; Telecopies**

This Agreement and the other Operative Documents may be executed in multiple counterparts and all of such counterparts taken together shall be deemed to constitute one and the same instrument. Transmission by telecopier, facsimile or other form of electronic transmission of an executed counterpart of any Operative Document shall be deemed to constitute due and sufficient delivery of such counterpart. Each fully executed counterpart of this Agreement and any other Operative Document shall be deemed to be a duplicate original.

22. **Relationship Between Buyer and Seller**

The relationship between Seller and Buyer shall be that of seller and buyer. Neither is a trustee or agent for the other, nor does either have any fiduciary obligations to the other. This Agreement shall not be construed to create a partnership or joint venture between the Parties. In no event shall the Participation be construed as a loan from Buyer to Seller.

23. **Severability**

The illegality, invalidity or unenforceability of any provision of this Agreement under the law of any jurisdiction shall not affect its legality, validity or enforceability under the law of any other jurisdiction nor the legality, validity or enforceability of any other provision.

24. **Governing Law**

THIS AGREEMENT, THE RIGHTS AND OBLIGATIONS OF THE PARTIES UNDER THIS AGREEMENT AND ANY CLAIM OR CONTROVERSY DIRECTLY OR INDIRECTLY BASED UPON OR ARISING OUT OF THIS AGREEMENT OR THE TRANSACTION (WHETHER BASED ON CONTRACT, TORT OR ANY OTHER THEORY), INCLUDING ALL MATTERS OF CONSTRUCTION, VALIDITY AND PERFORMANCE, SHALL IN ALL RESPECTS BE GOVERNED BY AND INTERPRETED, CONSTRUED AND DETERMINED IN ACCORDANCE WITH, THE INTERNAL LAWS OF THE STATE OF NEW YORK (WITHOUT REGARD TO ANY CONFLICTS OF LAW PROVISION THEREOF THAT WOULD REQUIRE THE APPLICATION OF THE LAWS OF ANY OTHER JURISDICTION).

25. **Waiver of Trial by Jury**

THE PARTIES HEREBY IRREVOCABLY AND UNCONDITIONALLY WAIVE, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT THAT THEY MAY HAVE TO TRIAL BY JURY OF ANY CLAIM OR CAUSE OF ACTION, OR IN ANY LEGAL PROCEEDING, DIRECTLY OR INDIRECTLY BASED UPON OR ARISING OUT OF THIS AGREEMENT OR THE TRANSACTION (WHETHER BASED ON CONTRACT, TORT OR ANY OTHER THEORY). EACH PARTY (a) CERTIFIES THAT NO REPRESENTATIVE, AGENT OR ATTORNEY OF THE 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 (b) ACKNOWLEDGES THAT IT AND THE OTHER PARTY HAVE BEEN INDUCED TO ENTER INTO THIS AGREEMENT BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION.

26. **Jurisdiction**

26.1 The Parties irrevocably and unconditionally submit to and accept the exclusive jurisdiction of the United States District Court for the Southern District of New York located in the Borough of Manhattan or the courts of the State of New York located in the County of New York for any action, suit or proceeding arising out of or based upon this Agreement or any matter relating to it and waive any objection that they may have to the laying of venue in any such court or that any such court is an inconvenient forum or does not have personal jurisdiction over them.

26.2 The Parties irrevocably agree that, should either Party institute any legal action or proceeding in any jurisdiction (whether for an injunction, specific performance, damages or otherwise) in relation to this Agreement or the Transaction, no immunity (to the extent that it may at any time exist, whether on the grounds of sovereignty or otherwise) from such action or proceeding shall be claimed by it or on its behalf, any such immunity being hereby irrevocably waived, and each Party irrevocably agrees that it and its assets are, and shall be, subject to such legal action or proceeding in respect of its obligations under this Agreement.

27. **Subrogation; Reimbursement Claims**

27.1 To the extent that Buyer enforces any claim for indemnification or other right, claim or remedy against Seller under this Agreement and receives payment or another remedy from Seller in respect of such right, claim or remedy, the Parties agree that, to the extent permitted by law, the Credit Documents, without the need for further action on the part of either Party, Seller shall be subrogated to the rights of Buyer against any other Entity, with respect to such right, claim or remedy to the extent that Buyer receives such payment or other remedy from Seller.

27.2 To the extent that any Borrower or any other Entity enforces any claim for return, disgorgement or reimbursement against Seller for all or any portion of any payment or transfer received by Seller on account of the Transferred Rights prior to the Settlement Date and receives payment or satisfaction from Seller in respect thereof, the Parties agree that, to the extent permitted by law and the Credit Documents, without the need for further action on the part of either Party, Seller shall be subrogated to the rights of Buyer against any other Entity, including any Borrower, with respect to such claim (including the right to assert any Reimbursement Claims); provided that, if applicable, Seller has fully indemnified Buyer with respect thereto pursuant to Section 6.1.

28. **Judgment Currency**

28.1 Each Party's obligations hereunder to make payments in a specified currency (the "Contractual Currency") shall not be discharged or satisfied by any tender or recovery pursuant to any judgment expressed in or converted into any currency other than the Contractual Currency, except to the extent that such tender or recovery results in the effective receipt by the Party to which payment is owed, acting in good faith and using commercially reasonable procedures in converting the currency so tendered into the Contractual Currency, of the full amount in the Contractual Currency of the amounts payable to such other Party under this Agreement. If, for the purpose of obtaining or enforcing judgment against any Party in any court or in any jurisdiction, it becomes necessary to convert into or from any currency other than the Contractual Currency (such other currency being hereinafter referred to as the "Judgment Currency") an amount due in the Contractual Currency, the conversion shall be made, at the rate of exchange (as quoted by State Street Bank and Trust Company or if State Street Bank and Trust Company does not quote a rate of exchange on such currency, by a known dealer in such currency designated by the mutual agreement of the Parties) determined, in each case, as of the Business Day immediately preceding the date on which the judgment is given (such Business Day being hereinafter referred to as the "Judgment Currency Conversion Date").

28.2 If there is a change in the rate of exchange prevailing between the Judgment Currency Conversion Date and the date of actual payment of the amount due, each Party covenants and agrees to pay, or cause to be paid, such additional amounts, if any (but in any event not a lesser amount), as may be necessary to ensure that the amount paid in the Judgment Currency, when converted at the rate of exchange prevailing on the date of payment, will produce the amount of the Contractual Currency which could have been purchased with the amount of Judgment Currency stipulated in the judgment or judicial award at the rate of exchange prevailing on the Judgment Currency Conversion Date.

28.3 If for any reason the amount in the Contractual Currency received by a Party exceeds the amount of the Contractual Currency due and payable, the party receiving the payment will refund promptly the amount of such excess.

28.4 For purposes of determining any rate of exchange or currency equivalent for this Section, such amounts shall include any premium and costs payable in connection with the purchase of the Contractual Currency.

29. **Interpretation**

29.1 This Agreement includes Annex A, Schedule 1 and any other annexes, schedules or other documents attached to or incorporated by reference into the Agreement.

29.2 Terms used in the singular or the plural include the plural and the singular, respectively; “includes” and “including” are not limiting; and “or” is not exclusive.

29.3 Any reference to a Party includes such Party’s successors and permitted assigns.

29.4 Unless otherwise indicated, any reference to:

(a) this Agreement or any other agreement, document or instrument shall be construed as a reference to this Agreement or, as the case may be, such other agreement, document or instrument as the same may have been, or may at any time before the Settlement Date be, in effect as modified, amended or supplemented as of the Settlement Date; and

(b) a statute, law, order, rule or regulation shall be construed as a reference to such statute, law, order, rule or regulation as it may have been, or may at any time before the Settlement Date be, in effect as modified, amended or supplemented as of the Settlement Date.

29.5 Section and other headings and captions are included solely for convenience of reference and are not intended to affect the interpretation of any provision of this Agreement.

29.6 This Agreement shall be deemed to have been jointly drafted by the Parties and no provision of it shall be interpreted or construed for or against either Party because such Party actually or purportedly prepared or requested such provision, any other provision or the Agreement as a whole.

30. **Accounting Treatment**

This Transaction is intended to be treated as a sale by Seller and as a purchase by Buyer.

31. **Additional Provisions**

The additional provisions set forth in Section H of the Transaction Specific Terms shall apply.

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Schedule 1

Transaction Summary and Defined Terms

Schedule 2

Form UCC-1

Exhibit 31.1

CERTIFICATION OF PRINCIPAL EXECUTIVE OFFICER

CERTIFICATION

I, Michael Hart, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Carlyle GMS Finance, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

    a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant is made known to us by others within those entities, particularly during the period in which this report is being prepared;

    b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

    c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

    d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

    a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

    b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 12, 2015

/s/ Michael Hart

Michael Hart
President
(Principal Executive Officer)

Exhibit 31.2

CERTIFICATION OF PRINCIPAL FINANCIAL OFFICER

CERTIFICATION

I, Venugopal Rathi, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Carlyle GMS Finance, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

    a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant is made known to us by others within those entities, particularly during the period in which this report is being prepared;

    b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

    c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

    d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

    a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

    b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 12, 2015

/s/ Venugopal Rathi

Venugopal Rathi
Chief Financial Officer
(Principal Financial Officer)

Exhibit 32.1

CERTIFICATION OF PRINCIPAL EXECUTIVE OFFICER, SECTION 906

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

I, Michael Hart, the President (Principal Executive Officer) of Carlyle GMS Finance, Inc. (the "Company"), hereby certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

- the Form 10-Q of the Company for the quarter ended June 30, 2015 as filed with the Securities and Exchange Commission on the date hereof (the "Form 10-Q"), fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m or 78o(d)); and
- the information contained in the Form 10-Q fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated: August 12, 2015

/s/ Michael Hart

Michael Hart
President
(Principal Executive Officer)

* The foregoing certification is being furnished solely pursuant to 18 U.S.C. Section 1350 and is not being filed as part of the Report or as a separate disclosure document.

Exhibit 32.2

CERTIFICATION OF PRINCIPAL FINANCIAL OFFICER, SECTION 906

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

I, Venugopal Rathi, the Chief Financial Officer (Principal Financial Officer) of Carlyle GMS Finance, Inc. (the "Company"), hereby certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

- the Form 10-Q of the Company for the quarter ended June 30, 2015 as filed with the Securities and Exchange Commission on the date hereof (the "Form 10-Q"), fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m or 78o(d)); and
- the information contained in the Form 10-Q fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated: August 12, 2015

/s/ Venugopal Rathi

Venugopal Rathi
Chief Financial Officer
(Principal Financial Officer)

* The foregoing certification is being furnished solely pursuant to 18 U.S.C. Section 1350 and is not being filed as part of the Report or as a separate disclosure document.