IMPORTANT NOTICE

Attached is an electronic copy of the Confidential Offering Circular (the "Offering Circular"), dated June 17, 2005, relating to the offering by Coolidge Funding, Ltd. (the "Issuer") and Coolidge Funding (Delaware) Corp. (the "Co-Issuer" and, together with the Issuer, the "Issuers") of the Notes and Preferred Shares described therein.

No registration statement relating to these securities has been filed with the Securities and Exchange Commission. These securities are being offered pursuant to an exemption from the registration requirements of the United States Securities Act of 1933, as amended. This Offering Circular is confidential and will not constitute an offer to sell or the solicitation of an offer to buy, nor will there be any sale of these securities in any jurisdiction where such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any jurisdiction.

No purchase of these securities may be made except pursuant to this Confidential Offering Circular. This Confidential Offering Circular may be transmitted electronically, but each investor in the securities should receive a printed version thereof prior to purchase. If you do not receive a printed version of this Confidential Offering Circular, please contact your Initial Purchaser representative at the address provided herein.

Distribution of this electronic transmission of the Offering Circular to any person other than (a) the person receiving this electronic transmission from the Initial Purchaser on behalf of the Issuer and/or the Co-Issuer and (b) any person retained to advise the person receiving this electronic transmission with respect to the offering contemplated by the Offering Circular (each, an "Authorized Recipient") is unauthorized. Any photocopying, disclosure or alteration of the contents of the Offering Circular, and any forwarding of a copy of the Offering Circular or any portion thereof by electronic mail or any other means to any person other than an Authorized Recipient, is prohibited. By accepting delivery of this Offering Circular, each recipient hereof agrees to the foregoing.

CONFIDENTIAL

COOLIDGE FUNDING, LTD.
COOLIDGE FUNDING (DELAWARE) CORP.

U.S.$274,700,000 Class A-1 Floating Rate Notes Due 2040
U.S.$45,100,000 Class A-2 Floating Rate Notes Due 2040
U.S.$37,515,000 Class B Floating Rate Notes Due 2040
U.S.$10,660,000 Class C Deferrable Floating Rate Notes Due 2040
U.S.$25,625,000 Class D Floating Rate Notes Due 2040
Up to U.S.$5,000,000 Class E Floating Rate Notes Due 2040
16,400 Preferred Shares (Par Value U.S.$0.01 per share)

Secured (with Respect to the Notes) Primarily by a Portfolio of Residential Mortgage-Backed Securities, Commercial Mortgage-Backed Securities, CDO Securities, Asset-Backed Securities and Synthetic Securities

ALLIANZ RISK TRANSFER, INC., AS SURVEILLANCE AGENT

The Notes (as defined herein (other than the Class E Notes)) and the Preferred Shares (as defined herein), (collectively, the "Offered Securities," and together with the Class E Notes, the "Securities") are being offered hereby in the United States to qualified institutional buyers (as defined in Rule 144A under the United States Securities Act of 1933, as amended (the "Securities Act")), in reliance on Rule 144A under the Securities Act, and, solely in the case of the Preferred Shares, to accredited investors (as defined in Rule 501(a) under the Securities Act) who have a net worth of not less than U.S.$10 million in transactions exempt from registration under the Securities Act. The Offered Securities are being offered hereby in the United States only to persons that are also "qualified purchasers" for purposes of Section 3(c)(7) under the United States Investment Company Act of 1940, as amended (the "Investment Company Act"). The Offered Securities are being offered hereby outside the United States to non U.S. Persons in offshore transactions in reliance on Regulation S ("Regulation S") under the Securities Act. See "Underwriting and Placement." The Class E Notes are not offered hereby.

See "Risk Factors" for a discussion of certain factors to be considered in connection with an investment in the Securities.

There is no established trading market for the Notes or the Preferred Shares. Application may be made to admit the Notes on a stock exchange of the Issuer's choice, if practicable. There can be no assurance that such admission will be sought, granted or maintained.

It is a condition of the issuance of the Securities that the Class A-1 Notes and the Class A-2 Notes be issued with a rating of "Aaa" by Moody's Investors Service, Inc. ("Moody's") and "AAA" by Standard & Poor's Ratings Services, a division of The McGraw-Hill Companies, Inc. ("S&P," and together with Moody's, the "Rating Agencies"), that the Class B Notes be issued with a rating of at least "Aa2" by Moody's and at least "AA" by S&P, that the Class C Notes be issued with a rating of at least "A3" by Moody's and at least "A-" by S&P, that the Class D Notes be issued with a rating of at least "Baa2" by Moody's and at least "BBB" by S&P, that the Class E Notes be issued with a rating of at least "Ba3" by Moody's and at least "BB-" by S&P assuming the Maximum Increase Amount and Maximum Coupon for the Class E Notes and that the Preferred Shares be issued with a rating of at least "Ba3" by Moody's as to the ultimate receipt of the Preferred Share Stated Amount. A credit rating is not a recommendation to buy, sell or hold securities and may be subject to revision or withdrawal at any time by the assigning rating agency. See "Ratings of the Notes."

See "Underwriting and Placement" for a discussion of the terms and conditions of the purchase of the Offered Securities by the Initial Purchasers.

THE ASSETS OF THE ISSUER ARE THE SOLE SOURCE OF PAYMENTS ON THE SECURITIES. THE SECURITIES DO NOT REPRESENT AN INTEREST IN OR OBLIGATIONS OF, AND ARE NOT INSURED OR GUARANTEED BY, THE HOLDERS OF THE SECURITIES, THE SURVEILLANCE AGENT (AS DEFINED HEREIN), THE HEDGE COUNTERPARTY (AS DEFINED HEREIN), GOLDMAN, SACHS & CO. OR MAXIM GROUP LLC (AS INITIAL PURCHASERS (AS DEFINED HEREIN)), GOLDMAN SACHS INTERNATIONAL, THE ISSUER ADMINISTRATOR (AS DEFINED HEREIN), THE AGENTS (AS DEFINED HEREIN), THE TRUSTEE, THE SHARE TRUSTEE (AS DEFINED HEREIN) OR ANY OF THEIR RESPECTIVE AFFILIATES.

THE SECURITIES HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE SECURITIES ACT, AND NEITHER OF THE ISSUERS (AS DEFINED HEREIN) WILL BE REGISTERED UNDER THE INVESTMENT COMPANY ACT. THE SECURITIES MAY NOT BE OFFERED OR SOLD WITHIN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, U.S. PERSONS (AS SUCH TERMS ARE DEFINED UNDER THE SECURITIES ACT) EXCEPT PURSUANT TO AN EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT. ACCORDINGLY, THE OFFERED SECURITIES ARE BEING OFFERED HEREBY ONLY TO (A) (1) QUALIFIED INSTITUTIONAL BUYERS (AS DEFINED IN RULE 144A UNDER THE SECURITIES ACT) AND, SOLELY IN THE CASE OF THE PREFERRED SHARES, ACCREDITED INVESTORS (AS DEFINED IN RULE 501(a) UNDER THE SECURITIES ACT) THAT HAVE A NET WORTH OF NOT LESS THAN U.S.$10 MILLION AND, WHO ARE (2) QUALIFIED PURCHASERS FOR PURPOSES OF SECTION 3(c)(7) UNDER THE INVESTMENT COMPANY ACT AND (B) CERTAIN NON-U.S. PERSONS OUTSIDE THE UNITED STATES IN RELIANCE ON REGULATION S UNDER THE SECURITIES ACT. PURCHASERS AND SUBSEQUENT TRANSFEREES OF SECURITIES WILL BE DEEMED TO HAVE MADE SUCH REPRESENTATIONS AND AGREEMENTS, AS ARE SET FORTH UNDER "NOTICE TO INVESTORS." THE SECURITIES ARE NOT TRANSFERABLE EXCEPT IN ACCORDANCE WITH THE RESTRICTIONS DESCRIBED UNDER "NOTICE TO INVESTORS."

The Offered Securities (other than the Class A-1 Notes) are being offered by Goldman, Sachs & Co. (in the case of the Offered Securities offered outside the United States, selling through its agent, Goldman Sachs International) and the Class A-1 Notes are being offered by Maxim Group LLC (together with Goldman, Sachs & Co., the "Initial Purchasers"), in each case, as specified herein, subject to its right to reject any order in whole or in part, in one or more negotiated transactions or otherwise at varying prices to be determined at the time of sale *plus* accrued interest, if any, from the Closing Date (as defined herein). It is expected that the Notes (other than the Class E Notes) will be ready for delivery in book entry form only in New York, New York, on or about June 22, 2005 (the "Closing Date"), through the facilities of DTC (in the case of the Securities sold outside the United States, for the accounts of Euroclear Bank S.A./N.V., as operator of the Euroclear System ("Euroclear") and Clearstream Banking, société anonyme ("Clearstream")), against payment therefor in immediately available funds. It is expected that the Preferred Shares and the Class E Notes will be ready for delivery in definitive form in New York, New York on the Closing Date, against payment therefor in immediately available funds. The Notes sold in reliance on Rule 144A will be issued in minimum denominations of U.S.$250,000 and integral multiples of U.S.$1,000 in excess thereof. The Notes sold in reliance on Regulation S will be issued in minimum denominations of U.S.$100,000 and integral multiples of U.S.$1,000 in excess thereof. The Preferred Shares will be issued in minimum lots of 250 and integral multiples of one Preferred Share in excess thereof.

Goldman, Sachs & Co. **Maxim Group LLC**

Offering Circular dated June 17, 2005.

Coolidge Funding, Ltd., a company incorporated with limited liability under the laws of the Cayman Islands (the "Issuer") and Coolidge Funding (Delaware) Corp., a Delaware corporation (the "Co-Issuer" and, together with the Issuer, the "Issuers"), will issue U.S.$274,700,000 principal amount of Class A-1 Floating Rate Notes Due 2040 (the "Class A-1 Notes"), U.S.$45,100,000 principal amount of Class A-2 Floating Rate Notes Due 2040 (the "Class A-2 Notes" and, together with the Class A-1 Notes, the "Class A Notes"), U.S.$37,515,000 principal amount of Class B Floating Rate Notes Due 2040 (the "Class B Notes"), U.S.$10,660,000 principal amount of Class C Deferrable Floating Rate Notes Due 2040 (the "Class C Notes"), U.S.$25,625,000 principal amount of Class D Floating Rate Notes Due 2040 (the "Class D Notes") and the Issuer is authorized to issue up to U.S.$5,000,000 principal amount of Class E Floating Rate Notes Due 2040 (the "Class E Notes" and, together with the Class A Notes, Class B Notes, Class C Notes and Class D Notes, the "Notes") pursuant to an Indenture (the "Indenture") dated on or about June 22, 2005 among the Issuers and LaSalle Bank National Association, as trustee and securities intermediary (the "Trustee" and the "Securities Intermediary," respectively). The Class E Notes are not being offered hereby.

In addition, the Issuer will issue 16,400 Preferred Shares, having a par value of U.S.$0.01 per share and an Initial Stated Amount (as defined herein) of approximately U.S.$1,000 per share (the "Preferred Shares" and, together with the Notes, the "Securities"), as part of its issued share capital in accordance with the Issuer's memorandum and articles of association. The Preferred Shares will be subject to a Preferred Share Paying and Transfer Agency Agreement (as defined herein).

The net proceeds received from the offering of the Securities will be applied by the Issuer to purchase a portfolio of Residential Mortgage-Backed Securities, Commercial Mortgage-Backed Securities, CDO Securities, Asset-Backed Securities and Synthetic Securities as described herein (collectively, "Collateral Assets"), and certain Eligible Investments (as defined herein). Certain summary information about the Collateral Assets is set forth in Appendix B to this Offering Circular. In addition, certain of the offering documents, term sheets, trustee reports and remittance reports relating to the Collateral Assets are included on the CD-ROM attached to this Offering Circular. On the Closing Date, the Issuer will enter into one or more Hedge Agreements (as defined herein). The Collateral Assets, the Eligible Investments and certain other assets of the Issuer will be pledged under the Indenture to the Trustee, for the benefit of the Secured Parties (as defined herein), as security for, among other obligations, the Issuers' obligations under the Notes (but not the Preferred Shares) and to certain service providers.

Interest will be payable on the Notes in arrears on the 9th day of each January, April, July and October, or if any such date is not a Business Day (as defined herein), the immediately following Business Day (each such date, a "Payment Date") commencing October 10, 2005 or, the first Payment Date following the exercise of the Class E Principal Increase Option in the case of the Class E Notes. The Class A-1 Notes will bear interest at a per annum rate equal to LIBOR (as defined herein) *plus* 0.30% for each Interest Accrual Period (as defined herein). The Class A-2 Notes will bear interest at a per annum rate equal to LIBOR *plus* 0.42% for each Interest Accrual Period. The Class B Notes will bear interest at a per annum rate equal to LIBOR *plus* 0.55% for each Interest Accrual Period. The Class C Notes will bear interest at a per annum rate equal to LIBOR *plus* 1.60% for each Interest Accrual Period. The Class D Notes will bear interest at a per annum rate equal to LIBOR *plus* 2.75% for each Interest Accrual Period. The Class E Notes will bear interest after the exercise of the Class E Principal Increase Option at a per annum rate equal to or less than LIBOR *plus* 2.75% for each Interest Accrual Period. Dividends and other distributions will be payable on the Preferred Shares from funds legally available therefor. All payments on the Securities will be made from Proceeds (as defined herein) available in accordance with the Priority of Payments (as defined herein). Payments of interest on the Class A-1 Notes and the Class A-2 Notes due on any Payment Date will be paid *pro rata* and will be senior to payments of interest on the Class B Notes, Class C Notes, Class D Notes and Class E Notes and senior to the distribution of any Proceeds to the Holders of the Preferred Shares on such Payment Date. Payments of interest on the Class B Notes due on any Payment Date will be senior to payments of interest on the Class C Notes, Class D Notes and Class E Notes on such Payment Date and senior to the distribution of any Proceeds to the Holders of the Preferred Shares on such Payment Date. Payments of

interest on the Class C Notes due on any Payment Date will be senior to payments of interest on the Class D Notes and the Class E Notes and senior to the distribution of any Proceeds to the Holders of the Preferred Shares on such Payment Date. Payments of interest on the Class D Notes due on any Payment Date will be senior to payments of interest on the Class E Notes and senior to the distribution of any Proceeds to the Holders of the Preferred Shares on such Payment Date. Payments of interest on the Class E Notes due on any Payment Date will be senior to the distribution of any Proceeds to the Holders of the Preferred Shares on such Payment Date.

Payments of principal on the Class A-1 Notes and the Class A-2 Notes will be paid either pro rata or first to the Class A-1 Notes and second to the Class A-2 Notes depending on the circumstances as more fully described in the Priority of Payments and will generally be senior to payments of principal of the Class B Notes, Class C Notes, Class D Notes and Class E Notes and senior to the distribution of any Proceeds to the Holders of the Preferred Shares on such Payment Date. Payments of principal of the Class B Notes due on any Payment Date will generally be senior to payments of principal of the Class C Notes, Class D Notes and Class E Notes on such Payment Date and senior to the distribution of any Proceeds to the Holders of the Preferred Shares on such Payment Date. Payments of principal of the Class C Notes due on any Payment Date will generally be senior to payments of principal of the Class D Notes and Class E Notes on such Payment Date and senior to the distribution of any Proceeds to the Holders of the Preferred Shares on such Payment Date. Payments of principal of the Class D Notes due on any Payment Date will be senior to payments of principal of the Class E Notes on such Payment Date and senior to the distribution of any Proceeds to the Holders of the Preferred Shares on such Payment Date. Payments of principal of the Class E Notes due on any Payment Date will be senior to the distribution of any Proceeds to the Holders of the Preferred Shares on such Payment Date. Principal will be payable on the Notes in accordance with the Priority of Payments on each Payment Date. The Notes (other than the Class E Notes) are subject to mandatory redemption if the Coverage Tests (as defined herein) are not satisfied on any Determination Date which may result in variations to the seniorities of distributions described above and as more fully described in the Priority of Payments.

The Notes and, to the extent described herein, the Preferred Shares, are subject to redemption, in whole and not in part, (i) at any time as a result of a Tax Redemption (as defined herein), (ii) on an Auction Payment Date (as defined herein) as a result of a successful Auction (as defined herein) or (iii) as a result of an Optional Redemption (as defined herein) on or after the July 2008 Payment Date. In addition, the Class A-1 Notes are subject to redemption, in whole but not in part, on or after the October 2013 Payment Date as a result of a Class A-1 Optional Redemption (as defined herein). The stated maturity of the Notes and the date on which the Preferred Shares are scheduled to receive their final distribution (if any) and to be redeemed by the Issuer is the Payment Date in July 2040. The actual final distribution on the Securities is expected to occur substantially earlier than the Payment Date in July 2040. See "Risk Factors—Securities—Average Lives, Duration and Prepayment Considerations."

Notes (other than the Class E Notes) sold in reliance on Rule 144A under the Securities Act ("Rule 144A") will be evidenced by one or more global notes (the "Rule 144A Global Notes") in fully registered form without coupons, deposited with a custodian for, and registered in the name of, a nominee of The Depository Trust Company ("DTC"). Beneficial interests in the Rule 144A Global Notes will trade in DTC's Same Day Funds Settlement System, and secondary market trading activity in such interests will therefore settle in immediately available funds. Except as described herein, beneficial interests in the Rule 144A Global Notes will be shown on, and transfers thereof will be effected only through, records maintained by DTC and its direct and indirect participants. The Class E Notes sold in reliance on Rule 144A will be evidenced by one or more Definitive Notes in fully registered form.

The Notes that are being offered hereby in reliance on the exemption from registration under Regulation S (the "Regulation S Notes") have not been and will not be registered under the Securities Act and neither of the Issuers will be registered under the Investment Company Act. The Regulation S Notes may not be offered or sold within the United States or to U.S. Persons (as defined in Regulation S) unless the purchaser certifies or is deemed to have certified that it is a qualified institutional buyer as defined in Rule 144A (a "Qualified Institutional Buyer") and a "qualified purchaser" for the purposes of Section

3(c)(7) of the Investment Company Act (a "Qualified Purchaser"), and takes delivery in the form of an interest in a Rule 144A Global Note in an amount equal to at least U.S. $250,000. The Class E Notes which are Regulation S Notes will be evidenced by one or more definitive notes in fully registered form. See "Description of the Notes and the Preferred Shares" and "Underwriting and Placement."

The Preferred Shares will be evidenced by one or more definitive certificates in fully registered form. See "Description of the Notes and the Preferred Shares."

This Offering Circular is confidential and is being furnished by the Issuers in connection with an offering exempt from registration under the Securities Act, solely for the purpose of enabling a prospective investor to consider the purchase of the Offered Securities described herein. The information contained in this Offering Circular has been provided by the Issuers and other sources identified herein. Except in respect of the information contained under the heading "The Surveillance Agent," for which the Surveillance Agent accepts sole responsibility, to the extent described in such section, no representation or warranty, express or implied, is made by the Initial Purchasers, the Hedge Counterparty, the Surveillance Agent, the Trustee, the Note Agents or the Preferred Share Agents (the Note Agents and the Preferred Share Agents together, the "Agents") as to the accuracy or completeness of such information, and nothing contained in this Offering Circular is, or shall be relied upon as, a promise or representation by the Initial Purchasers, the Hedge Counterparty, the Trustee, the Surveillance Agent or the Agents. Any reproduction or distribution of this Offering Circular, in whole or in part, and any disclosure of its contents or use of any information herein for any purpose other than considering an investment in the Offered Securities is prohibited. Each offeree of the Offered Securities, by accepting delivery of this Offering Circular, agrees to the foregoing.

THE OFFERED SECURITIES HAVE NOT BEEN RECOMMENDED BY ANY UNITED STATES FEDERAL OR STATE SECURITIES COMMISSION OR REGULATORY AUTHORITY. FURTHERMORE, THE FOREGOING AUTHORITIES HAVE NOT CONFIRMED THE ACCURACY OR DETERMINED THE ADEQUACY OF THIS DOCUMENT. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

The distribution of this Offering Circular and the offering and sale of the Offered Securities in certain jurisdictions may be restricted by law. The Issuers and the Initial Purchasers require persons into whose possession this Offering Circular comes to inform themselves about and to observe any such restrictions. For a further description of certain restrictions on offering and sales of the Offered Securities, see "Underwriting and Placement." This Offering Circular does not constitute an offer of, or an invitation to purchase, any of the Offered Securities in any jurisdiction in which such offer or invitation would be unlawful.

NOTICE TO NEW HAMPSHIRE RESIDENTS

NEITHER THE FACT THAT A REGISTRATION STATEMENT OR AN APPLICATION FOR A LICENSE HAS BEEN FILED UNDER CHAPTER 421-B OF THE NEW HAMPSHIRE REVISED STATUTES ANNOTATED ("RSA 421-B") WITH THE STATE OF NEW HAMPSHIRE NOR THE FACT THAT A SECURITY IS EFFECTIVELY REGISTERED OR A PERSON IS LICENSED IN THE STATE OF NEW HAMPSHIRE CONSTITUTES A FINDING BY THE SECRETARY OF STATE OF NEW HAMPSHIRE THAT ANY DOCUMENT FILED UNDER RSA 421-B IS TRUE, COMPLETE AND NOT MISLEADING. NEITHER ANY SUCH FACT NOR THE FACT THAT AN EXEMPTION OR EXCEPTION IS AVAILABLE FOR A SECURITY OR A TRANSACTION MEANS THAT THE SECRETARY OF STATE HAS PASSED IN ANY WAY UPON THE MERITS OR QUALIFICATIONS OF, OR RECOMMENDED OR GIVEN APPROVAL TO, ANY PERSON, SECURITY, OR TRANSACTION. IT IS UNLAWFUL TO MAKE, OR CAUSE TO BE MADE, TO ANY PROSPECTIVE PURCHASER, CUSTOMER OR CLIENT ANY REPRESENTATION INCONSISTENT WITH THE PROVISIONS OF THIS PARAGRAPH.

No invitation may be made to the public in the Cayman Islands to subscribe for the Offered Securities.

Each Initial Purchaser has represented, warranted and agreed that: (i) it has not offered or sold and, prior to the expiry of a period of six months from the Closing Date, will not offer or sell any Offered Securities to persons in the United Kingdom except to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of their businesses or otherwise in circumstances which have not resulted and will not result in an offer to the public in the United Kingdom within the meaning of the Public Offers of Securities Regulations 1995; (ii) it has only communicated or caused to be communicated and will only communicate or cause to be communicated any invitation or inducement to engage in investment activity (within the meaning of section 21 of the Financial Services and Markets Act 2000 ("FSMA")) received by it in connection with the issue or sale of any Offered Securities in circumstances in which section 21(1) of the FSMA does not apply to the Issuer; and (iii) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to the Offered Securities in, from or otherwise involving the United Kingdom. See "Underwriting and Placement."

Each Initial Purchaser has represented and agreed that it has not, directly or indirectly, offered or sold and will not, directly or indirectly, offer or sell in the Netherlands any Offered Securities with a denomination of less than EUR50,000 (or its foreign currency equivalent) other than to persons who trade or invest in securities in the conduct of a profession or business (which include banks, stockbrokers, insurance companies, pension funds, other institutional investors and finance companies and treasury departments of large enterprises) unless one of the other exemptions from or exceptions to the prohibition contained in article 3 of the Dutch Securities Transactions Supervision Act 1995 (Wet toezicht effectenverkeer 1995) is applicable and the conditions attached to such exemption or exception are complied with.

The Offered Securities may not be offered or sold by means of any document other than to persons whose ordinary business is to buy or sell shares or debentures, whether as principal or agent, or in circumstances which do not constitute an offer to the public within the meaning of the Companies Ordinance (Cap. 32) of Hong Kong, and no advertisement, invitation or document relating to the Offered Securities may be issued, whether in Hong Kong or elsewhere, which is directed at, or the contents of which are likely to be accessed or read by, the public in Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to Offered Securities which are or are intended to be disposed of only to persons outside Hong Kong or only to "professional investors" within the meaning of the Securities and Futures Ordinance (Cap. 571) of Hong Kong and any rules made thereunder.

This Offering Circular has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, this Offering Circular and any other document or material in connection with the offer or sale, or invitation or subscription or purchase, of the Offered Securities may not be circulated or distributed, nor may the Offered Securities be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore other than under circumstances in which such offer, sale or invitation does not constitute an offer or sale, or invitation for subscription or purchase, of the Offered Securities to the public in Singapore.

The Offered Securities have not been and will not be registered under the Securities and Exchange Law of Japan (the Securities and Exchange Law) and each of the Initial Purchasers has agreed that it will not offer or sell any Offered Securities, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan (which term as used herein means any person resident in Japan, including any corporation or other entity organized under the laws of Japan), or to others for re-offering or resale, directly or indirectly, in Japan or to a resident of Japan, except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the Securities and Exchange Law and any other applicable laws, regulations and ministerial guidelines of Japan.

NOTICE TO RESIDENTS OF THE REPUBLIC OF IRELAND

THIS OFFERING CIRCULAR IS NOT A PROSPECTUS AND DOES NOT CONSTITUTE AN INVITATION TO THE PUBLIC TO PURCHASE OR SUBSCRIBE FOR ANY SECURITIES AND NEITHER IT NOR ANY FORM OF APPLICATION WILL BE ISSUED, CIRCULATED OR DISTRIBUTED TO THE PUBLIC.

THIS OFFERING CIRCULAR AND THE INFORMATION CONTAINED HEREIN IS CONFIDENTIAL AND IS FOR THE USE SOLELY OF THE PERSON TO WHOM IT IS ADDRESSED. ACCORDINGLY, IT MAY NOT BE REPRODUCED IN WHOLE OR IN PART, NOR MAY ITS CONTENTS BE DISTRIBUTED IN WRITING OR ORALLY TO ANY THIRD PARTY AND IT MAY BE READ SOLELY BY THE PERSON TO WHOM IT IS ADDRESSED AND HIS/HER PROFESSIONAL ADVISERS.

In this offering circular, references to "U.S. Dollars," "$" and "U.S.$" are to United States dollars.

The Issuers (and, solely with respect to the information contained in this offering circular under the heading "The Surveillance Agent," the Surveillance Agent to the extent described in such section), having made all reasonable inquiries, confirm that the information contained in this offering circular is true and correct in all material respects and is not misleading, that the opinions and intentions expressed in this offering circular are honestly held and that there are no other facts the omission of which would make any such information or the expression of any such opinions or intentions misleading. The Issuers (and, solely with respect to the information in this offering circular under the heading "The Surveillance Agent," the Surveillance Agent, to the extent described in such section) take responsibility accordingly.

No person has been authorized to give any information or to make any representation other than those contained in this offering circular, and, if given or made, such information or representation must not be relied upon as having been authorized. This offering circular does not constitute an offer to sell or the solicitation of an offer to buy any securities other than the securities to which it relates, or an offer to sell or the solicitation of an offer to buy such securities by any person in any circumstances in which such offer or solicitation is unlawful. Neither the delivery of this offering circular nor any sale hereunder shall, under any circumstances, create any implication that the information contained herein is correct as of any time subsequent to the date of this offering circular.

NOTWITHSTANDING ANY OTHER EXPRESS OR IMPLIED AGREEMENT TO THE CONTRARY, EACH RECIPIENT OF THIS OFFERING CIRCULAR AGREES AND ACKNOWLEDGES THAT THE ISSUERS HAVE AGREED THAT EACH OF THEM AND THEIR EMPLOYEES, REPRESENTATIVES AND OTHER AGENTS MAY DISCLOSE, IMMEDIATELY UPON COMMENCEMENT OF DISCUSSIONS, TO ANY AND ALL PERSONS THE TAX TREATMENT AND TAX STRUCTURE OF THE SECURITIES, THE TRANSACTIONS DESCRIBED HEREIN AND ALL MATERIALS OF ANY KIND (INCLUDING OPINIONS OR OTHER TAX ANALYSES) THAT ARE PROVIDED TO ANY OF THEM RELATING TO SUCH TAX TREATMENT AND TAX STRUCTURE EXCEPT WHERE CONFIDENTIALITY IS REASONABLY NECESSARY TO COMPLY WITH THE SECURITIES LAWS OF ANY APPLICABLE JURISDICTION.

PROSPECTIVE INVESTORS SHOULD READ THIS OFFERING CIRCULAR CAREFULLY BEFORE DECIDING WHETHER TO INVEST IN THE SECURITIES AND SHOULD PAY PARTICULAR ATTENTION TO THE INFORMATION SET FORTH UNDER THE HEADING "RISK FACTORS". INVESTMENT IN THE OFFERED SECURITIES IS SPECULATIVE AND INVOLVES SIGNIFICANT RISK. INVESTORS SHOULD UNDERSTAND SUCH RISKS AND HAVE THE FINANCIAL ABILITY AND WILLINGNESS TO ACCEPT THEM FOR AN EXTENDED PERIOD OF TIME.

NOTICE TO INVESTORS

Because of the following restrictions, purchasers are advised to consult legal counsel prior to making any offer, resale, pledge or other transfer of the Notes or the Preferred Shares offered hereby.

Each purchaser who has purchased Class A Notes, Class B Notes, Class C Notes and Class D Notes, will be deemed to have represented and agreed, and each purchaser of Class E Notes and Preferred Shares will be required to represent and agree, in each case with respect to such Securities, as follows (terms used herein that are defined in Rule 144A or Regulation S are used herein as defined therein):

1. (a) In the case of Notes sold in reliance on Rule 144A (the "Rule 144A Notes"), the purchaser of such Rule 144A Notes (i) is a qualified institutional buyer (as defined in Rule 144A) (a "Qualified Institutional Buyer"), (ii) is aware that the sale of Notes to it is being made in reliance on Rule 144A, (iii) is acquiring the Rule 144A Notes for its own account or for the account of a Qualified Institutional Buyer as to which the purchaser exercises sole investment discretion, and in a principal amount of not less than U.S.$250,000 and (iv) will provide notice of the transfer restrictions described in this "Notice to Investors" to any subsequent transferees.

(b) In the case of the Preferred Shares, the purchaser of such Preferred Shares (i) is a Qualified Institutional Buyer, (ii) is aware that the sale of the Preferred Shares to it is being made in reliance on Rule 144A, (iii) is acquiring the Preferred Shares for its own account or for the account of a Qualified Institutional Buyer as to which the purchaser exercises sole investment discretion, and, unless otherwise permitted by the Preferred Share Paying and Transfer Agency Agreement, is purchasing an aggregate number of not less than 250 Preferred Shares for the purchaser and for each such account and (iv) will provide notice of the transfer restrictions described in this "Notice to Investors" to any subsequent transferees; or, if the purchaser is not a Qualified Institutional Buyer, such purchaser (w) is a person who is an "accredited investor" (as defined in Rule 501(a) under the Securities Act) (an "Accredited Investor") who has a net worth of not less than U.S.$10 million that is purchasing the Preferred Shares for its own account, (x) is not acquiring the Preferred Shares with a view to any resale or distribution thereof, other than in accordance with the restrictions set forth below, (y) is purchasing an aggregate number of not less than 250 Preferred Shares (unless otherwise permitted by the Preferred Share Paying and Transfer Agency Agreement) and (z) will provide notice of the transfer restrictions described in this "Notice to Investors" to any subsequent transferees.

2. The purchaser understands that the Securities have not been and will not be registered or qualified under the Securities Act or any applicable state securities laws or the securities laws of any other jurisdiction, are being offered only in a transaction not involving any public offering, and may be reoffered, resold or pledged or otherwise transferred only (A)(i) to a person whom the purchaser reasonably believes is a Qualified Institutional Buyer and is purchasing for its own account or for the account of a Qualified Institutional Buyer as to which the purchaser exercises sole investment discretion in a transaction meeting the requirements of Rule 144A, (ii) to a non-U.S. Person in an offshore transaction complying with Rule 903 or Rule 904 of Regulation S or (iii) solely in the case of the Preferred Shares, to an Accredited Investor who has a net worth of not less than U.S.$10 million, and who shall have satisfied, and shall have represented, warranted, covenanted and agreed in the case of Preferred Shares and Class E Notes, or shall be deemed to have satisfied, and shall otherwise be deemed to have represented, warranted, covenanted and agreed that it will continue to comply with, all requirements for transfer of the Securities specified in this offering circular, the Indenture, and, in the case of the Preferred Shares, in the Preferred Shares Purchase and Transfer Letter and the Preferred Share Paying and Transfer Agency Agreement, and all other requirements for it to qualify for an exemption from registration under the Securities Act and (B) in accordance with all applicable securities laws of the states of the United States. Before any interest in a Rule 144A Note (other than a Class E Note) may be offered, sold, pledged or otherwise transferred to a person who takes delivery in the form of an interest in a Regulation S Global Note, the transferor will be required to provide the Note Transfer Agent with a written certification (in the form provided in the Indenture) as to compliance with the transfer restrictions described herein.

Before any interest in a Preferred Share or a Class E Note may be offered, sold, pledged or otherwise transferred, the transferee will be required to provide the Issuer, the Note Transfer Agent and the Preferred Share Transfer Agent, as applicable, with a letter substantially in the form attached to this Offering Circular as Annex A-1 (the "Preferred Shares Purchase and Transfer Letter") or Annex A-2 (the "Class E Notes Purchase and Transfer Letter"). The purchaser understands and agrees that any purported transfer of Securities to a purchaser that does not comply with the requirements of this paragraph (2) will, in the case of the Class A Notes, Class B Notes, Class C Notes and Class D Notes, be null and void *ab initio*, in the case of the Class E Notes, not be permitted or registered by the Note Transfer Agent and, in the case of the Preferred Shares, not be permitted or registered by the Preferred Share Transfer Agent or the Share Registrar. The purchaser further understands that the Issuers have the right to compel any beneficial owner of Securities that is a U.S. Person and is not a Qualified Institutional Buyer or, in the case of the Preferred Shares, an Accredited Investor to sell its interest in such Securities, or the Issuers may sell such Securities on behalf of such owner.

3. The purchaser of such Securities also understands that neither of the Issuers has been registered under the Investment Company Act. In the case of the Rule 144A Notes and the Preferred Shares described in paragraph (1) above, the purchaser and each account for which the purchaser is acquiring such Securities is a qualified purchaser for the purposes of Section 3(c)(7) of the Investment Company Act (a "Qualified Purchaser"). The purchaser is acquiring Notes in a principal amount, in the case of Rule 144A Notes, of not less than U.S.$250,000, or, in the case of Notes sold in reliance on Regulation S ("Regulation S Notes"), of not less than U.S.$100,000, or is purchasing in the aggregate at least 250 Preferred Shares, in each case for the purchaser and for each such account. The purchaser (or if the purchaser is acquiring Securities for any account, each such account) is acquiring the Securities as principal for its own account for investment and not for sale in connection with any distribution thereof. The purchaser and each such account: (a) was not formed for the specific purpose of investing in the Securities (except when each beneficial owner of the purchaser and each such account is a Qualified Purchaser), (b) to the extent the purchaser is a private investment company formed before April 30, 1996, the purchaser has received the necessary consent from its beneficial owners, (c) is not a pension, profit sharing or other retirement trust fund or plan in which the partners, beneficiaries or participants, as applicable, may designate the particular investments to be made and (d) is not a broker dealer that owns and invests on a discretionary basis less than U.S.$25,000,000 in securities of unaffiliated issuers. Further, the purchaser agrees with respect to itself and each such account: (i) that it shall not hold such Securities for the benefit of any other person and shall be the sole beneficial owner thereof for all purposes and (ii) that it shall not sell participation interests in the Securities or enter into any other arrangement pursuant to which any other person shall be entitled to a beneficial interest in the distributions on the Securities. The purchaser understands and agrees that any purported transfer of Securities to a purchaser that does not comply with the requirements of this paragraph (3) will, in the case of the Class A Notes, Class B Notes, Class C Notes and Class D Notes, be null and void *ab initio*, in the case of the Class E Notes, not be permitted or registered by the Note Transfer Agent and, in the case of the Preferred Shares, not be permitted or registered by the Preferred Share Transfer Agent or the Share Registrar. The purchaser further understands that the Issuers have the right to compel any beneficial owner of Securities that is a U.S. Person and is not a Qualified Purchaser to sell its interest in such Securities, or the Issuers may sell such Securities on behalf of such owner.

4. (a) With respect to the Class A Notes, Class B Notes, Class C Notes and Class D Notes, each purchaser will be deemed, by its purchase, to have represented and warranted that either (i) the purchaser is not and will not be an ERISA Plan (as defined herein), a plan that is subject to Section 4975 of the United States Internal Revenue Code of 1986, as amended (the "Code"), or any entity whose underlying assets include "plan assets" by reason of any such plan's investment in the entity, or another employee benefit plan which is subject to any federal, state, local or foreign law that is substantially similar to the provisions of Section 406 of the United States Employee Retirement Income Security Act of 1974, as amended ("ERISA"), or Section 4975 of the Code ("Plan Assets") or (ii) the purchaser's purchase and holding of such a Note does not and will not constitute or result in a prohibited transaction under Section 406 of ERISA or Section 4975 of the Code (or, in the case of such another plan, any

substantially similar federal, state, local or foreign law) for which an exemption is not available. The purchaser understands and agrees that any purported transfer of such a Note to a purchaser that does not comply with the requirements of this paragraph (4)(a) shall be null and void *ab initio*.

(b) With respect to both the Class E Notes and the Preferred Shares purchased or transferred on or after the Closing Date, the purchaser or transferee must disclose in writing in advance to the Note Transfer Agent or the Preferred Share Transfer Agent, as applicable, (i) whether or not it is (A) an "employee benefit plan" (as defined in Section 3(3) of ERISA), whether or not subject to Title I of ERISA, (B) a "plan" described in Section 4975 of the Code, whether or not subject to Section 4975 of the Code, or (C) an entity whose underlying assets include "plan assets" within the meaning of ERISA by reason of a plan's investment in the entity (all such persons and entities described in clauses (A) through (C) being referred to herein as "Benefit Plan Investors"); (ii) if the purchaser is a Benefit Plan Investor, either (x) the purchase and holding of Preferred Shares and/or Class E Notes do not and will not constitute or result in a prohibited transaction under Section 406 of ERISA or Section 4975 of the Code (or, in the case of an employee benefit plan not subject to ERISA or Section 4975 of the Code, any federal, state, local or foreign law that is substantially similar to Section 406 of ERISA or Section 4975 of the Code) for which an exemption is not available or (y) the purchase and holding of Preferred Shares and/or Class E Notes is exempt under an identified Prohibited Transaction Class Exemption or individual exemption, based on the assumption that less than 25% of both the outstanding Preferred Shares and the outstanding Class E Notes are owned by Benefit Plan Investors; and (iii) whether or not it is the Surveillance Agent or any other person (other than a Benefit Plan Investor) that has discretionary authority or control with respect to the assets of the Issuer, a person who provides investment advice for a fee (direct or indirect) with respect to the assets of the Issuer, or any "affiliate" (within the meaning of 29 C.F.R. Section 2510.3-101(f)(3)) of any such person. If a purchaser is an insurance company acting on behalf of its general account, it may be required to so indicate, and to identify a maximum percentage of the assets in its general account that may be or become plan assets, in which case the insurance company will be required to make certain further agreements that would apply in the event that such maximum percentage would thereafter be exceeded. The purchaser agrees that, before any interest in a Preferred Share or a Class E Note may be offered, sold, pledged or otherwise transferred, the transferee will be required to provide the Preferred Share Transfer Agent or a Note Transfer Agent with a Preferred Shares Purchase and Transfer Letter or a Class E Note Purchase and Transfer Letter, as applicable, stating, among other things, whether the transferee is a Benefit Plan Investor. The purchaser acknowledges and agrees that no purchase or transfer will be permitted, and the Preferred Share Transfer Agent or the Trustee, as applicable, will not register any such transfer, to the extent that the purchase or transfer would result in Benefit Plan Investors owning 25% or more of the outstanding Preferred Shares or Class E Notes immediately after such purchase or transfer (determined in accordance with the Indenture and Preferred Share Paying and Transfer Agency Agreement). The foregoing procedures are intended to enable Preferred Shares and Class E Notes to be purchased by or transferred to Benefit Plan Investors at any time, although no assurance can be given that there will not be circumstances in which purchases or transfers of Preferred Shares and Class E Notes will be required to be restricted in order to comply with the aforementioned 25% limitation. See "ERISA Considerations."

5. The purchaser is not purchasing the Securities with a view toward the resale, distribution or other disposition thereof in violation of the Securities Act. The purchaser understands that an investment in the Securities involves certain risks, including the risk of loss of its entire investment in the Securities under certain circumstances. The purchaser has had access to such financial and other information concerning the Issuers and the Securities as it deemed necessary or appropriate in order to make an informed investment decision with respect to its purchase of the Securities, including an opportunity to ask questions of, and request information from, the Issuer.

6. In connection with the purchase of the Securities: (i) none of the Issuers, the Initial Purchasers, the Surveillance Agent, the Trustee, the Agents, the Hedge Counterparty (or any guarantor thereof), the Issuer Administrator or the Share Trustee (as defined herein) is acting as a fiduciary or financial or investment adviser for the purchaser; (ii) the purchaser is not relying (for purposes of making

any investment decision or otherwise) upon any advice, counsel or representations (whether written or oral) of the Issuers, the Initial Purchasers, the Surveillance Agent, the Trustee, the Agents, the Hedge Counterparty (or any guarantor thereof), the Issuer Administrator or the Share Trustee other than such representations as may be contained in this offering circular for such Securities and any representations expressly set forth in a written agreement with such party; (iii) none of the Issuers, the Initial Purchasers, the Surveillance Agent, the Trustee, the Agents, the Hedge Counterparty (or any guarantor thereof), the Issuer Administrator or the Share Trustee has given to the purchaser (directly or indirectly through any other person) any assurance, guarantee or representation whatsoever as to the expected or projected success, profitability, return, performance, results, effect, consequence or benefit (including legal, regulatory, tax, financial, accounting or otherwise) as to an investment in the Securities; (iv) the purchaser has consulted with its own legal, regulatory, tax, business, investment, financial and accounting advisors to the extent it has deemed necessary, and it has made its own investment decisions (including decisions regarding the suitability of any transaction pursuant to the Indenture and Preferred Share Paying and Transfer Agency Agreement) based upon its own judgment and upon any advice from such advisors as it has deemed necessary and not upon any view expressed by Issuers, the Initial Purchasers, the Surveillance Agent, the Trustee, the Agents, the Hedge Counterparty (or any guarantor thereof), the Issuer Administrator or the Share Trustee; (v) the purchaser has evaluated the rates, prices or amounts and other terms and conditions of the purchase and sale of the Securities with a full understanding of all of the risks thereof (economic and otherwise), and is capable of assuming and willing to assume (financially and otherwise) those risks; and (vi) the purchaser is a sophisticated investor.

7. Pursuant to the terms of the Indenture, unless otherwise determined by the Issuers in accordance with the Indenture, the Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes will bear a legend to the following effect:

> THIS NOTE HAS NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), AND THE ISSUERS HAVE NOT BEEN REGISTERED UNDER THE UNITED STATES INVESTMENT COMPANY ACT OF 1940, AS AMENDED (THE "INVESTMENT COMPANY ACT"). THE HOLDER HEREOF, BY PURCHASING THE NOTES IN RESPECT OF WHICH THIS NOTE HAS BEEN ISSUED, AGREES FOR THE BENEFIT OF THE ISSUERS THAT THE NOTES MAY BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED, ONLY (A)(1) TO A PERSON WHOM THE SELLER REASONABLY BELIEVES IS A QUALIFIED INSTITUTIONAL BUYER AS DEFINED IN RULE 144A UNDER THE SECURITIES ACT THAT IS NOT A BROKER DEALER WHICH OWNS AND INVESTS ON A DISCRETIONARY BASIS LESS THAN $25 MILLION IN SECURITIES OF ISSUERS THAT ARE NOT AFFILIATED PERSONS OF THE INITIAL PURCHASER AND IS NOT A PLAN REFERRED TO IN PARAGRAPH (a)(1)(i)(D) OR (a)(1)(i)(E) OF RULE 144A OR A TRUST FUND REFERRED TO IN PARAGRAPH (a)(1)(i)(F) OF RULE 144A THAT HOLDS THE ASSETS OF SUCH A PLAN, IF INVESTMENT DECISIONS WITH RESPECT TO THE PLAN ARE MADE BY THE BENEFICIARIES OF THE PLAN, PURCHASING FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF A QUALIFIED INSTITUTIONAL BUYER, IN A TRANSACTION MEETING THE REQUIREMENTS OF RULE 144A UNDER THE SECURITIES ACT OR (2) TO A NON U.S. PERSON IN AN OFFSHORE TRANSACTION COMPLYING WITH RULE 903 OR RULE 904 OF REGULATION S UNDER THE SECURITIES ACT AND, IN THE CASE OF CLAUSE (1), IN A PRINCIPAL AMOUNT OF NOT LESS THAN $250,000 OR IN THE CASE OF CLAUSE (2), IN A PRINCIPAL AMOUNT OF NOT LESS THAN $100,000, FOR THE PURCHASER AND FOR EACH ACCOUNT FOR WHICH IT IS ACTING, TO A PURCHASER THAT, OTHER THAN IN THE CASE OF CLAUSE (2), (V) IS A QUALIFIED PURCHASER FOR PURPOSES OF SECTION 3(c)(7) OF THE INVESTMENT COMPANY ACT, (W) WAS NOT FORMED FOR THE PURPOSE OF INVESTING IN THE ISSUER (EXCEPT WHEN EACH BENEFICIAL OWNER OF THE PURCHASER IS A QUALIFIED PURCHASER), (X) HAS RECEIVED THE NECESSARY CONSENT FROM ITS BENEFICIAL OWNERS WHEN THE PURCHASER IS A PRIVATE INVESTMENT COMPANY FORMED BEFORE APRIL 30, 1996, (Y) IS NOT A BROKER DEALER THAT OWNS AND INVESTS ON A DISCRETIONARY BASIS LESS THAN $25,000,000 IN SECURITIES OF UNAFFILIATED ISSUERS AND (Z) IS

NOT A PENSION, PROFIT SHARING OR OTHER RETIREMENT TRUST FUND OR PLAN IN WHICH THE PARTNERS, BENEFICIARIES OR PARTICIPANTS, AS APPLICABLE, MAY DESIGNATE THE PARTICULAR INVESTMENTS TO BE MADE, AND IN A TRANSACTION THAT MAY BE EFFECTED WITHOUT LOSS OF ANY APPLICABLE INVESTMENT COMPANY ACT EXEMPTION AND (B) IN ACCORDANCE WITH ALL APPLICABLE SECURITIES LAWS OF THE STATES OF THE UNITED STATES. EACH HOLDER HEREOF SHALL BE DEEMED TO MAKE THE REPRESENTATIONS AND AGREEMENTS SET FORTH IN THE INDENTURE (AS DEFINED HEREIN). ANY TRANSFER IN VIOLATION OF THE FOREGOING WILL BE OF NO FORCE AND EFFECT, WILL BE NULL AND VOID *AB INITIO* AND WILL NOT OPERATE TO TRANSFER ANY RIGHTS TO THE TRANSFEREE, NOTWITHSTANDING ANY INSTRUCTIONS TO THE CONTRARY TO THE ISSUERS, THE NOTE TRANSFER AGENT OR ANY INTERMEDIARY. EACH TRANSFEROR OF THIS NOTE WILL PROVIDE NOTICE OF THE TRANSFER RESTRICTIONS SET FORTH HEREIN AND IN THE INDENTURE TO ITS TRANSFEREE. IN ADDITION TO THE FOREGOING, THE ISSUERS HAVE THE RIGHT, UNDER THE INDENTURE (AS DEFINED HEREIN), TO COMPEL ANY BENEFICIAL OWNER OF AN INTEREST IN A RULE 144A GLOBAL NOTE (AS DEFINED IN THE INDENTURE) THAT IS A U.S. PERSON AND IS NOT BOTH A QUALIFIED PURCHASER AND A QUALIFIED INSTITUTIONAL BUYER TO SELL ITS INTEREST IN THE NOTES, OR MAY SELL SUCH INTERESTS ON BEHALF OF SUCH OWNER.

THE HOLDER OF ANY NOTE (OTHER THAN A CLASS E NOTE), BY PURCHASING SUCH NOTE IN RESPECT OF WHICH THIS NOTE HAS BEEN ISSUED, AGREES FOR THE BENEFIT OF THE ISSUERS THAT EITHER (I) THE HOLDER IS NOT AND WILL NOT BE AN EMPLOYEE BENEFIT PLAN (AS DEFINED IN SECTION 3(3) OF THE UNITED STATES EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974, AS AMENDED ("ERISA")) THAT IS SUBJECT TO TITLE I OF ERISA, A PLAN SUBJECT TO SECTION 4975 OF THE UNITED STATES INTERNAL REVENUE CODE OF 1986, AS AMENDED (THE "CODE"), OR ANY ENTITY WHOSE UNDERLYING ASSETS INCLUDE "PLAN ASSETS" BY REASON OF ANY SUCH PLAN'S INVESTMENT IN THE ENTITY, OR ANOTHER EMPLOYEE BENEFIT PLAN WHICH IS SUBJECT TO ANY FEDERAL, STATE, LOCAL OR FOREIGN LAW THAT IS SUBSTANTIALLY SIMILAR TO THE PROVISIONS OF SECTION 406 OF ERISA OR SECTION 4975 OF THE CODE OR (II) THE HOLDER'S PURCHASE AND HOLDING OF A NOTE DO NOT AND WILL NOT CONSTITUTE OR RESULT IN A PROHIBITED TRANSACTION UNDER SECTION 406 OF ERISA OR SECTION 4975 OF THE CODE (OR, IN THE CASE OF SUCH ANOTHER PLAN, ANY SUBSTANTIALLY SIMILAR FEDERAL, STATE, LOCAL OR FOREIGN LAW) FOR WHICH AN EXEMPTION IS NOT AVAILABLE. ANY PURPORTED TRANSFER OF A NOTE TO A HOLDER THAT DOES NOT COMPLY WITH THE REQUIREMENTS SET FORTH ABOVE SHALL BE NULL AND VOID *AB INITIO*.

ANY TRANSFER, PLEDGE OR OTHER USE OF THIS NOTE FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL SINCE THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN, UNLESS THIS NOTE IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY TRUST COMPANY ("DTC"), NEW YORK, NEW YORK, TO THE ISSUERS OR THEIR AGENT FOR REGISTRATION OF TRANSFER, EXCHANGE OR PAYMENT AND ANY NOTE ISSUED IS REGISTERED IN THE NAME OF CEDE & CO. OR OF SUCH OTHER ENTITY AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC (AND ANY PAYMENT HEREON IS MADE TO CEDE & CO.).

TRANSFERS OF THIS NOTE SHALL BE LIMITED TO TRANSFERS IN WHOLE, BUT NOT IN PART, TO NOMINEES OF DTC OR TO A SUCCESSOR THEREOF OR SUCH SUCCESSOR'S NOMINEE AND TRANSFERS OF PORTIONS OF THIS NOTE SHALL BE LIMITED TO TRANSFERS MADE IN ACCORDANCE WITH THE RESTRICTIONS SET FORTH IN THE INDENTURE.

PRINCIPAL OF THIS NOTE IS PAYABLE AS SET FORTH HEREIN. ACCORDINGLY, THE OUTSTANDING PRINCIPAL OF THIS NOTE AT ANY TIME MAY BE LESS THAN THE AMOUNT SHOWN ON THE FACE HEREOF. ANY PERSON ACQUIRING THIS NOTE MAY ASCERTAIN ITS CURRENT PRINCIPAL AMOUNT BY INQUIRY OF THE NOTE PAYING AGENT.

8. Pursuant to the terms of the Indenture, unless otherwise determined by the Issuers in accordance with the Indenture, the Class E Notes will bear a legend to the following effect:

THIS NOTE HAS NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), AND THE ISSUERS HAVE NOT BEEN REGISTERED UNDER THE UNITED STATES INVESTMENT COMPANY ACT OF 1940, AS AMENDED (THE "INVESTMENT COMPANY ACT"). THE HOLDER HEREOF, BY PURCHASING THE NOTES IN RESPECT OF WHICH THIS NOTE HAS BEEN ISSUED, AGREES FOR THE BENEFIT OF THE ISSUERS THAT THE NOTES MAY BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED, ONLY (A)(1) TO A PERSON WHOM THE SELLER REASONABLY BELIEVES IS A QUALIFIED INSTITUTIONAL BUYER AS DEFINED IN RULE 144A UNDER THE SECURITIES ACT THAT IS NOT A BROKER DEALER WHICH OWNS AND INVESTS ON A DISCRETIONARY BASIS LESS THAN $25 MILLION IN SECURITIES OF ISSUERS THAT ARE NOT AFFILIATED PERSONS OF THE INITIAL PURCHASER AND IS NOT A PLAN REFERRED TO IN PARAGRAPH (a)(1)(i)(D) OR (a)(1)(i)(E) OF RULE 144A OR A TRUST FUND REFERRED TO IN PARAGRAPH (a)(1)(i)(F) OF RULE 144A THAT HOLDS THE ASSETS OF SUCH A PLAN, IF INVESTMENT DECISIONS WITH RESPECT TO THE PLAN ARE MADE BY THE BENEFICIARIES OF THE PLAN, PURCHASING FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF A QUALIFIED INSTITUTIONAL BUYER, IN A TRANSACTION MEETING THE REQUIREMENTS OF RULE 144A UNDER THE SECURITIES ACT OR (2) TO A NON U.S. PERSON IN AN OFFSHORE TRANSACTION COMPLYING WITH RULE 903 OR RULE 904 OF REGULATION S UNDER THE SECURITIES ACT AND, IN THE CASE OF CLAUSE (1), IN A PRINCIPAL AMOUNT OF NOT LESS THAN $250,000 OR IN THE CASE OF CLAUSE (2), IN A PRINCIPAL AMOUNT OF NOT LESS THAN $100,000, FOR THE PURCHASER AND FOR EACH ACCOUNT FOR WHICH IT IS ACTING, TO A PURCHASER THAT, OTHER THAN IN THE CASE OF CLAUSE (2), (V) IS A QUALIFIED PURCHASER FOR PURPOSES OF SECTION 3(c)(7) OF THE INVESTMENT COMPANY ACT, (W) WAS NOT FORMED FOR THE PURPOSE OF INVESTING IN THE ISSUER (EXCEPT WHEN EACH BENEFICIAL OWNER OF THE PURCHASER IS A QUALIFIED PURCHASER), (X) HAS RECEIVED THE NECESSARY CONSENT FROM ITS BENEFICIAL OWNERS WHEN THE PURCHASER IS A PRIVATE INVESTMENT COMPANY FORMED BEFORE APRIL 30, 1996, (Y) IS NOT A BROKER DEALER THAT OWNS AND INVESTS ON A DISCRETIONARY BASIS LESS THAN $25,000,000 IN SECURITIES OF UNAFFILIATED ISSUERS AND (Z) IS NOT A PENSION, PROFIT SHARING OR OTHER RETIREMENT TRUST FUND OR PLAN IN WHICH THE PARTNERS, BENEFICIARIES OR PARTICIPANTS, AS APPLICABLE, MAY DESIGNATE THE PARTICULAR INVESTMENTS TO BE MADE, AND IN A TRANSACTION THAT MAY BE EFFECTED WITHOUT LOSS OF ANY APPLICABLE INVESTMENT COMPANY ACT EXEMPTION AND (B) IN ACCORDANCE WITH ALL APPLICABLE SECURITIES LAWS OF THE STATES OF THE UNITED STATES. ANY PURPORTED TRANSFER IN VIOLATION OF THE FOREGOING WILL NOT BE PERMITTED OR REGISTERED BY THE NOTE TRANSFER AGENT. EACH TRANSFEROR OF THIS NOTE WILL PROVIDE NOTICE OF THE TRANSFER RESTRICTIONS SET FORTH HEREIN AND IN THE INDENTURE TO ITS TRANSFEREE.

IF THE TRANSFER OF CLASS E NOTES IS TO BE MADE PURSUANT TO CLAUSE (A)(1) OF THE PRECEDING PARAGRAPH, THE TRANSFEREE OF THE CLASS E NOTES WILL BE REQUIRED TO EXECUTE AND DELIVER TO THE ISSUER AND THE NOTE TRANSFER AGENT A CLASS E NOTES PURCHASE AND TRANSFER LETTER, SUBSTANTIALLY IN THE FORM ATTACHED TO THE INDENTURE, STATING THAT AMONG OTHER THINGS, THE TRANSFEREE IS (1) A QUALIFIED INSTITUTIONAL BUYER AS DEFINED IN RULE 144A

UNDER THE SECURITIES ACT PURCHASING FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF A QUALIFIED INSTITUTIONAL BUYER AND (2) A QUALIFIED PURCHASER FOR THE PURPOSES OF THE INVESTMENT COMPANY ACT.

IF THE TRANSFER OF CLASS E NOTES IS TO BE MADE PURSUANT TO CLAUSE (A)(2) OF THE PRECEDING PARAGRAPH, THE TRANSFEREE OF THE CLASS E NOTES WILL BE REQUIRED TO EXECUTE AND DELIVER TO THE ISSUER AND THE NOTE TRANSFER AGENT A CLASS E NOTES PURCHASE AND TRANSFER LETTER, SUBSTANTIALLY IN THE FORM ATTACHED TO THE INDENTURE, STATING THAT AMONG OTHER THINGS, THE TRANSFEREE IS NOT A U.S. PERSON (AS DEFINED IN REGULATION S).

THE PURCHASER OR TRANSFEREE OF THIS NOTE MUST DISCLOSE IN WRITING IN ADVANCE TO THE NOTE TRANSFER AGENT (i) WHETHER OR NOT IT IS (A) AN "EMPLOYEE BENEFIT PLAN" (AS DEFINED IN SECTION 3(3) OF ERISA), WHETHER OR NOT SUBJECT TO THE PROVISIONS OF TITLE I OF ERISA, (B) A "PLAN" DESCRIBED IN SECTION 4975 OF THE CODE, WHETHER OR NOT SUBJECT TO SECTION 4975 OF THE CODE, OR (C) AN ENTITY WHOSE ASSETS INCLUDE "PLAN ASSETS" WITHIN THE MEANING OF ERISA BY REASON OF A PLAN'S INVESTMENT IN THE ENTITY (ALL SUCH PERSONS AND ENTITIES DESCRIBED IN CLAUSES (A) THROUGH (C) BEING REFERRED TO HEREIN AS "BENEFIT PLAN INVESTORS"); (ii) IF THE PURCHASER OR TRANSFEREE IS A BENEFIT PLAN INVESTOR, THAT THE PURCHASE AND HOLDING OR TRANSFER AND HOLDING OF CLASS E NOTES DO NOT AND WILL NOT CONSTITUTE OR RESULT IN A PROHIBITED TRANSACTION UNDER SECTION 406 OF ERISA OR SECTION 4975 OF THE CODE (OR UNDER ANY FEDERAL, STATE, LOCAL OR FOREIGN LAW THAT IS SUBSTANTIALLY SIMILAR TO SECTION 406 OF ERISA OR SECTION 4975 OF THE CODE) FOR WHICH AN EXEMPTION IS NOT AVAILABLE; AND (iii) WHETHER OR NOT IT IS THE SURVEILLANCE AGENT OR ANY OTHER PERSON (OTHER THAN A BENEFIT PLAN INVESTOR) WHO HAS DISCRETIONARY AUTHORITY OR CONTROL WITH RESPECT TO THE ASSETS OF THE ISSUER OR A PERSON WHO PROVIDES INVESTMENT ADVICE FOR A FEE (DIRECT OR INDIRECT) WITH RESPECT TO THE ASSETS OF THE ISSUER, OR ANY "AFFILIATE" (WITHIN THE MEANING OF 29 C.F.R. SECTION 2510.3-101(f)(3)) OF ANY SUCH PERSON. IF A PURCHASER IS AN INSURANCE COMPANY ACTING ON BEHALF OF ITS GENERAL ACCOUNT, IT WILL BE PERMITTED TO SO INDICATE, AND REQUIRED TO IDENTIFY A MAXIMUM PERCENTAGE OF THE ASSETS IN ITS GENERAL ACCOUNT THAT MAY BE OR BECOME PLAN ASSETS, IN WHICH CASE THE INSURANCE COMPANY WILL BE REQUIRED TO MAKE CERTAIN FURTHER AGREEMENTS THAT WOULD APPLY IN THE EVENT THAT SUCH MAXIMUM PERCENTAGE WOULD THEREAFTER BE EXCEEDED. THE PURCHASER AGREES THAT, BEFORE ANY INTEREST IN A CLASS E NOTE MAY BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED, THE TRANSFEREE WILL BE REQUIRED TO PROVIDE THE NOTE TRANSFER AGENT WITH A CLASS E NOTES PURCHASE AND TRANSFER LETTER (SUBSTANTIALLY IN THE FORM ATTACHED TO THE INDENTURE) STATING, AMONG OTHER THINGS, WHETHER THE TRANSFEREE IS A BENEFIT PLAN INVESTOR. THE TRUSTEE WILL NOT PERMIT OR REGISTER ANY PURCHASE OR TRANSFER OF CLASS E NOTES TO THE EXTENT THAT THE PURCHASE OR TRANSFER WOULD RESULT IN BENEFIT PLAN INVESTORS OWNING 25% OR MORE OF THE OUTSTANDING CLASS E NOTES (OTHER THAN THE CLASS E NOTES OWNED BY THE SURVEILLANCE AGENT, THE TRUSTEE AND THEIR AFFILIATES) IMMEDIATELY AFTER SUCH PURCHASE OR TRANSFER (DETERMINED IN ACCORDANCE WITH THE PLAN ASSET REGULATION (AS DEFINED IN THE INDENTURE) AND IN THE INDENTURE).

TRANSFERS OF THIS NOTE SHALL BE LIMITED TO TRANSFERS MADE IN ACCORDANCE WITH THE RESTRICTIONS SET FORTH IN THE INDENTURE.

PRINCIPAL OF THIS NOTE IS PAYABLE AS SET FORTH HEREIN. ACCORDINGLY, THE OUTSTANDING PRINCIPAL OF THIS NOTE AT ANY TIME MAY BE LESS THAN THE AMOUNT SHOWN ON THE FACE HEREOF. ANY PERSON ACQUIRING THIS NOTE MAY ASCERTAIN ITS CURRENT PRINCIPAL AMOUNT BY INQUIRY OF THE NOTE PAYING AGENT.

9. The purchaser acknowledges that it is its intent and that it understands it is the intent of the Issuer that, for purposes of U.S. federal income, state and local income and franchise tax and any other income taxes, the Issuer will be treated as a corporation, the Notes (other than the Class E Notes) will be treated as indebtedness of the Issuer, the Preferred Shares will be treated as equity in the Issuer, and the Class E Notes will be treated in accordance with the treatment accorded to it by the Issuer (as debt or equity as the case may be) upon exercise of the Class E Principal Increase Option.

10. The purchaser understands that the Issuers, the Trustee, the Initial Purchasers, the Surveillance Agent and their counsel will rely upon the accuracy and truth of the foregoing representations, and the purchaser hereby consents to such reliance.

11. Pursuant to the terms of the Preferred Share Paying and Transfer Agency Agreement and the Issuer's Memorandum and Articles of Association, unless otherwise determined by the Issuer in accordance with the Preferred Share Paying and Transfer Agency Agreement and the Issuer's Memorandum and Articles of Association, the certificates in respect of the Preferred Shares will bear a legend to the following effect:

THE PREFERRED SHARES ARE THE SUBJECT OF, AND ARE ISSUED SUBJECT TO THE CONDITIONS OF, THE PREFERRED SHARE PAYING AND TRANSFER AGENCY AGREEMENT, DATED ON OR ABOUT JUNE 22, 2005 (THE "PREFERRED SHARE PAYING AND TRANSFER AGENCY AGREEMENT") BY AND AMONG THE ISSUER OF THE PREFERRED SHARES, ABN AMRO BANK N.V. (LONDON BRANCH), AS PREFERRED SHARE PAYING AGENT AND PREFERRED SHARE TRANSFER AGENT AND MAPLES FINANCE LIMITED, AS SHARE REGISTRAR. COPIES OF THE PREFERRED SHARE PAYING AND TRANSFER AGENCY AGREEMENT MAY BE OBTAINED FROM THE PREFERRED SHARE PAYING AGENT, THE PREFERRED SHARE TRANSFER AGENT OR THE SHARE REGISTRAR.

THE PREFERRED SHARES HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), AND THE ISSUER HAS NOT BEEN REGISTERED UNDER THE UNITED STATES INVESTMENT COMPANY ACT OF 1940, AS AMENDED (THE "INVESTMENT COMPANY ACT"). THE HOLDER HEREOF, BY PURCHASING THE PREFERRED SHARES REPRESENTED HEREBY, AGREES FOR THE BENEFIT OF THE ISSUER THAT SUCH PREFERRED SHARES MAY BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED, ONLY (A)(1) TO A PERSON WHOM THE SELLER REASONABLY BELIEVES IS A QUALIFIED INSTITUTIONAL BUYER AS DEFINED IN RULE 144A UNDER THE SECURITIES ACT AND IS PURCHASING FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF A QUALIFIED INSTITUTIONAL BUYER, IN A TRANSACTION MEETING THE REQUIREMENTS OF RULE 144A UNDER THE SECURITIES ACT, (2) TO AN ACCREDITED INVESTOR (AS DEFINED IN RULE 501(a) UNDER THE SECURITIES ACT) WHO HAS A NET WORTH OF NOT LESS THAN U.S.$10 MILLION) IN A TRANSACTION EXEMPT FROM REGISTRATION UNDER THE SECURITIES ACT, OR (3) TO A NON-U.S. PERSON IN AN OFFSHORE TRANSACTION COMPLYING WITH RULE 903 OR RULE 904 OF REGULATION S UNDER THE SECURITIES ACT, AND IN EACH CASE IN AN AMOUNT OF NOT LESS THAN 250 PREFERRED SHARES. FURTHERMORE THE PURCHASER AND EACH ACCOUNT FOR WHICH IT IS ACTING AS A PURCHASER, OTHER THAN IN THE CASE OF CLAUSE (A)(3) ABOVE, REPRESENTS FOR THE BENEFIT OF THE ISSUER THAT IT (V) IS A QUALIFIED PURCHASER FOR THE PURPOSES OF SECTION 3(c)(7) OF THE INVESTMENT COMPANY ACT, (W) WAS NOT FORMED FOR THE PURPOSE

OF INVESTING IN THE ISSUER (EXCEPT WHEN EACH BENEFICIAL OWNER OF THE PURCHASER IS A QUALIFIED PURCHASER), (X) HAS RECEIVED THE NECESSARY CONSENT FROM ITS BENEFICIAL OWNERS WHEN THE PURCHASER IS A PRIVATE INVESTMENT COMPANY FORMED BEFORE APRIL 30, 1996, (Y) IS NOT A BROKER-DEALER THAT OWNS AND INVESTS ON A DISCRETIONARY BASIS LESS THAN U.S.$25,000,000 IN SECURITIES OF UNAFFILIATED ISSUERS AND (Z) IS NOT A PENSION, PROFIT SHARING OR OTHER RETIREMENT TRUST FUND OR PLAN IN WHICH THE PARTNERS, BENEFICIARIES OR PARTICIPANTS, AS APPLICABLE, MAY DESIGNATE THE PARTICULAR INVESTMENTS TO BE MADE, AND IN A TRANSACTION THAT MAY BE EFFECTED WITHOUT LOSS OF ANY APPLICABLE INVESTMENT COMPANY ACT EXEMPTION AND (B) IN ACCORDANCE WITH ALL APPLICABLE SECURITIES LAWS OF THE STATES OF THE UNITED STATES. ANY PURPORTED TRANSFER IN VIOLATION OF THE FOREGOING WILL NOT BE PERMITTED OR REGISTERED BY THE PREFERRED SHARE TRANSFER AGENT OR THE SHARE REGISTRAR. EACH TRANSFEROR OF THE PREFERRED SHARES WILL PROVIDE NOTICE OF THE TRANSFER RESTRICTIONS SET FORTH HEREIN AND IN THE PREFERRED SHARE PAYING AND TRANSFER AGENCY AGREEMENT TO ITS TRANSFEREE. IN ADDITION TO THE FOREGOING, THE ISSUER HAS THE RIGHT TO COMPEL ANY BENEFICIAL OWNER OF A PREFERRED SHARE THAT IS A U.S. PERSON AND IS NOT (A) A QUALIFIED PURCHASER AND (B) EITHER A QUALIFIED INSTITUTIONAL BUYER OR AN ACCREDITED INVESTOR WHO HAS A NET WORTH OF NOT LESS THAN U.S.$10 MILLION TO SELL SUCH PREFERRED SHARES, OR MAY SELL SUCH PREFERRED SHARES ON BEHALF OF SUCH OWNER.

IF THE TRANSFER OF PREFERRED SHARES IS TO BE MADE PURSUANT TO CLAUSE (A)(1) OR (A)(2) OF THE PRECEDING PARAGRAPH, THE TRANSFEREE OF THE PREFERRED SHARES WILL BE REQUIRED TO EXECUTE AND DELIVER TO THE ISSUER AND THE PREFERRED SHARE TRANSFER AGENT A PREFERRED SHARES PURCHASE AND TRANSFER LETTER, SUBSTANTIALLY IN THE FORM ATTACHED TO THE PREFERRED SHARE PAYING AND TRANSFER AGENCY AGREEMENT, STATING THAT AMONG OTHER THINGS, THE TRANSFEREE IS (X) A QUALIFIED INSTITUTIONAL BUYER AS DEFINED IN RULE 144A UNDER THE SECURITIES ACT PURCHASING FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF A QUALIFIED INSTITUTIONAL BUYER, OR (Y) AN ACCREDITED INVESTOR (AS DEFINED IN RULE 501(a) UNDER THE SECURITIES ACT) WHO HAS A NET WORTH OF NOT LESS THAN U.S.$10 MILLION AND (Z) A QUALIFIED PURCHASER FOR THE PURPOSES OF THE INVESTMENT COMPANY ACT.

IF THE TRANSFER OF PREFERRED SHARES IS TO BE MADE PURSUANT TO CLAUSE (A)(3) OF THE SECOND PRECEDING PARAGRAPH, THE TRANSFEREE OF THE PREFERRED SHARES WILL BE REQUIRED TO DELIVER TO THE ISSUER AND THE PREFERRED SHARE TRANSFER AGENT A PREFERRED SHARES PURCHASE AND TRANSFER LETTER, SUBSTANTIALLY IN THE FORM ATTACHED TO THE PREFERRED SHARE PAYING AND TRANSFER AGENCY AGREEMENT, STATING THAT AMONG OTHER THINGS, THE TRANSFEREE IS NOT A U.S. PERSON (AS DEFINED IN REGULATION S).

WITH RESPECT TO THE PREFERRED SHARES PURCHASED OR TRANSFERRED ON OR AFTER THE CLOSING DATE, THE PURCHASER OR TRANSFEREE MUST DISCLOSE IN WRITING IN ADVANCE TO THE PREFERRED SHARE PAYING AGENT (i) WHETHER OR NOT IT IS (A) AN "EMPLOYEE BENEFIT PLAN" (AS DEFINED IN SECTION 3(3) OF ERISA), WHETHER OR NOT SUBJECT TO THE PROVISIONS OF TITLE I OF ERISA, (B) A "PLAN" DESCRIBED IN SECTION 4975 OF THE CODE, WHETHER OR NOT SUBJECT TO SECTION 4975 OF THE CODE, OR (C) AN ENTITY WHOSE ASSETS INCLUDE "PLAN ASSETS" WITHIN THE MEANING OF ERISA BY REASON OF A PLAN'S INVESTMENT IN THE ENTITY (ALL SUCH PERSONS AND ENTITIES DESCRIBED IN CLAUSES (A) THROUGH (C) BEING REFERRED TO HEREIN AS "BENEFIT PLAN INVESTORS"); (ii) IF THE PURCHASER OR TRANSFEREE IS A BENEFIT PLAN INVESTOR, THAT THE PURCHASE AND HOLDING OR

TRANSFER AND HOLDING OF PREFERRED SHARES DO NOT AND WILL NOT CONSTITUTE OR RESULT IN A PROHIBITED TRANSACTION UNDER SECTION 406 OF ERISA OR SECTION 4975 OF THE CODE (OR UNDER ANY FEDERAL, STATE, LOCAL OR FOREIGN LAW THAT IS SUBSTANTIALLY SIMILAR TO SECTION 406 OF ERISA OR SECTION 4975 OF THE CODE) FOR WHICH AN EXEMPTION IS NOT AVAILABLE; AND (iii) WHETHER OR NOT IT IS THE SURVEILLANCE AGENT OR ANY OTHER PERSON (OTHER THAN A BENEFIT PLAN INVESTOR) WHO HAS DISCRETIONARY AUTHORITY OR CONTROL WITH RESPECT TO THE ASSETS OF THE ISSUER OR A PERSON WHO PROVIDES INVESTMENT ADVICE FOR A FEE (DIRECT OR INDIRECT) WITH RESPECT TO THE ASSETS OF THE ISSUER, OR ANY "AFFILIATE" (WITHIN THE MEANING OF 29 C.F.R. SECTION 2510.3-101(f)(3)) OF ANY SUCH PERSON. IF A PURCHASER IS AN INSURANCE COMPANY ACTING ON BEHALF OF ITS GENERAL ACCOUNT, IT WILL BE PERMITTED TO SO INDICATE, AND REQUIRED TO IDENTIFY A MAXIMUM PERCENTAGE OF THE ASSETS IN ITS GENERAL ACCOUNT THAT MAY BE OR BECOME PLAN ASSETS, IN WHICH CASE THE INSURANCE COMPANY WILL BE REQUIRED TO MAKE CERTAIN FURTHER AGREEMENTS THAT WOULD APPLY IN THE EVENT THAT SUCH MAXIMUM PERCENTAGE WOULD THEREAFTER BE EXCEEDED. THE PURCHASER AGREES THAT, BEFORE ANY INTEREST IN A PREFERRED SHARE MAY BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED, THE TRANSFEREE WILL BE REQUIRED TO PROVIDE THE PREFERRED SHARE TRANSFER AGENT WITH A PREFERRED SHARES PURCHASE AND TRANSFER LETTER (SUBSTANTIALLY IN THE FORM ATTACHED TO THE PREFERRED SHARE PAYING AND TRANSFER AGENCY AGREEMENT) STATING, AMONG OTHER THINGS, WHETHER THE TRANSFEREE IS A BENEFIT PLAN INVESTOR. THE PREFERRED SHARE TRANSFER AGENT WILL NOT PERMIT OR REGISTER ANY PURCHASE OR TRANSFER OF PREFERRED SHARES TO THE EXTENT THAT THE PURCHASE OR TRANSFER WOULD RESULT IN BENEFIT PLAN INVESTORS OWNING 25% OR MORE OF THE OUTSTANDING PREFERRED SHARES (OTHER THAN THE PREFERRED SHARES OWNED BY THE SURVEILLANCE AGENT, THE TRUSTEE AND THEIR AFFILIATES) IMMEDIATELY AFTER SUCH PURCHASE OR TRANSFER (DETERMINED IN ACCORDANCE WITH THE PLAN ASSET REGULATION (AS DEFINED IN THE INDENTURE) AND IN THE PREFERRED SHARE PAYING AND TRANSFER AGENCY AGREEMENT).

DISTRIBUTIONS TO THE HOLDERS OF THE PREFERRED SHARES ARE SUBORDINATE TO THE PAYMENT ON EACH PAYMENT DATE OF PRINCIPAL OF AND INTEREST ON THE NOTES OF THE ISSUERS AND THE PAYMENT OF CERTAIN OTHER AMOUNTS, TO THE EXTENT AND AS DESCRIBED IN THE INDENTURE.

12. The purchaser is not purchasing the Securities in order to reduce any United States federal income tax liability or pursuant to a tax avoidance plan with respect to United States federal income taxes within the meaning of U.S. Treasury Regulation Section 1.881-3(a)(4).

13. The purchaser agrees, in the case of the Notes (other than the Class E Notes), to treat the Notes as debt for United States federal, state and local income taxes and, in the case of the Preferred Shares, to treat such Preferred Shares as equity for United States federal, state and local income tax purposes. A purchaser of a Class E Note agrees to treat such Class E Note in accordance with the treatment accorded to it by the Issuer (as debt or equity as the case may be) upon exercise of the Class E Principal Increase Option.

The Securities that are being offered hereby in reliance on the exemption from registration under Regulation S (the "Regulation S Notes"; the "Regulation S Preferred Shares"; and collectively, the "Regulation S Securities") have not been and will not be registered under the Securities Act and neither of the Issuers will be registered under the Investment Company Act. The Regulation S Securities may not be offered or sold within the United States or to U.S. Persons (as defined in Regulation S) unless the purchaser certifies or is deemed to have certified that it is a qualified institutional buyer as defined in Rule 144A (a "Qualified Institutional Buyer") and a

"qualified purchaser" for the purposes of Section 3(c)(7) of the Investment Company Act (a "Qualified Purchaser") or, solely in the case of the Preferred Shares, that it is an "accredited investor" as defined in Rule 501(a) under the Securities Act (an "Accredited Investor") who has a net worth of not less than $10 million and a Qualified Purchaser, and takes delivery in the form of (i) an interest in a Rule 144A Global Note or a definitive Class E Note in an amount at least equal to the minimum denomination applicable to the Rule 144A Notes or (ii) a Preferred Share in a lot at least equal to 250 Preferred Shares. See "Description of the Notes and the Preferred Shares" and "Underwriting."

The requirements set forth under "Notice to Investors" above apply only to Securities offered in the United States, except for the requirements set forth in Paragraphs (4), (5), (6), (9), (10), (12) and (13) and except that the Regulation S Securities will bear the legends set forth in Paragraphs (7) and (11) under "Notice to Investors" above.

THE ISSUERS ACCEPT RESPONSIBILITY FOR THE INFORMATION CONTAINED IN THIS OFFERING CIRCULAR OTHER THAN INFORMATION PROVIDED IN THE SECTION ENTITLED "THE SURVEILLANCE AGENT." THE SURVEILLANCE AGENT ACCEPTS RESPONSIBILITY FOR THE INFORMATION PROVIDED IN "THE SURVEILLANCE AGENT" SECTION. TO THE BEST OF THE KNOWLEDGE AND THE BELIEF OF THE ISSUERS, THE INFORMATION CONTAINED IN THIS OFFERING CIRCULAR IS IN ACCORDANCE WITH THE FACTS AND DOES NOT OMIT ANYTHING LIKELY TO AFFECT THE IMPORT OF SUCH INFORMATION.

EACH PURCHASER OF THE SECURITIES MUST COMPLY WITH ALL APPLICABLE LAWS AND REGULATIONS IN FORCE IN EACH JURISDICTION IN WHICH IT PURCHASES, OFFERS OR SELLS SUCH SECURITIES OR POSSESSES OR DISTRIBUTES THIS OFFERING CIRCULAR AND MUST OBTAIN ANY CONSENT, APPROVAL OR PERMISSION REQUIRED FOR THE PURCHASE, OFFER OR SALE BY IT OF SUCH SECURITIES UNDER THE LAWS AND REGULATIONS IN FORCE IN ANY JURISDICTIONS TO WHICH IT IS SUBJECT OR IN WHICH IT MAKES SUCH PURCHASES, OFFERS OR SALES, AND NONE OF THE ISSUERS, THE INITIAL PURCHASER, THE SURVEILLANCE AGENT OR THEIR AGENTS SPECIFIED HEREIN SHALL HAVE ANY RESPONSIBILITY THEREFOR.

AVAILABLE INFORMATION

To permit compliance with Rule 144A in connection with the resale of the Securities, the Issuers will be required under the Indenture and the Preferred Share Paying and Transfer Agency Agreement, to furnish upon request to a holder or beneficial owner of a Security and to a prospective investor who is a Qualified Institutional Buyer designated by such holder or beneficial owner, the information required to be delivered under Rule 144A(d)(4) if, at the time of the request neither the Issuer nor the Co-Issuer, as applicable, is a reporting company under Section 13 or Section 15(d) of the United States Securities Exchange Act of 1934, as amended (the "Exchange Act"), nor exempt from reporting pursuant to Rule 12g3-2(b) under the Exchange Act.

To the extent the Trustee delivers any annual or other periodic report to the Holders of the Notes, the Trustee will include in such report a reminder that (1) each holder (other than those holders who are not U.S. Persons and have purchased their Notes outside the United States pursuant to Regulation S) is required to be (i) a Qualified Institutional Buyer and (ii) a Qualified Purchaser, in each case that can make all of the representations in the Indenture applicable to a holder that is a U.S. Person; (2) the Notes can only be transferred (i) to a transferee that is (a) a Qualified Institutional Buyer and (b) a Qualified Purchaser that can make all of the representations in the Indenture applicable to a holder who is a U.S. Person or (ii) to a non-U.S. Person in an offshore transaction complying with Rule 903 or 904 under Regulation S; and (3) the Issuers have the right to compel any holder who does not meet the transfer restrictions set forth in the Indenture to transfer its interest in the Notes to a person designated by the Issuers or sell such interests on behalf of the holder.

To the extent the Issuer or the Preferred Share Paying Agent delivers any annual or periodic reports to the Holders of the Preferred Shares, the Issuer or the Preferred Share Paying Agent, as applicable, will include in such report a reminder that (1) each holder (other than those holders who are not U.S. Persons and have purchased their Preferred Shares outside the United States pursuant to Regulation S) is required to be (a) a Qualified Institutional Buyer or an Accredited Investor who has a net worth of not less than U.S.$10 million and (b) a Qualified Purchaser that can make all of the representations in the Preferred Shares Purchase and Transfer Certificate applicable to a holder who is a U.S. Person; (2) the Preferred Shares can only be transferred to a transferee that is (i)(a) a Qualified Institutional Buyer or an Accredited Investor who has a net worth not less than U.S.$10 million and (b) a Qualified Purchaser or (ii) a non-U.S. Person in an offshore transaction complying with Rule 903 or Rule 904 under Regulation S; and (3) the Issuer has the right to compel any holder who does not meet the transfer restrictions set forth in the Preferred Share Paying and Transfer Agency Agreement to transfer its Preferred Shares to a person designated by the Issuer or sell such Preferred Shares on behalf of the holder.

In addition, notwithstanding the foregoing, any prospective purchaser (and each employee, representative, or other agent of a prospective purchaser) may disclose to any and all persons, without limitation of any kind, the tax treatment and tax structure of the transactions described in this offering circular and all materials of any kind (including opinions or other tax analyses) that are provided to the prospective purchaser relating to such tax treatment and tax structure. This authorization of tax disclosure is retroactively effective to the commencement of discussions with the prospective purchaser regarding the transactions contemplated herein.

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SUMMARY

The following summary is qualified in its entirety by the detailed information appearing elsewhere in this Offering Circular. For definitions of certain terms used in this Offering Circular see "Appendix A — Certain Definitions" and for the location of the definitions of those and other terms, see "Index of Defined Terms." For a discussion of certain factors to be considered in connection with an investment in the Securities, see "Risk Factors."

The Issuers..... Coolidge Funding, Ltd. (the "Issuer") is a company incorporated under the laws of the Cayman Islands for the sole purpose of acquiring the Collateral Assets, Eligible Investments, entering into Hedge Agreements, co-issuing the Notes, issuing the Preferred Shares and engaging in certain related transactions.

The Issuer will not have any assets other than the portfolio consisting primarily of Residential Mortgage-Backed Securities, Commercial Mortgage-Backed Securities, CDO Securities, Asset-Backed Securities and Synthetic Securities as described herein (collectively, "Collateral Assets"), Eligible Investments, various interest rate swap agreements (the "Hedge Agreements") and certain other assets. The Collateral Assets, the Eligible Investments and certain other assets of the Issuer will be pledged by the Issuer to the Trustee under the Indenture, for the benefit of the Secured Parties, as security for, among other obligations, the Issuers' obligations under the Notes.

Coolidge Funding (Delaware) Corp. (the "Co-Issuer" and, together with the Issuer, the "Issuers") is a corporation formed under the laws of the State of Delaware for the sole purpose of co-issuing the Notes (other than the Class E Notes).

The Co-Issuer will not have any assets (other than U.S.$10 of equity capital) and will not pledge any assets to secure the Notes. The Co-Issuer will have no claim against the Issuer in respect of the Collateral Assets or otherwise.

The issued share capital of the Issuer consists of (i) 16,400 Preferred Shares, par value U.S.$0.01 per share, which will be issued on the Closing Date and (ii) 250 ordinary shares, par value U.S.$1.00 per share ("Issuer Ordinary Shares"), which will be issued on or prior to the Closing Date. The Preferred Shares will have an issue price of approximately U.S.$1,000 per share (the "Initial Stated Amount"). The Issuer Ordinary Shares and all of the outstanding common equity of the Co-Issuer will be held by Maples Finance Limited, a licensed trust company incorporated in the Cayman Islands (the "Issuer Administrator") as the trustee pursuant to the terms of a charitable trust (the "Share Trustee").

The Surveillance Agent.....	Allianz Risk Transfer, Inc., a New York corporation ("ART"), will perform certain monitoring and sale functions with respect to the Collateral Assets pursuant to a surveillance agent agreement to be dated as of the Closing Date (the "Surveillance Agent Agreement") between the Issuer and ART, as Surveillance Agent (in such capacity, the "Surveillance Agent"). See "The Surveillance Agent."
Securities Offered.....	On the Closing Date, the Issuer and the Co-Issuer will issue U.S.$274,700,000 principal amount of Class A-1 Floating Rate Notes Due 2040 (the "Class A-1 Notes"), U.S.$45,100,000 principal amount of Class A-2 Floating Rate Notes Due 2040 (the "Class A-2 Notes" and, together with the Class A-1 Notes, the "Class A Notes"), U.S.$37,515,000 principal amount of Class B Floating Rate Notes Due 2040 (the "Class B Notes"), U.S.$10,660,000 principal amount of Class C Deferrable Floating Rate Notes Due 2040 (the "Class C Notes") and U.S.$25,625,000 principal amount of Class D Floating Rate Notes Due 2040 (the "Class D Notes") and the Issuer is authorized to issue up to U.S.$5,000,000 principal amount of Class E Floating Rate Notes Due 2040 under the circumstances described herein (the "Class E Notes," and, together with the Class A Notes, Class B Notes, Class C Notes and Class D Notes, the "Notes") pursuant to an Indenture (the "Indenture") dated on or about June 22, 2005 among the Issuers and LaSalle Bank National Association, as trustee and as securities intermediary (the "Trustee" and the "Securities Intermediary," respectively). Under the Indenture, LaSalle Bank National Association will also act as principal paying agent for the Notes (the "Principal Note Paying Agent"), as registrar (the "Note Registrar"), as calculation agent (the "Note Calculation Agent"), as transfer agent (the "Note Transfer Agent") and as paying agent for the Notes (the "Note Paying Agent" and, together with the Principal Note Paying Agent, the Note Registrar, the Note Calculation Agent, the Note Transfer Agent and the Listing and Paying Agent, the "Note Agents"). On the Closing Date, the Issuer will also issue 16,400 Preferred Shares, which have a par value of U.S.$0.01 per share and an Initial Stated Amount of approximately U.S.$1,000 per share (the "Preferred Shares" and, together with the Notes, the "Securities"), pursuant to its memorandum and articles of association (the "Memorandum and Articles of Association") as part of its issued share capital and certain resolutions of the board of directors passed at a meeting of the directors on or before the issue of the Preferred Shares as memorialized in the minutes thereof (the "Resolutions"). Only the Notes (other than the Class E Notes) and the Preferred Shares (collectively, the "Offered Securities") are offered hereby. The Preferred Shares will be subject to the Preferred Share Paying and Transfer Agency Agreement (the "Preferred Share Paying and Transfer Agency Agreement") dated as of

	the Closing Date among the Issuer, ABN AMRO Bank N.V. (London Branch), as paying agent and transfer agent for the Preferred Shares (in such respective capacities, the "Preferred Share Paying Agent" and the "Preferred Share Transfer Agent," together the "Preferred Share Paying and Transfer Agent"), and Maples Finance Limited, as share registrar for the Preferred Shares (the "Share Registrar" and, together with the Preferred Share Paying Agent and the Preferred Share Transfer Agent, the "Preferred Share Agents", and, together with the Note Agents, the "Agents"). The Note Paying Agent, the Principal Note Paying Agent and any other Note paying agents appointed from time to time under the Indenture are collectively referred to as the "Note Paying Agents." The Note Paying Agents and the Preferred Share Paying Agent are collectively referred to as the "Paying Agents." The Note Transfer Agent and the Preferred Share Transfer Agent are collectively referred to as the "Transfer Agents." The Indenture, the Collateral Administration Agreement, the Surveillance Agent Agreement, the Administration Agreement, the Hedge Agreements and the Preferred Share Paying and Transfer Agency Agreement are collectively referred to as the "Transaction Documents."
Other Securities.....	The Class E Notes will be issued on the Closing Date with a principal balance of zero. On any Payment Date after the Closing Date, the principal balance of the Class E Notes may be increased up to the Maximum Increase Amount if the Class E Principal Increase Option is exercised by the Holders of a Majority of the Preferred Shares as described herein. See "Description of the Notes and the Preferred Shares—Class E Principal Increase Option" herein.
Closing Date.....	The Issuer will issue the Class E Notes and Preferred Shares and the Issuers will issue the Class A Notes, Class B Notes, Class C Notes and Class D Notes on or about June 22, 2005 (the "Closing Date").
Status of the Securities.....	The Notes (other than the Class E Notes) will be limited recourse obligations of the Issuers and the Class E Notes will be limited recourse obligations of the Issuer. The Preferred Shares will be part of the issued share capital of the Issuer, will not be secured obligations of the Issuer and will only be entitled to receive amounts available for distribution on any Payment Date after payment of all amounts payable prior thereto under the Priority of Payments and only out of funds legally available therefor. Interest on the Class A-1 Notes will be pro rata with interest on the Class A-2 Notes. Principal on the Class A-1 Notes and the Class A-2 Notes will be paid either pro rata or first to the Class A-1 Notes and second to the Class A-2 Notes depending on the circumstances as more fully described in the Priority of Payments. The Class A Notes will be senior in right of payment on each Payment Date to the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes and the Preferred Shares; the

Class B Notes will be senior in right of payment on each Payment Date to the Class C Notes, the Class D Notes, the Class E Notes and the Preferred Shares; the Class C Notes will be senior in right of payment on each Payment Date to the Class D Notes, the Class E Notes and the Preferred Shares; the Class D Notes will be senior in right of payment on each Payment Date to the Class E Notes and the Preferred Shares; and the Class E Notes will be senior in right of payment on each Payment Date to the Preferred Shares, each to the extent provided in the Priority of Payments. See "Description of the Notes and the Preferred Shares—Status and Security" and "—Priority of Payments." As described in "—Principal Payments" below, each Class of Securities may receive principal payments in certain circumstances when more senior Classes of Securities are outstanding.

Use of Proceeds ..... The net proceeds associated with the offering of the Securities (other than the Class E Notes), after the payment of applicable fees and expenses, are expected to equal approximately U.S.$410,425,000. The net proceeds will be used by the Issuer to purchase on the Closing Date, or thereafter pursuant to agreements to purchase entered into on or prior to the Closing Date, the portfolio of Collateral Assets described herein having an aggregate Principal Balance of approximately U.S.$410,000,000. See "Security for the Notes—Disposition of Collateral Assets" and "Use of Proceeds."

The Collateral Assets ..... The Collateral Assets initially will be comprised of:

- 56 issues of Residential Mortgage-Backed Securities across 5 categories, constituting approximately 57.6% of the Collateral Assets (by principal balance, or in the case of Synthetic Securities the Reference Obligations of which are Residential Mortgage-Backed Securities, by notional balance),

- 21 issues of Commercial Mortgage-Backed Securities across 3 categories, constituting approximately 24.2% of the Collateral Assets (by principal balance, or in the case of Synthetic Securities the Reference Obligations of which are Commercial Mortgage-Backed Securities, by notional balance),

- 14 issues of CDO Securities across 3 categories, constituting approximately 12.4% of the Collateral Assets (by principal balance), and

- 6 issues of Asset-Backed Securities across 2 categories, constituting approximately 5.7% of the Collateral Assets (by principal balance, or in the case of Synthetic Securities the Reference Obligations of which consist of Asset-Backed Securities, by notional balance).

22.4% of the Collateral Assets are Synthetic Securities and 3.66% of the Reference Obligations of such Synthetic Securities are Residential Mortgage-Backed Securities, 15.12% of the Reference Obligations of such Synthetic Securities are Commercial Mortgage-Backed Securities and 3.66% of the Reference Obligations of such Synthetic Securities are Asset-Backed Securities. None of the Reference Obligations of the Synthetic Securities are CDO Securities. See "Security for the Notes—The Collateral Assets." The Collateral Assets have been selected by the Surveillance Agent. Certain summary information about the Collateral Assets is set forth in Appendix B to this Offering Circular. In addition, certain of the offering documents, term sheets, trustee reports and remittance reports relating to the Collateral Assets are set forth on the CD-ROM attached to this Offering Circular.

Interest Payments and Certain Distributions .....

The Notes (other than the Class E Notes) will accrue interest from the Closing Date and the Class E Notes will accrue interest from the Payment Date on which the Class E Principal Increase Option is exercised and such interest will be payable on the 9th day of each January, April, July and October, or if any such date is not a Business Day, the immediately following Business Day (each such date, a "Payment Date"). Dividends on the Preferred Shares will be payable in arrears on each Payment Date, commencing October 10, 2005, out of funds legally available therefor. All payments on the Securities will be made from Proceeds in accordance with the Priority of Payments.

The Class A-1 Notes will bear interest during each Interest Accrual Period at a per annum rate (the "Class A-1 Note Interest Rate") equal to LIBOR for such Interest Accrual Period *plus* 0.30%.

The Class A-2 Notes will bear interest during each Interest Accrual Period at a per annum rate (the "Class A-2 Note Interest Rate") equal to LIBOR for such Interest Accrual Period *plus* 0.42%.

The Class B Notes will bear interest during each Interest Accrual Period at a per annum rate (the "Class B Note Interest Rate") equal to LIBOR for such Interest Accrual Period *plus* 0.55%.

The Class C Notes will bear interest during each Interest Accrual Period at a per annum rate (the "Class C Note Interest Rate") equal to LIBOR for such Interest Accrual Period *plus* 1.60%.

The Class D Notes will bear interest during each Interest Accrual Period at a per annum rate (the "Class D Note Interest Rate") equal to LIBOR for such Interest Accrual Period *plus* 2.75%.

The Class E Notes will bear interest during each Interest Accrual Period at a per annum rate (the "Class E Note Interest Rate") equal to LIBOR for such Interest Accrual Period *plus* a margin equal to or less than 2.75% (the "Maximum Coupon") as determined on the date the Class E Principal Increase Option is exercised. No interest will accrue with respect to the Class E Notes unless and until the Class E Principal Increase Option has been exercised.

To the extent interest is not paid on the Class C Notes on any Payment Date ("Class C Deferred Interest"), such unpaid amounts will be added to the principal amount of the Class C Notes, and shall accrue interest at the Class C Note Interest Rate to the extent lawful and enforceable. So long as any Class A Notes or Class B Notes are outstanding, the failure to pay any interest on the Class C Notes on any Payment Date will not be an Event of Default under the Indenture. To the extent interest is not paid on the Class D Notes on any Payment Date ("Class D Deferred Interest"), such unpaid amounts will be added to the principal amount of the Class D Notes, and shall accrue interest at the Class D Note Interest Rate to the extent lawful and enforceable. So long as any Class A Notes, Class B Notes or Class C Notes are outstanding, the failure to pay any interest on the Class D Notes on any Payment Date will not be an Event of Default under the Indenture. To the extent interest is not paid on the Class E Notes on any Payment Date ("Class E Deferred Interest"), such unpaid amounts will be added to the principal amount of the Class E Notes, and shall accrue interest at the Class E Note Interest Rate to the extent lawful and enforceable. So long as any Class A Notes, Class B Notes, Class C Notes or Class D Notes are outstanding, the failure to pay any interest on the Class E Notes on any Payment Date will not be an Event of Default under the Indenture.

See "Description of the Notes and the Preferred Shares—Interest and Dividends" and "—Priority of Payments."

LIBOR for the first Interest Accrual Period with respect to the Notes will be determined as of the second Business Day preceding the Closing Date (or, with respect to the Class E Notes, the Payment Date on which the Class E Principal Increase Option is exercised). Calculations of interest on the Notes will be made based on a 360-day year and the actual number of days in each Interest Accrual Period.

With respect to any Payment Date and the Notes, the "Interest Accrual Period" is the period commencing on and including the immediately preceding Payment Date (or, the Closing Date in the case of the first Interest Accrual Period, or the Payment Date on which the Class E Principal Increase Option is exercised in the case of the first Interest Accrual Period applicable to the Class E Notes) and ending on and including the day immediately preceding such Payment Date.

On each Payment Date, the Holders of the Preferred Shares will be entitled to receive, after payment of items ranking higher in accordance with the Priority of Payments, the amount needed to reduce the Preferred Share Make-Whole Amount to zero, after giving effect to all prior distributions to the Preferred Shares on such Payment Date. The Holders of the Preferred Shares will also be entitled to receive, on each Payment Date, all cash remaining after payment of the Surveillance Agent Incentive Fee, pursuant to the Priority of Payments and to the extent of funds legally available therefor.

Principal Payments ..... The Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes and the Class E Notes will mature on the Payment Date in July 2040 (each such date the "Stated Maturity" with respect to such Notes), and the Preferred Shares are scheduled to receive their final distributions and be redeemed by the Issuer on the Payment Date in July 2040 (the "Scheduled Preferred Share Redemption Date"), unless redeemed or retired prior thereto. The average life of the Notes is expected to be substantially shorter than the number of years from issuance until Stated Maturity for each Class of Notes. See "Description of the Notes and the Preferred Shares—Principal" and "Risk Factors—Securities—Average Lives, Duration and Prepayment Considerations."

Principal will be payable on the Notes in accordance with the Priority of Payments on each Payment Date commencing on the Payment Date occurring in October 2005, or the first Payment Date following the exercise of the Class E Principal Increase Option in the case of the Class E Notes.

In addition, to the extent funds are available therefor in accordance with the Priority of Payments, certain of the Notes (other than the Class E Notes) will be subject to mandatory redemption on any Payment Date if the Coverage Tests are not satisfied as described herein. See "Description of the Notes and the Preferred Shares—Principal" and "—Mandatory Redemption."

As a result of the Priority of Payments, notwithstanding the subordination of the Notes described under "Status of the Securities" above, the Class B Notes may be entitled to receive certain payments of principal while the Class A Notes are outstanding, the Class C Notes may be entitled to receive certain payments of principal while the Class A Notes and the Class B Notes are outstanding, the Class D Notes may be entitled to receive certain payments of principal while the Class A Notes, the Class B Notes and the Class C Notes are outstanding and the Class E Notes may be entitled to receive certain payments of principal while the Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes are outstanding. In addition, the Preferred Shares may be entitled to receive certain payments while the Notes are outstanding. See "Description of the Notes and the Preferred Shares—Priority of Payments."

Tax Redemption.....	Subject to certain conditions described herein, the Notes will be redeemed from Liquidation Proceeds, in whole but not in part, on any Payment Date upon the occurrence of a Tax Event, at the written direction of, or with the written consent of, Holders of at least 66-2/3% of the affected Preferred Shares or Holders of a Majority of any Class of Notes which, as a result of the occurrence of such Tax Event, have not received 100% of the aggregate amount of principal and interest due and payable to such Holders (such redemption, a "Tax Redemption"). No such Tax Redemption will occur unless the expected Liquidation Proceeds equal or exceed the Total Redemption Amount. Upon the occurrence of a Tax Redemption of the Notes, the Preferred Shares will be redeemed simultaneously with the Notes. With respect to a Tax Redemption as described above, the Note Redemption Price for the Notes will be an amount equal to the outstanding principal amount of the Notes (including any Class C Deferred Interest, Class D Deferred Interest and Class E Deferred Interest) *plus* interest accrued (including Defaulted Interest and interest on Defaulted Interest) to but excluding the Redemption Date. The amount distributable to the Holders of the Preferred Shares in connection with any Tax Redemption will equal the Preferred Share Stated Amount after giving effect to all prior distributions to the Holders of the Preferred Shares and the amount distributable as the final distribution to the Holders of the Preferred Shares will be the Liquidation Proceeds remaining after the redemption of the Notes together with the payment of all other amounts required to be paid in accordance with the Priority of Payments. See "Description of the Notes and the Preferred Shares—Tax Redemption."
Auction	Sixty days prior to the Payment Date occurring in July of each year (the "Auction Date"), commencing on the July 2015 Payment Date, the Issuer shall take steps to conduct an auction (the "Auction") of the Collateral Assets in accordance with the procedures specified in the Indenture. If the Issuer receives one or more bids from Eligible Bidders not later than ten Business Days prior to the Auction Date equal to or greater than the Minimum Bid Amount, it will sell the Collateral Assets for settlement on or before the fifth Business Day prior to such Auction Date and the Notes will be redeemed in whole on such Auction Date (the "Auction Payment Date"). If a successful Auction occurs, the Preferred Shares will also be redeemed in full. If any single bid, or the aggregate amount of multiple bids, does not equal or exceed the aggregate Minimum Bid Amount or if there is a failure at settlement, the Collateral Assets will not be sold and no redemption of Notes or Preferred Shares will be made on the related Auction Date.

Optional Redemption	The Notes may be redeemed by the Issuers from Liquidation Proceeds in whole but not in part on any Payment Date on or after the Payment Date occurring in July 2008 (the "Optional Redemption Date"), at the written direction of, or with the written consent of the Holders of at least a Majority of the Preferred Shares (an "Optional Redemption"). If the Holders of the Preferred Shares so elect to cause an Optional Redemption, the Preferred Shares will also be redeemed in full in accordance with the Priority of Payments. In the event of an Optional Redemption, the Notes will be redeemed at their Note Redemption Prices as described herein. The amount distributable to the Holders of the Preferred Shares in connection with any Optional Redemption will equal the Preferred Share Stated Amount after giving effect to all prior distributions to the Holders of the Preferred Shares and the amount distributable as the final distribution to the Holders of the Preferred Shares will be the Liquidation Proceeds remaining after the redemption of the Notes together with the payment of all other amounts required to be paid in accordance with the Priority of Payments. No Securities shall be redeemed pursuant to an Optional Redemption and a final distribution to the Holders of the Preferred Shares shall not be made unless the Surveillance Agent furnishes certain assurances that the Total Redemption Amount will be available for distribution on the related Optional Redemption Date. See "Description of the Notes and the Preferred Shares—Optional Redemption."
Mandatory Redemption.....	On any Payment Date on which any Class A/B Coverage Test or any Class C/D Coverage Test is not satisfied as of the preceding Determination Date, certain of the Notes (other than the Class E Notes) will be subject to mandatory redemption in accordance with the Priority of Payments, until the applicable Notes have been paid in full (a "Mandatory Redemption"). The Class A Notes and the Class B Notes are subject to mandatory redemption in accordance with the Priority of Payments on any Payment Date if the Class C/D Overcollateralization Ratio is less than 75% on the related Determination Date. The Surveillance Agent is not permitted to sell Collateral Assets to generate additional Proceeds to be applied to redeem the Notes except to the extent such Collateral Assets may, at the discretion of the Surveillance Agent, be otherwise sold as Credit Risk Obligations, equity securities or Defaulted Obligations. The Class E Notes and the Preferred Shares are not subject to mandatory redemption as a result of the failure of any Coverage Test. See "Description of the Notes and the Preferred Shares—Mandatory Redemption" and "—Priority of Payments."

Class E Principal Increase Option	On any Payment Date after the Closing Date, at the written direction of, or with the written consent of, the Holders of at least a Majority of the Preferred Shares, the option to issue the Class E Notes will be exercised (the "Class E Principal Increase Option") and the Issuer will sell up to U.S.$5,000,000 face amount of Class E Notes (the "Maximum Increase Amount"). The Class E Notes may not be sold at a price less than 80% of their face amount. The net proceeds of the exercise of the Class E Principal Increase Option will be remitted to the Preferred Share Paying Agent for distribution to the Holders of the Preferred Shares and the interest and principal payments on the Class E Notes will be subordinate to interest and principal payments on the other Notes, but senior to any distributions to Preferred Shares as described in the Priority of Payments. The Class E Principal Increase Option is a single option and may only be exercised one time. See "Description of the Notes and the Preferred Shares—Class E Principal Increase Option". The Class E Notes will be issued on the Closing Date with a principal balance of zero and the principal balance of the Class E Notes will only increase if the Class E Principal Increase Option is exercised.
Class A-1 Optional Redemption.....	On any Payment Date on and after the Payment Date in October, 2013, at the written direction of, or with the written consent of, the Holders of at least a Majority of the Preferred Shares, additional Class A-1 Notes will be issued at a discount margin less than or equal to 0.30% and the proceeds of such additional issuance will be used to redeem the Class A-1 Notes in full (a "Class A-1 Optional Redemption"). No Class A-1 Optional Redemption shall occur unless the Surveillance Agent on behalf of the Issuer certifies to the Trustee that the Class A-1 Note Redemption Price of the original Class A-1 Notes will be sufficient to pay the Class A-1 Notes in full and will be available for distribution to the Holders of the Class A-1 Notes on the related Payment Date. See "Description of the Notes and the Preferred Shares—Class A-1 Optional Redemption."
Security for the Notes	Under the terms of the Indenture, the Issuer will grant to the Trustee, for the benefit and security of the Trustee on behalf of the Noteholders, the Preferred Share Paying Agent, the Surveillance Agent and the Hedge Counterparty (together the "Secured Parties"), to secure the Issuer's obligations under the Notes, the Indenture, the Hedge Agreements and the Surveillance Agent Agreement (the "Secured Obligations"), a first priority security interest in the Collateral. The Preferred Shares will not be secured.
Reports	A monthly report will be made available by the Trustee to the Holders of the Notes and Holders of the Preferred Shares and will provide information on the Collateral Assets, and, when calculated with respect to Payment Dates, information

on payments to be made in accordance with the Priority of Payments (each, a "Monthly Report") beginning in October 2005. See "Security for the Notes—Reports."

Coverage Tests..... The following table identifies the Coverage Tests and the value at which such tests will be satisfied. See "Security for the Notes—The Coverage Tests."

Coverage Test	Value at Which Test is Satisfied
Class A/B Overcollateralization Ratio	equal to or greater than 108.0%
Class A/B Interest Coverage Ratio	equal to or greater than 112.0%
Class C/D Overcollateralization Ratio	equal to or greater than 103.3%
Class C/D Interest Coverage Ratio	equal to or greater than 106.0%

On the Closing Date, the Class A/B Overcollateralization Ratio is expected to be 114.8%, the Class A/B Interest Coverage Ratio is expected to be 138.1%, the Class C/D Overcollateralization Ratio is expected to be 104.2% and the Class C/D Interest Coverage Ratio is expected to be 119.3%.

The Offering ..... The Offered Securities are being offered to non-U.S. Persons in offshore transactions in reliance on Regulation S, and in the United States to persons who are Qualified Institutional Buyers purchasing in reliance on the exemption from registration under Rule 144A or, with respect to Preferred Shares only, Accredited Investors purchasing in transactions exempt from registration under the Securities Act. Each purchaser who is a U.S. Person must also be a Qualified Purchaser. Each Accredited Investor must have a net worth of at least U.S.$10 million. See "Description of the Notes and the Preferred Shares—Form of the Securities," "Underwriting and Placement" and "Notice to Investors."

Minimum Denominations..... The Notes will be issued in minimum denominations of U.S.$250,000 (in the case of the Rule 144A Notes) and U.S.$100,000 (in the case of the Regulation S Notes) and integral multiples of U.S.$1,000 in excess thereof for each Class of Notes. The Preferred Shares will be issued in minimum lots of 250 Preferred Shares per investor and integral multiples of one Preferred Share in excess thereof.

Form of the Securities..... Each Class of Notes (other than the Class E Notes) sold in offshore transactions in reliance on Regulation S will initially be represented by one or more temporary global notes (each, a "Temporary Regulation S Global Note"). Each Temporary Regulation S Global Note will be deposited on the Closing Date with LaSalle Bank National Association as custodian for, and registered in the name of Cede & Co. as nominee of The Depository Trust Company ("DTC"), for the respective accounts of Euroclear Bank S.A./N.V., as operator of the

Euroclear System ("Euroclear"), and Clearstream Banking, société anonyme ("Clearstream"). Beneficial interests in a Temporary Regulation S Global Note may be held only through Euroclear or Clearstream and may not be held at any time by a U.S. Person ("U.S. Person") (as such term is defined in Regulation S under the Securities Act).

Each Class of Rule 144A Notes (other than the Class E Notes) will be issued in the form of one or more global notes in fully registered form (the "Rule 144A Global Notes" and, together with the Temporary Regulation S Global Notes and the permanent Regulation S Global Notes, the "Global Notes"), deposited with LaSalle Bank National Association as custodian for, and registered in the name of Cede & Co. as nominee of, DTC, which will credit the account of each of its participants with the principal amount of Notes being purchased by or through such participant. Beneficial interests in the Rule 144A Global Notes will be shown on, and transfers thereof will be effected only through, records maintained by DTC and its direct and indirect participants.

The Class E Notes will be evidenced by one or more notes in definitive, fully registered form, registered in the name of the owner thereof (each, a "Definitive Note").

Beneficial interests in the Global Notes and the Definitive Notes may not be transferred except in compliance with the transfer restrictions described herein. See "Notice to Investors," and "Description of the Notes and the Preferred Shares—Form of the Securities."

The Preferred Shares will be evidenced by one or more certificates in definitive, fully registered form, registered in the name of the owner thereof (each, a "Preferred Share Certificate"). The Preferred Shares may not be transferred except in compliance with the transfer restrictions described herein. See "Notice to Investors," and "Description of the Notes and the Preferred Shares—Form of the Securities."

Governing Law..... The Indenture, the Notes, the Preferred Share Paying and Transfer Agency Agreement and the Surveillance Agent Agreement will be governed by the laws of the State of New York. The rights and privileges of the Preferred Shares (as set forth in the Issuer's Memorandum and Articles of Association) will be governed by the laws of the Cayman Islands.

Listing and Trading ..... There is currently no market for the Notes or Preferred Shares and there can be no assurance that such a market will develop. See "Risk Factors—Securities—Limited Liquidity and Restrictions on Transfer." Application may be made to admit some or all of the Securities on a stock exchange of the Issuer's choice, if practicable. There can be no assurance that such admission will be sought, granted or maintained. See "Listing and General Information."

Ratings	It is a condition of the issuance of the Securities that the Class A-1 Notes and the Class A-2 Notes be rated "Aaa" by Moody's and "AAA" by S&P, that the Class B Notes be rated at least "Aa2" by Moody's and at least "AA" by S&P, that the Class C Notes be rated at least "A3" by Moody's and at least "A-" by S&P, that the Class D Notes be rated at least "Baa2" by Moody's and at least "BBB" by S&P, that the Class E Notes will be issued with an initial rating on the Closing Date of at least "Ba3" by Moody's and at least "BB-" by S&P assuming the Maximum Increase Amount and Maximum Coupon for the Class E Notes and that the Preferred Shares be issued with a rating of at least "Ba3" by Moody's as to the ultimate receipt of the Preferred Share Stated Amount. The Preferred Share Stated Amount of the Preferred Shares will be reduced by all distributions to the Preferred Shares. A credit rating is not a recommendation to buy, sell or hold securities and may be subject to revision or withdrawal at any time by the assigning rating agency. See "Ratings."
Tax Status	See "Income Tax Considerations."
ERISA Considerations	See "ERISA Considerations."

RISK FACTORS

Prior to making an investment decision, prospective investors should carefully consider, in addition to the matters set forth elsewhere in this Offering Circular, the following factors:

Securities

Limited Liquidity and Restrictions on Transfer. There is currently no market for the Securities. Although each of the Initial Purchasers has advised the Issuers that it intends to make a market in the Offered Securities purchased by it, the Initial Purchasers are not obligated to do so, and any such market making with respect to the Offered Securities may be discontinued at any time without notice. There can be no assurance that any secondary market for any of the Notes will develop or, if a secondary market does develop, that it will provide the Holders of the Notes with liquidity of investment or that it will continue for the life of such Notes and consequently a purchaser must be prepared to hold the Notes until maturity. Consequently, a purchaser must be prepared to hold the Notes for an indefinite period of time or until Stated Maturity. Since it is likely that there will never be a secondary market for the Preferred Shares, a purchaser must be prepared to hold its Preferred Shares until the Scheduled Preferred Share Redemption Date.

In addition, no sale, assignment, participation, pledge or transfer of the Securities may be effected if, among other things, it would require any of the Issuer, the Co-Issuer or any of their officers or directors to register under, or otherwise be subject to the provisions of, the Investment Company Act or any other similar legislation or regulatory action. Furthermore, the Securities will not be registered under the Securities Act or any state securities laws or the laws of any other jurisdiction, and the Issuer has no plans, and is under no obligation, to register the Securities under the Securities Act or any state securities laws or under the laws of any other jurisdiction. The Securities are subject to certain transfer restrictions and can be transferred only to certain transferees as described herein under "Notice to Investors," and "Description of the Notes and the Preferred Shares—Form of the Securities." Such restrictions on the transfer of the Securities may further limit their liquidity. See "Description of the Notes and the Preferred Shares—Form of the Securities." Application may be made to admit some or all of the Securities on a stock exchange of the Issuer's choice, if practicable. There can be no assurance that such admission will be sought, granted or maintained.

Limited Recourse Obligations. The Class E Notes will be limited recourse obligations of the Issuer and the Class A Notes, Class B Notes, Class C Notes and Class D Notes will be limited recourse obligations of the Issuers payable solely from the Collateral pledged by the Issuer to secure the Notes. The Preferred Shares are equity of the Issuer and are not secured by the Collateral Assets or the other collateral securing the Notes. None of the Surveillance Agent, the Holders of the Notes, the Holders of the Preferred Shares, the Initial Purchasers, the Trustee, the Issuer Administrator, the Share Trustee, the Agents, the Hedge Counterparties or any affiliates of any of the foregoing or the Issuers' affiliates or any other person or entity will be obligated to make payments on the Notes. Consequently, Holders of the Notes must rely solely on distributions on the Collateral pledged to secure the Notes for the payment of principal, interest and premium, if any, thereon. If distributions on the Collateral are insufficient to make payments on the Notes, no other assets (and, in particular, no assets of the Surveillance Agent, the Holders of the Notes, the Holders of the Preferred Shares, the Initial Purchasers, the Trustee, the Issuer Administrator, the Share Trustee, the Agents, the Hedge Counterparties or any affiliates of any of the foregoing) will be available for payment of the deficiency, and following realization of the Collateral pledged to secure the Notes, the obligations of the Issuers to pay such deficiency shall be extinguished.

Subordination of the Notes and the Preferred Shares. In general, except as discussed below, payments of principal on the Class A-1 Notes and the Class A-2 Notes will be paid either *pro rata* or first to the Class A-1 Notes and second to the Class A-2 Notes depending on the circumstances as more fully described in the Priority of Payments and will be senior to payments of principal of the Class B Notes, Class C Notes (except in certain circumstances if either Class C/D Coverage Test is not satisfied as

provided in the Priority of Payments), Class D Notes (except in certain circumstances if either Class C/D Coverage Test is not satisfied as provided in the Priority of Payments) and Class E Notes and to the distribution of Proceeds to the Holders of the Preferred Shares on such Payment Date. Payments of principal on the Class B Notes due on any Payment Date will be senior to payments of principal on the Class C Notes (except in certain circumstances if either Class C/D Coverage Test is not satisfied as provided in the Priority of Payments), the Class D Notes (except in certain circumstances if either Class C/D Coverage Test is not satisfied as provided in the Priority of Payments) and the Class E Notes and senior to the distributions of Proceeds to the Holders of the Preferred Shares on such Payment Date. Payments of principal on the Class C Notes due on any Payment Date will generally be senior to payments of principal on the Class D Notes and the Class E Notes and senior to the distributions of Proceeds to the Holders of the Preferred Shares on such Payment Date. Payments of principal on the Class D Notes due on any Payment Date will be senior to payments of principal on the Class E Notes and senior to the distributions of Proceeds to the Holders of the Preferred Shares on such Payment Date. Payments of principal on the Class E Notes will be senior to the distributions of Proceeds to the Holders of the Preferred Shares on such Payment Date.

As a result of the Priority of Payments, notwithstanding the subordination of the Notes described under "Description of the Notes and the Preferred Shares—Status and Security," the Class B Notes will be entitled to receive certain payments of principal while the Class A Notes are outstanding, the Class C Notes will be entitled to receive certain payments of principal while the Class A Notes and the Class B Notes are outstanding, the Class D Notes will be entitled to receive certain payments of principal while the Class A Notes, the Class B Notes and the Class C Notes are outstanding and the Class E Notes will be entitled to receive certain payments of principal while the Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes are outstanding. In addition, the Preferred Shares will be entitled to receive certain payments while the Notes are outstanding. See "Description of the Notes and the Preferred Shares—Priority of Payments." To the extent that any losses are incurred by the Issuer in respect of any Collateral, such losses will be borne first by Holders of the Preferred Shares; then, by Holders of the Class E Notes; then, by Holders of the Class D Notes; then, by Holders of the Class C Notes; then, by Holders of the Class B Notes; then, by Holders of the Class A-2 Notes; and finally, by Holders of the Class A-1 Notes.

Payments of interest on the Class A-1 Notes and the Class A-2 Notes due on any Payment Date will be paid *pro rata* and will be senior to payments of interest on the Class B Notes, Class C Notes, Class D Notes and Class E Notes and senior to the distributions of Proceeds to the Holders of the Preferred Shares on such Payment Date. Payments of interest on the Class B Notes due on any Payment Date will be senior to payments of interest on the Class C Notes, the Class D Notes and the Class E Notes and senior to the distributions of Proceeds to the Holders of the Preferred Shares on such Payment Date. Payments of interest on the Class C Notes due on any Payment Date will be senior to payments of interest on the Class D Notes and the Class E Notes and senior to the distributions of Proceeds to the Holders of the Preferred Shares on such Payment Date. Payments of interest on the Class D Notes due on any Payment Date will be senior to payments of interest on the Class E Notes and senior to the distributions of Proceeds to the Holders of the Preferred Shares on such Payment Date. Payments of interest on the Class E Notes due on any Payment Date will be senior to the distributions of Proceeds to the Holders of the Preferred Shares on such Payment Date. See "Description of the Notes and the Preferred Shares."

On any Payment Date on which certain conditions are satisfied and funds are available therefor, the "shifting principal" method in clause (xi) of the Priority of Payments may permit Holders of the Class B Notes, Class C Notes and Class D Notes to receive payments of principal in accordance with the Priority of Payments while more senior Classes of Notes remain outstanding and may permit distributions of Principal Proceeds to the Holders of the Class E Notes and the Preferred Shares, to the extent funds are available in accordance with the Priority of Payments, while more senior Notes are outstanding. Amounts properly paid pursuant to the Priority of Payments to a junior Class of Notes or to the Preferred Shares will not be recoverable in the event of a subsequent shortfall in the amount required to pay a more senior Class of Notes.

If an Event of Default occurs and is continuing, as long as any Class A Notes are outstanding, the Holders of the Class A Notes, voting together as a single Class, generally will be entitled to determine the remedies to be exercised under the Indenture subject to the limitations set forth in the Indenture and as described herein. After the Class A Notes have been redeemed or otherwise paid in full, as long as any Class B Notes are outstanding, the Holders of the Class B Notes generally will be entitled to determine the remedies to be exercised under the Indenture (except as noted above) if an Event of Default occurs. After the Class A Notes and the Class B Notes have been redeemed or otherwise paid in full, as long as any Class C Notes are outstanding, the Holders of the Class C Notes generally will be entitled to determine the remedies to be exercised under the Indenture (except as noted above) if an Event of Default occurs. After the Class A Notes, Class B Notes and the Class C Notes have been redeemed or otherwise paid in full, as long as any Class D Notes are outstanding, the Holders of the Class D Notes generally will be entitled to determine the remedies to be exercised under the Indenture (except as noted above) if an Event of Default occurs. After the Class A Notes, Class B Notes, Class C Notes and Class D Notes have been redeemed or otherwise paid in full, as long as any Class E Notes are outstanding, the Holders of the Class E Notes generally will be entitled to determine the remedies to be exercised under the Indenture (except as noted above) if an Event of Default occurs. Remedies pursued by the Holders of the Class A Notes could be adverse to the interests of the Holders of the Class B Notes, Class C Notes, Class D Notes, Class E Notes and the Preferred Shares, remedies pursued by the Holders of the Class B Notes could be adverse to the interests of the Holders of the Class C Notes, Class D Notes, Class E Notes and Preferred Shares, remedies pursued by the Holders of the Class C Notes could be adverse to the interests of the Holders of the Class D Notes, Class E Notes and Preferred Shares, remedies pursued by the Holders of the Class D Notes could be adverse to the interests of the Holders of the Class E Notes and Preferred Shares and remedies pursued by the Holders of the Class E Notes could be adverse to the interests of the Holders of the Preferred Shares. See "Description of the Notes and the Preferred Shares—The Indenture and the Preferred Share Paying and Transfer Agency Agreement—Indenture—Events of Default."

Equity Status of the Preferred Shares. The Preferred Shares are equity in the Issuer and are not secured by the Collateral Assets or the other Collateral securing the Notes. As such, the Holders of the Preferred Shares will rank behind all of the creditors, whether secured or unsecured and known or unknown, of the Issuer, including, without limitation, the Holders of the Notes, the Surveillance Agent and the Hedge Counterparties. No person or entity other than the Issuer will be required to make any distributions on the Preferred Shares. Except with respect to the obligations of the Issuer to make payments pursuant to the Priority of Payments, the Issuer does not expect to have any creditors. Any amounts paid by the Preferred Share Paying Agent as dividends or other distributions on the Preferred Shares in accordance with the Priority of Payments will be payable only to the extent of the Issuer's distributable profits and/or share premium (determined in accordance with Cayman Islands law). The funds available to be paid to the Preferred Share Paying Agent will depend on the weighted average of the Note Interest Rates. In addition, such distributions will be payable only to the extent that the Issuer is solvent on the applicable Payment Date and the Issuer will not be insolvent after such distributions are paid. Under Cayman Islands law, a company is generally deemed to be solvent if it is able to pay its debts as they fall due. For purposes of calculation of the Preferred Share Make-Whole Amount to the Holders of the Preferred Shares, amounts distributed to the Preferred Share Paying Agent for deposit into the Preferred Share Payment Account will be deemed to have been distributed to the Holders of the Preferred Shares on the date so distributed regardless of any Cayman Islands laws restricting distribution to the Holders. The rating assigned by Moody's to the Preferred Shares is limited to the ultimate payment of the Preferred Share Stated Amount. Since the Preferred Share Stated Amount of the Preferred Shares will be reduced by all distributions to the Preferred Shares, the outstanding Preferred Share Stated Amount is expected to be lower than the Initial Stated Amount of the Preferred Shares after the first Payment Date. The Preferred Share Stated Amount of the Preferred Shares is likely to be paid in full sooner than the date on which the Preferred Shares are redeemed. Once the Preferred Share Stated Amount is paid in full, the rating assigned to the Preferred Shares will be withdrawn.

An action may result in a downgrading of the Preferred Shares and still satisfy the rating agency conditions. As described herein, the Issuer may be required to obtain confirmation that the rating assigned by Moody's to the Preferred Shares will not be withdrawn or reduced by two or more

subcategories (either from their original rating as of the Closing Date or from their then current level, as specified) prior to taking certain actions. Consequently, the Issuer could take certain actions that would cause the Preferred Shares to be downgraded by one subcategory and the rating agency conditions would still be satisfied. Furthermore, after the Preferred Share Stated Amount of the Preferred Shares is paid in full, the rating on such Preferred Shares will be withdrawn and the Rating Agency Condition will no longer have to be satisfied with respect to such Preferred Shares even though the Preferred Shares may still be entitled to additional distributions. If the Class E Principal Increase Option is exercised, the rating of the Preferred Shares may be adversely affected.

To the extent the requirements under Cayman Islands law described in the second preceding paragraph are not met, amounts otherwise payable to the Holders of the Preferred Shares will be retained in the Preferred Share Payment Account until, in the case of any payment of Proceeds by way of dividend, the next succeeding Payment Date or (in the case of any payment which would otherwise be payable on a redemption date of the Preferred Shares) the next succeeding Business Day on which the Issuer notifies the Preferred Share Paying Agent that such requirements are met and, in the case of any payment of Principal Proceeds on redemption of the Preferred Shares, the next succeeding Business Day on which the Issuer notifies the Preferred Share Paying Agent that such requirements are met. Amounts on deposit in the Preferred Share Payment Account will not be available to pay amounts due to the Holders of the Notes, the Trustee, the Surveillance Agent, the Hedge Counterparties or any other creditor of the Issuer whose claim is limited in recourse to the Collateral. However, amounts on deposit in the Preferred Share Payment Account may be subject to the claims of creditors of the Issuer that have not contractually limited their recourse to the Collateral. The Indenture, the Preferred Share Paying and Transfer Agency Agreement and the Memorandum and Articles of Association will limit the Issuer's activities to the issuance and sale of the Securities, the acquisition and disposition of the Collateral Assets, the acquisition and disposition of, and investment and reinvestment in, the Eligible Investments and the other activities related to the issuance and the sale of the Securities described under "The Issuers". The Issuer does not expect to have any significant full recourse liabilities that would be payable out of amounts on deposit in the Preferred Share Payment Account.

Leveraged Investment. The Preferred Shares and, to a lesser extent, the Class E Notes, represent a leveraged investment in the underlying Collateral Assets. The use of leverage generally magnifies an investor's opportunities for gain and risk of loss. Therefore, changes in the market value of the Preferred Shares and the Class E Notes can be expected to be greater than changes in the market value of the underlying assets included in the Collateral Assets, which are also subject to credit, liquidity and interest rate risk.

Optional Redemption and Tax Redemption of Securities. Subject to the satisfaction of certain conditions, the Securities may be optionally redeemed in whole and not in part (i) on any Payment Date after the July 2008 Payment Date at the written direction of, or with the written consent of, Holders of a Majority of the Preferred Shares or (ii) on any Payment Date upon the occurrence of a Tax Event, at the written direction of, or with the written consent of, Holders of at least 66-2/3% of the affected Preferred Shares or the Holders of a Majority of any Class of Notes, if as a result of an occurrence of a Tax Event, such Class of Notes has not received 100% of the aggregate amount of principal and interest due and payable on such Class of Notes. If an Optional Redemption or Tax Redemption occurs, the Preferred Shares will be redeemed simultaneously.

There can be no assurance that after payment of the redemption prices for the Securities (which includes payment of the Preferred Share Stated Amount) and all other amounts payable in accordance with the Priority of Payments, any additional Proceeds will remain to distribute to the Holders of the Preferred Shares upon redemption. See "Description of the Notes and the Preferred Shares—Optional Redemption" and "—Tax Redemption." An Optional Redemption or Tax Redemption of the Securities could require the Surveillance Agent to liquidate positions more rapidly than would otherwise be desirable, which could adversely affect the realized value of the Collateral Assets sold. In addition, the redemption procedures in the Indenture may require the Surveillance Agent to aggregate securities to be sold together in one block transaction, thereby possibly resulting in a lower aggregate realized value for

the Collateral Assets sold. In any event, there can be no assurance that the market value of the Collateral Assets will be sufficient for the Holders of the Preferred Shares to direct an Optional Redemption or in the case of a Tax Redemption, for the Holders of the affected Class of Securities to direct a Tax Redemption. A decrease in the market value of the Collateral Assets would adversely affect the proceeds that could be obtained upon a sale of the Collateral Assets; consequently, the conditions precedent to the exercise of an Optional Redemption or a Tax Redemption may not be met. The interests of the Holders of the Preferred Shares in determining whether to elect to effect an Optional Redemption, and the interests of the Holders of the affected Class of Securities with respect to a Tax Redemption, may be different from the interests of the Holders of the other Securities in such respect. The Holders of the Securities also may not be able to invest the proceeds of the redemption of the Securities in one or more investments providing a return equal to or greater than that expected to be obtained from their investment in the Securities. An Optional Redemption or a Tax Redemption will shorten the average lives of the Notes and the duration of the Preferred Shares and may reduce the yield to maturity of the Notes.

Class A-1 Optional Redemption. The Class A-1 Notes may be redeemed, in whole but not in part, on or after the October 2013 Payment Date at the written direction of, or with the written consent of, Holders of a Majority of the Preferred Shares. A Class A-1 Optional Redemption will shorten the average lives, and may reduce the yield to maturity, of the Class A-1 Notes.

Auction. There can be no assurance that an Auction of the Collateral Assets on the Auction Date will be successful. The failure of an Auction may lengthen the expected average lives of the Notes and the expected duration of the Preferred Shares and may reduce the yield to maturity of the Notes and may adversely affect the yield on the Preferred Shares. A successful Auction of the Collateral Assets is not required to result in any proceeds for distribution to the Holders of the Preferred Shares in excess of the Preferred Share Stated Amount. Accordingly, in the event of an Auction, Holders of Preferred Shares may have their Preferred Shares redeemed without receiving any additional distributions on such Preferred Shares in excess of the Preferred Share Stated Amount. In addition, the success of an Auction will shorten the average lives of the Notes and the duration of the Preferred Shares and may reduce the yield to maturity of the Notes.

Mandatory Redemption of Notes. If either of the Class A/B Coverage Tests is not met on the Determination Date immediately preceding a Payment Date, Proceeds that otherwise might have been distributed to the Holders of the Preferred Shares and paid as interest to the Holders of the Class C Notes and the Class D Notes will be used to redeem, (i) if the Class A/B Overcollateralization Ratio is greater than or equal to 100% on such Determination Date, first, *pro rata*, the Class A-1 Notes and the Class A-2 Notes until each such Class is paid in full and, second, the Class B Notes until paid in full, and (ii) if the Class A/B Overcollateralization Ratio is less than 100% on such Determination Date, first, the Class A-1 Notes until paid in full, second, the Class A-2 Notes until paid in full and third, the Class B Notes until paid in full. If the Class C/D Overcollateralization Ratio is not at least 75% on the Determination Date immediately preceding a Payment Date, Proceeds that otherwise might have been distributed to the Holders of the Class C Notes, the Class D Notes, the Class E Notes and the Preferred Shares will be used to redeem the Class A-1 Notes, Class A-2 Notes and Class B Notes in that order, until each such Class is paid in full. If either of the Class C/D Coverage Tests is not met on the Determination Date immediately preceding a Payment Date, Proceeds that otherwise might have been distributed to the Holders of the Class E Notes and/or the Holders of the Preferred Shares will be used to redeem the Class C Notes until paid in full and, second, the Class D Notes until paid in full. The foregoing redemptions could result in an elimination, deferral or reduction in the amounts available to make payments to the Holders of various classes of the Notes and distributions to Holders of the Preferred Shares. See "Security for the Notes—The Coverage Tests." Any such redemptions will shorten the average life of the redeemed Notes and the duration of the Preferred Shares.

Collateral Accumulation. In anticipation of the issuance of the Securities, an affiliate of Goldman, Sachs & Co. has agreed to "warehouse" approximately $410 million aggregate principal amount (or, in the case of Synthetic Securities, notional amount) of Collateral Assets selected by the Surveillance Agent for resale to the Issuer pursuant to the terms of a forward purchase agreement. Of such amount, it is

expected that a portion will be purchased from affiliates of Goldman, Sachs & Co. and a portion will be purchased from third parties. It is also expected that a portion of such amount will be represented by one or more Synthetic Securities entered into between the Issuer and Goldman, Sachs & Co. or an affiliate thereof wherein the Issuer will be selling credit protection. Pursuant to the terms of the forward purchase agreement, the Issuer will be obligated to purchase the "warehoused" assets *provided* such Collateral Assets satisfy certain eligibility criteria on the Closing Date for a formula purchase price designed to reflect the yields or spreads (or premiums in the case of Synthetic Securities) at which the Collateral Assets were purchased (using the prepayment speed and other assumptions used to set the initial price of each individual asset), as adjusted for any hedging gain or loss and any loss or gain on any Collateral Assets sold to a party other than the Issuer during the warehousing period. Consequently, the market values of "warehoused" Collateral Assets at the Closing Date may be less or greater than the formula purchase price paid by the Issuer. In addition, if a Collateral Asset becomes ineligible during the warehousing period and is not purchased by the Issuer on the Closing Date, or if a Collateral Asset is otherwise sold at the direction of the Surveillance Agent or Goldman, Sachs & Co. (which sale may only occur with the consent of Goldman, Sachs & Co.'s affiliate), the Issuer will bear the loss or receive the gain on the sale of such Collateral Asset to a third party.

Disposition of Collateral Assets by the Surveillance Agent Under Certain Circumstances. Under the Indenture, the Surveillance Agent has the right, but is not obligated, to direct the Issuer to sell, at a price equal to the fair market value, Collateral Assets meeting the definition of Credit Risk Obligations, Defaulted Obligations or equity securities subject to satisfaction of the conditions described herein. Such sales of Collateral Assets may result in losses by the Issuer, which losses may result in the reduction or withdrawal of the rating of any or all of the Securities by any of the Rating Agencies. On the other hand, circumstances may exist under which it is in the best interests of the Issuer or the Holders of the Securities to dispose of Collateral Assets, but the Surveillance Agent does not direct the Issuer or the Issuer does not otherwise sell such Collateral Assets.

Average Lives, Duration and Prepayment Considerations. The average lives of the Notes and the duration of the Preferred Shares are expected to be shorter than the number of years until their Stated Maturity or the Scheduled Preferred Share Redemption Date, as applicable. See "Weighted Average Life and Yield Considerations."

The average lives of the Notes and the duration of the Preferred Shares will be affected by the financial condition of the obligors on or issuers of the Collateral Assets and the characteristics of the Collateral Assets, including the existence and frequency of exercise of any prepayment, optional redemption or sinking fund features, the prepayment speed, the occurrence of any early amortization events, the prevailing level of interest rates, the redemption price, the actual default rate and the actual level of recoveries in respect of any Defaulted Obligations, the frequency of tender or exchange offers for the Collateral Assets and the tenor of any sales of Collateral Assets.

Some or all of the loans underlying the RMBS or CMBS may be prepaid at any time (although certain of such mortgage loans may have "lockout" periods, defeasance provisions, prepayment penalties or other disincentives to prepayment). Defaults on and liquidations of the loans underlying the RMBS, Asset-Backed Securities or the CMBS may also lead to early repayment thereof. Prepayments on loans are affected by a number of factors. If prevailing rates for similar loans fall below the interest rates on such loans, prepayment rates would generally be expected to increase. Conversely, if prevailing rates for similar loans rise above the interest rates on such loans, prepayment rates would generally be expected to decrease. The existence and frequency of such prepayments, optional redemptions, defaults and liquidations will affect the average lives of, and credit support for, the Notes and the duration of the Preferred Shares. See "—Collateral Assets," "Weighted Average Life and Yield Considerations" and "Security for the Notes."

Projections, Forecasts and Estimates. Estimates of the weighted average lives of, and returns on, the Notes included herein, together with any other projections, forecasts and estimates provided to prospective purchasers of the Notes, are forward looking statements. Such statements are necessarily

speculative in nature, as they are based on certain assumptions. It can be expected that some or all of the assumptions underlying such statements will not reflect actual conditions. Accordingly, there can be no assurance that any estimated projections, forecasts or estimates will be realized or that the forward looking statements will materialize, and actual results may vary from the projections, and the variations may be material.

Some important factors that could cause actual results to differ materially from those in any forward looking statements include changes in interest rates, market, financial or legal uncertainties, levels of default, liquidations and prepayments of the underlying assets, mismatches between the timing of accrual and receipt of Proceeds from the Collateral Assets and the effectiveness of the Hedge Agreements, among others.

None of the Issuer, the Co-Issuer, the Surveillance Agent, the Initial Purchasers or any of their respective affiliates has any obligation to update or otherwise revise any projections, including any revisions to reflect changes in economic conditions or other circumstances arising after the date hereof or to reflect the occurrence of unanticipated events, even if the underlying assumptions do not come to fruition.

Dependence of the Issuer on the Surveillance Agent. The Issuer has no employees and is dependent on the Surveillance Agent to advise the Issuer in accordance with the terms of the Indenture and the Surveillance Agent Agreement. Consequently, the loss of one or more of the individuals employed by the Surveillance Agent to monitor the Collateral Assets or to provide disposition related services in respect of the Collateral Assets could have an adverse effect, which effect may be material, on the performance of the Issuer. See "The Surveillance Agent" and "The Surveillance Agent Agreement."

Collateral Assets

General. The following description of the Collateral Assets and the underlying documents and the risks related thereto is general in nature, and prospective purchasers of the Notes should review the descriptions and risk factors relating to each of the Collateral Assets set forth in the related Disclosure Documents on the CD-ROM attached to this Offering Circular and the summaries set forth in Appendix B to this Offering Circular. The Disclosure Documents were completed as of the date of the original offering of each of the Collateral Assets and the information contained in such Disclosure Documents may now be outdated and less relevant to the Collateral Assets.

Nature of Collateral. The Collateral is subject to credit, liquidity, prepayment and interest rate risks. The amount and nature of collateral securing the Notes has been established to withstand certain assumed deficiencies in payment occasioned by defaults in respect of the Collateral Assets. See "Ratings of the Notes." If any deficiencies exceed such assumed levels, however, payment of the Notes could be adversely affected. To the extent that a default occurs with respect to any Collateral Asset securing the Notes and the Surveillance Agent exercises its right to cause the sale or other disposition of such Collateral Asset, it is not likely that the proceeds of such sale or other disposition will be equal to the amount of principal and interest owing to the Issuer in respect of such Collateral Asset.

The market value of the Collateral Assets generally will fluctuate with, among other things, the financial condition of the obligors on or issuers of the Collateral Assets, the credit quality of the underlying pool of assets in any Collateral Asset, general economic conditions, the condition of certain financial markets, political events, developments or trends in any particular industry and changes in prevailing interest rates. None of the Issuer, the Co-Issuer, the Initial Purchasers, the Surveillance Agent or the Trustee has any liability or obligation to the Holders of Securities as to the amount or value of, or decrease in the value of, the Collateral Assets from time to time.

If a Collateral Asset becomes a Credit Risk Obligation or a Defaulted Obligation, the Surveillance Agent may direct the Issuer to sell the affected Collateral Asset. There can be no assurance as to the timing of the Issuer's sale of the affected Collateral Asset, or as to the rates of recovery on such affected

Collateral Asset. The inability to realize immediate recoveries at the recovery levels assumed herein may result in lower cash flow and a lower yield to maturity of the Class B Notes, the Class C Notes, the Class D Notes and the Class E Notes and may adversely affect the yield on the Preferred Shares.

Commercial Mortgage-Backed Securities. Approximately 24.2% of the Collateral Assets (by principal balance or, in the case of Synthetic Securities, the Reference Obligations consisting of CMBS, by notional balance) will consist of Commercial Mortgage-Backed Securities ("CMBS") as of the Closing Date.

Holders of CMBS bear various risks, including credit, market, interest rate, structural and legal risks. CMBS are securities backed by obligations (including certificates of participation in obligations) that are principally secured by mortgages on real property or interests therein having a multifamily or commercial use, such as regional malls, other retail space, office buildings, industrial or warehouse properties, hotels, nursing homes and senior living centers. CMBS have been issued in public and private transactions by a variety of public and private issuers using a variety of structures, including senior and subordinated classes. Risks affecting real estate investments include general economic conditions, the condition of financial markets, political events, developments or trends in any particular industry and changes in prevailing interest rates. The cyclicality and leverage associated with real estate-related investments have historically resulted in periods, including significant periods, of adverse performance, including performance that may be materially more adverse than the performance associated with other investments. In addition, commercial mortgage loans generally lack standardized terms, tend to have shorter maturities than residential mortgage loans and may provide for the payment of all or substantially all of the principal only at maturity. Additional risks may be presented by the type and use of a particular commercial property. For instance, commercial properties that operate as hospitals and nursing homes may present special risks to lenders due to the significant governmental regulation of the ownership, operation, maintenance and financing of health care institutions. Hotel and motel properties are often operated pursuant to franchise, management or operating agreements which may be terminable by the franchisor or operator; and the transferability of a hotel's operating, liquor and other licenses upon a transfer of the hotel, whether through purchase or foreclosure, is subject to local law requirements. All of these factors increase the risks involved with commercial real estate lending. Commercial properties tend to be unique and are more difficult to value than single-family residential properties. Commercial lending is generally viewed as exposing a lender to a greater risk of loss than residential one-to-four family lending since it typically involves larger loans to a single borrower than residential one-to-four family lending.

Commercial mortgage lenders typically look to the debt service coverage ratio of a loan secured by income-producing property as an important measure of the risk of default on such a loan. Commercial property values and net operating income are subject to volatility, and net operating income may be sufficient or insufficient to cover debt service on the related mortgage loan at any given time. The repayment of loans secured by income-producing properties is typically dependent upon the successful operation of the related real estate project rather than upon the liquidation value of the underlying real estate. Furthermore, the net operating income from and value of any commercial property may be adversely affected by risks generally incident to interests in real property, including events which the borrower or manager of the property, or the issuer or servicer of the related issuance of commercial mortgage-backed securities, may be unable to predict or control, such as changes in general or local economic conditions and/or specific industry segments; declines in real estate values; declines in rental or occupancy rates; increases in interest rates, real estate tax rates and other operating expenses; changes in governmental rules, regulations and fiscal policies; acts of God; and social unrest and civil disturbances. The value of commercial real estate is also subject to a number of laws, such as laws regarding environmental clean-up and limitations on remedies imposed by bankruptcy laws and state laws regarding foreclosures and rights of redemption. Any decrease in income or value of the commercial real estate underlying an issue of CMBS could result in cash flow delays and losses on the related issue of CMBS.

A commercial property may not readily be converted to an alternative use in the event that the operation of such commercial property for its original purpose becomes unprofitable. In such cases, the conversion of the commercial property to an alternative use would generally require substantial capital expenditures. Thus, if the borrower becomes unable to meet its obligations under the related commercial mortgage loan, the liquidation value of any such commercial property may be substantially less, relative to the amount outstanding on the related commercial mortgage loan, than would be the case if such commercial property were readily adaptable to other uses. The exercise of remedies and successful realization of liquidation proceeds may be highly dependent on the performance of CMBS servicers or special servicers, of which there may be a limited number and which may have conflicts of interest in any given situation. The failure of the performance of such CMBS servicers or special servicers could result in cash flow delays and losses on the related issue of CMBS.

Fixed rate CMBS, like all fixed-income securities, generally decline in value as interest rates rise. Moreover, although generally the value of fixed-income securities increases during periods of falling interest rates, this inverse relationship may not be as marked in the case of CMBS due to the increased likelihood of prepayments during periods of falling interest rates. This effect is mitigated to some degree for mortgage loans providing for a period during which no prepayments may be made. However, prepayments on the underlying commercial mortgage loans may still result in a reduction of the yield on the related issue of CMBS.

Mortgage loans underlying a CMBS issue may provide for no amortization of principal or may provide for amortization based on a schedule substantially longer than the maturity of the mortgage loan, resulting in a "balloon" payment due at maturity. If the underlying mortgage borrower experiences business problems, or other factors limit refinancing alternatives, such balloon payment mortgages are likely to experience payment delays or even default. As a result, the related issue of CMBS could experience delays in cash flow and losses.

In addition, structural and legal risks include the possibility that, in a bankruptcy or similar proceeding involving the originator or the servicer (often the same entity or affiliates), the assets of the issuer could be treated as never having been truly sold by the originator to the issuer and could be substantively consolidated with those of the originator, or the transfer of such assets to the Issuer could be voided as a fraudulent transfer. Challenges based on such doctrines could result also in cash flow delays and losses on the related issue of CMBS.

None of the CMBS included in the Collateral Assets will be guaranteed or insured by any governmental agency or instrumentality or by any other person. Distributions on CMBS will depend solely upon the amount and timing of payments and other collections on the related underlying mortgage loans.

Realized losses and trust expenses generally will be allocated to the most subordinated class of securities of the related series. Accordingly, to the extent any CMBS becomes the most subordinated class of securities of the related series, any delinquency or default on any underlying mortgage loan may result in shortfalls, realized loss allocations or extensions of its weighted average life and will have a more immediate and disproportionate effect on the related CMBS than on the related more senior securities. Certain of the Underlying CMBS Series have experienced delinquencies, defaults and losses on the underlying commercial mortgage loans. See "Appendix B."

In addition, in the case of certain CMBS, no distributions of principal will generally be made until the aggregate principal balance of the corresponding more senior securities has been reduced to zero and, in other cases, all or a disproportionate amount of principal distributions will be made to the holders of the more senior securities for a specified period of time. The holders of classes of securities that are subordinate to the classes of CMBS owned by the Issuer will generally control the exercise of remedies in connection with such CMBS. Such exercise of remedies by a holder of subordinate classes may be in conflict with the interests of the more senior securities. See "—Certain Conflicts of Interest."

As of the Closing Date, none of the CMBS will be the "controlling class" with respect to any Underlying CMBS Series. Should any CMBS become the controlling class by virtue of allocation of losses to the more subordinate classes of an Underlying CMBS Series as described above, neither the Issuer nor the Surveillance Agent will be permitted to exercise any discretion with respect to remedies. See "Security for the Notes—The Collateral Assets—CMBS". The inability of the Issuer or the Surveillance Agent to exercise such discretion with respect to a CMBS may adversely affect the realization on such CMBS.

Residential Mortgage-Backed Securities. Approximately 57.6% of the Collateral Assets (by principal balance or, in the case of Synthetic Securities, the Reference Obligations consisting of RMBS, by notional balance) will consist of Residential Mortgage-Backed Securities ("RMBS") as of the Closing Date.

Holders of RMBS bear various risks, including credit, market, interest rate, structural and legal risks. RMBS represent interests in pools of residential mortgage loans secured by one- to four-family residential mortgage loans. Such loans may be prepaid at any time. Residential mortgage loans are obligations of the borrowers thereunder only and are not typically insured or guaranteed by any other person or entity, although such loans may be securitized by agencies and the securities issued are guaranteed. The rate of defaults and losses on residential mortgage loans will be affected by a number of factors, including general economic conditions and those in the area where the related mortgaged property is located, the borrower's equity in the mortgaged property and the financial circumstances of the borrower. If a residential mortgage loan is in default, foreclosure of such residential mortgage loan may be a lengthy and difficult process, and may involve significant expenses. Furthermore, the market for defaulted residential mortgage loans or foreclosed properties may be very limited.

At any one time, a portfolio of RMBS may be backed by residential mortgage loans with disproportionately large aggregate principal amounts secured by properties in only a few states or regions. As a result, the residential mortgage loans may be more susceptible to geographic risks relating to such areas, such as adverse economic conditions, adverse events affecting industries located in such areas and natural hazards affecting such areas, than would be the case for a pool of mortgage loans having more diverse property locations. In addition, the residential mortgage loans may include so-called "jumbo" mortgage loans, having original principal balances that are higher than is generally the case for residential mortgage loans. As a result, such portfolio of RMBS may experience increased losses.

Each underlying residential mortgage loan in an issue of RMBS may have a balloon payment due on its maturity date. Balloon residential mortgage loans involve a greater risk to a lender than self-amortizing loans, because the ability of a borrower to pay such amount will normally depend on its ability to obtain refinancing of the related mortgage loan or sell the related mortgaged property at a price sufficient to permit the borrower to make the balloon payment, which will depend on a number of factors prevailing at the time such refinancing or sale is required, including, without limitation, the strength of the residential real estate markets, tax laws, interest rates and general economic conditions. If the borrower is unable to make such balloon payment, the related issue of RMBS may experience losses.

Prepayments on the underlying residential mortgage loans in an issue of RMBS will be influenced by the prepayment provisions of the related mortgage notes and may also be affected by a variety of economic, geographic and other factors, including the difference between the interest rates on the underlying residential mortgage loans (giving consideration to the cost of refinancing) and prevailing mortgage rates and the availability of refinancing. In general, if prevailing interest rates fall significantly below the interest rates on the related residential mortgage loans, the rate of prepayment on the underlying residential mortgage loans would be expected to increase. Conversely, if prevailing interest rates rise to a level significantly above the interest rates on the related mortgages, the rate of prepayment would be expected to decrease. Prepayments could reduce the yield received on the related issue of RMBS.

RMBS may have structural characteristics that distinguish them from other Asset-Backed Securities. The rate of interest payable on RMBS may be set or effectively capped at the weighted average net coupon of the underlying mortgage loans themselves. As a result of this cap, the return to investors is dependent on the relative timing and rate of delinquencies and prepayments of mortgage loans bearing a higher rate of interest. In general, early prepayments will have a greater impact on the yield to investors. Federal and state law may also affect the return to investors by capping the interest rates payable by certain mortgagors. The Servicemembers' Civil Relief Act of 2003 (the "Relief Act") provides relief for soldiers and members of the reserve called to active duty by capping the interest rates on their mortgage loans at 6% *per annum*. Certain RMBS may provide for the payment of only interest for a stated period of time.

Structural and Legal Risks of RMBS. Residential mortgage loans in an issue of RMBS may be subject to various federal and state laws, public policies and principles of equity that protect consumers, which among other things may regulate interest rates and other charges, require certain disclosures, require licensing of originators, prohibit discriminatory lending practices, regulate the use of consumer credit information and regulate debt collection and foreclosure practices. Violation of certain provisions of these laws, public policies and principles may limit the servicer's ability to collect all or part of the principal of or interest on a residential mortgage loan, entitle the borrower to a refund of amounts previously paid by it, or subject the servicer to damages and sanctions. Any such violation could result also in cash flow delays and losses on the related issue of RMBS.

In addition, structural and legal risks of RMBS include the possibility that, in a bankruptcy or similar proceeding involving the originator or the servicer (often the same entity or affiliates), the assets of the issuer could be treated as never having been truly sold by the originator to the issuer and could be substantively consolidated with those of the originator, or the transfer of such assets to the issuer could be voided as a fraudulent transfer. Challenges based on such doctrines could result also in cash flow delays and losses on the related issue of RMBS.

It is not expected that the RMBS will be guaranteed or insured by any governmental agency or instrumentality or by any other person. Distributions on RMBS will depend solely upon the amount and timing of payments and other collections on the related underlying mortgage loans.

CDO Securities. Approximately 12.4% of the Collateral Assets (by principal balance) will consist of CDO Securities as of the Closing Date. CDO Securities generally are limited recourse obligations of the issuer thereof payable solely from the underlying assets of the issuer ("CDO Collateral") or proceeds thereof. Consequently, holders of CDO Securities must rely solely on distributions on the underlying CDO Collateral or proceeds thereof for payment in respect thereof. If distributions on the underlying CDO Collateral are insufficient to make payments on the CDO Securities, no other assets will be available for payment of the deficiency and following realization of the underlying assets, the obligations of the issuer to pay such deficiency shall be extinguished. Many subordinate classes of CDO Securities provide that a deferral of interest thereon does not constitute an event of default and the holders of such securities will not have available to them any associated default remedies. During such periods of non-payment, such non-paid interest will generally be capitalized and added to the outstanding principal balance of the related security. Any such deferral will reduce the amount of current payments made on such CDO Securities.

CDO Securities are subject to credit, liquidity and interest rate risks. The assets backing CDO Securities may consist of high yield debt securities, loans, structured finance securities and other debt instruments. High yield debt securities are generally unsecured (and loans may be unsecured) and may be subordinated to certain other obligations of the issuer thereof. The below investment grade ratings of high yield securities reflect a greater possibility that adverse changes in the financial condition of an issuer or in general economic conditions or both may impair the ability of the issuer to make payments of principal or interest. Such investments may be speculative. Recently, there has been a significant increase in the default rates reported on high yield corporate debt securities and loans. An increase in the default rates of high yield corporate debt securities or loans could increase the likelihood that payments may not be made to holders of CDO Securities which are secured by high yield corporate debt securities and loans.

Issuers of CDO Securities may acquire interests in loans and other debt obligations by way of assignment or participation. The purchaser of an assignment typically succeeds to all the rights and obligations of the assigning institution and becomes a lender under the credit agreement with respect to the debt obligation; however, its rights can be more restricted than those of the assigning institution.

In purchasing participations, an issuer of CDO Securities will usually have a contractual relationship only with the selling institution, and not the borrower. The issuer generally will have no right directly to enforce compliance by the borrower with the terms of the loan agreement, nor any rights of set-off against the borrower, nor have the right to object to certain changes to the loan agreement agreed to by the selling institution. The issuer may not directly benefit from the collateral supporting the related loan and may be subject to any rights of set-off the borrower has against the selling institution. In addition, in the event of the insolvency of the selling institution, under the laws of the United States of America and the states thereof, the issuer may be treated as a general creditor of such selling institution, and may not have any exclusive or senior claim with respect to the selling institution's interest in, or the collateral with respect to, the loan. Consequently, the issuer may be subject to the credit risk of the selling institution as well as of the borrower.

CDO Securities are subject to interest rate risk. The CDO Collateral of an issuer of CDO Securities may bear interest at a fixed (floating) rate while the CDO Securities issued by such issuer may bear interest at a floating (fixed) rate. As a result, there could be a floating/fixed rate or basis mismatch between such CDO Securities and CDO Collateral which bears interest at a fixed rate and there may be a timing mismatch between the CDO Securities and assets that bear interest at a floating rate as the interest rate on such assets bearing interest at a floating rate may adjust more frequently or less frequently, on different dates and based on different indices than the interest rates on the CDO Securities. As a result of such mismatches, an increase or decrease in the level of the floating rate indices could adversely impact the ability to make payments on the CDO Securities. In addition, hedges may have been acquired to manage the interest rate risk of such CDO Securities, making such CDO Securities also subject to the credit risk of the applicable hedge counterparty.

Asset-Backed Securities. Approximately 5.7% of the Collateral Assets (by principal balance or, in the case of Synthetic Securities, the Reference Obligations consisting of Asset-Backed Securities) will consist of Asset-Backed Securities as of the Closing Date.

The structure of an Asset-Backed Security and the terms of the investors' interest in the collateral can vary widely depending on the type of collateral, the desires of investors and the use of credit enhancements. Individual transactions can differ markedly in both structure and execution. Important determinants of the risk associated with issuing or holding Asset-Backed Securities include the relative seniority or subordination of the class of Asset-Backed Securities held by an investor, the relative allocation of principal and interest payments in the priorities by which such payments are made under the governing documents, how credit losses affect the issuing vehicle and the return to investors, whether collateral represents a fixed set of specific assets or accounts, whether the underlying collateral assets are revolving or closed end, under what terms (including maturity of the asset backed instrument) any remaining balance in the accounts may revert to the issuing company and the extent to which the company that is the actual source of the collateral assets is obligated to provide support to the issuing vehicle or to the investors. With respect to some types of Asset-Backed Securities, the risk is more closely correlated with the default risk on corporate bonds of similar terms and maturities than with the performance of a pool of receivables. In addition, certain Asset-Backed Securities (particularly subordinated Asset-Backed Securities) provide that the non payment of interest in cash on such securities will not constitute an event of default in certain circumstances and the holders of such securities will not have available to them any associated default remedies. Interest not paid in cash will generally be capitalized and added to the outstanding principal balance of the related security. Any such deferral will reduce the yield on such Asset-Backed Securities.

Holders of Asset-Backed Securities bear various risks, including credit risks, liquidity risks, interest rate risks, market risks, operations risks, structural risks and legal risks. Credit risk arises from losses due to defaults by the borrowers in the underlying collateral and the issuer's or servicer's failure to

perform. These two elements may be related, as, for example, in the case of a servicer which does not provide adequate credit review scrutiny to the serviced portfolio, leading to higher incidence of defaults. Market risk arises from the cash flow characteristics of the security, which for most Asset-Backed Securities tend to be predictable. The greatest variability in cash flows comes from credit performance, including the presence of wind down or acceleration features designed to protect the investor in the event that credit losses in the portfolio rise well above expected levels. Interest rate risk arises for the issuer from the relationship between the pricing terms on the underlying collateral and the rates paid to holders of securities and from the need to mark to market the excess servicing or spread account proceeds carried on the balance sheet. For the holder of the security, interest rate risk depends on the expected life of the Asset-Backed Securities which may depend on prepayments on the underlying assets or the occurrence of wind down or termination events.

If the servicer becomes subject to financial difficulty or otherwise ceases to be able to carry out its functions, it may be difficult to find other acceptable substitute servicers and cash flow disruptions or losses may occur, particularly with non standard receivables or receivables originated by private retailers who collect many of the payments at their stores. Structural and legal risks include the possibility that, in a bankruptcy or similar proceeding involving the originator or the servicer (often the same entity or affiliates), the assets of the Issuer could be treated as never having been truly sold by the originator to the Issuer and could be substantively consolidated with those of the originator, or the transfer of such assets to the issuer could be voided as a fraudulent transfer. Challenges based on such doctrines could result also in cash flow delays and reductions. Other similar risks relate to the degree to which cash flows on the assets of the Issuer may be commingled with those on the originator's other assets.

Subordination of Collateral Assets. Approximately 22.2% of the CMBS representing 5.4% of the Collateral Assets (by principal or notional balance) to be acquired by the Issuer are non-investment grade and approximately 77.8% of the CMBS representing 18.8% of the Collateral Assets (by principal or notional balance) to be acquired by the Issuer are investment grade, each as of the Closing Date. Approximately 19.6% of the CDO Securities representing 2.4% of the Collateral Assets (by principal or notional balance) to be acquired by the Issuer are non-investment grade and approximately 80.4% of the CDO Securities representing 10.0% of the Collateral Assets (by principal or notional balance) to be acquired by the Issuer are investment grade, each as of the Closing Date. Approximately 2.0% of the RMBS Securities representing 1.17% of the Collateral Assets (by principal or notional balance) to be acquired by the Issuer are non-investment grade and approximately 98.0% of the RMBS Securities representing 56.46% of the Collateral Assets (by principal or notional balance) to be acquired by the Issuer are investment grade, each as of the Closing Date. None of the ABS Securities to be acquired by the Issuer are non-investment grade and all of the ABS Securities representing 5.7% of the Collateral Assets (by principal or notional balance) to be acquired by the Issuer are investment grade, each as of the Closing Date. The CMBS and certain of the RMBS owned by the Issuer will be subordinated to one or more other classes of securities of the same series for purposes of, among other things, offsetting losses and other shortfalls with respect to the related underlying mortgage loans. The subordinate classes are more sensitive to risk of loss and writedowns than senior classes of such securities.

Synthetic Securities. Approximately 22.4% of the Collateral Assets (by principal or notional balance) will consist of Synthetic Securities as of the Closing Date. The economic return on a Synthetic Security depends substantially upon the performance of the related Reference Obligation and partially upon the performance of the collateral posted by the Issuer to secure its obligations to the Synthetic Security Counterparty on deposit in the Default Swap Collateral Account. Approximately 15.12% of the Reference Obligations consist of CMBS, approximately 3.66% of the Reference Obligations consist of RMBS and approximately 3.66% of the Reference Obligations consist of ABS Securities. None of the Reference Obligations consist of CDO Securities. Synthetic Securities generally have probability of default, recovery upon default and expected loss characteristics, which are closely correlated to the corresponding Reference Obligation, but may have different maturity dates, coupons, payment dates or other non credit characteristics than the corresponding Reference Obligation. In addition to the credit risks associated with holding the Reference Obligation, with respect to Synthetic Securities, the Issuer will usually have a contractual relationship only with the related Synthetic Security Counterparty, and not with

the Reference Obligor of the Reference Obligation. Due to the fact that a Synthetic Security may be illiquid or may not be terminable on demand (or terminable on demand only upon payment of a substantial fee by the Issuer), the Surveillance Agent's ability to dispose of a Synthetic Security, if circumstances arise permitting such disposal, may be limited. The Issuer generally will have no right to directly enforce compliance by the Reference Obligor with the terms of the Reference Obligation nor any rights of set off against the Reference Obligor, nor have any voting rights with respect to the Reference Obligation. The Issuer will not directly benefit from the collateral supporting the Reference Obligation and will not have the benefit of the remedies that would normally be available to a holder of such Reference Obligation. In addition, in the event of the insolvency of the Synthetic Security Counterparty, the Issuer will be treated as a general creditor of such Synthetic Security Counterparty, and will not have any claim with respect to the Reference Obligor or the Reference Obligation. Consequently, the Issuer will be subject to the credit risk of the Synthetic Security Counterparty as well as that of the Reference Obligor and the Reference Obligation. As a result, concentrations of Synthetic Securities in any one Synthetic Security Counterparty subject the Securities to an additional degree of risk with respect to defaults by such Synthetic Security Counterparty. It is expected that Goldman Sachs International, an affiliate of Goldman Sachs & Co., will act as the sole Synthetic Security Counterparty with respect to the Synthetic Securities, which creates concentration risk and may create certain conflicts of interest.

In accordance with the terms of the Synthetic Securities, the Synthetic Security Counterparty will make a periodic fixed payment to the Issuer and the Issuer will make certain payments to the Synthetic Security Counterparty if a "credit event" occurs thereunder. The fixed payment due to the Issuer under each Synthetic Security, however, will be reduced (but not below zero) by an amount equal to any interest shortfalls with respect to the related Reference Obligations. Any reduction in the fixed payment to the Issuer from the Synthetic Security Counterparty could adversely affect the Issuer's ability to make payments due to the Notes.

All of the Synthetic Securities are expected to be structured as credit default swaps. As a result, the Issuer will be required to purchase Default Swap Collateral and pledge to the Synthetic Security Counterparty a first priority security interest in such Default Swap Collateral. In the event a "credit event" occurs under a Synthetic Security, the item of Default Swap Collateral chosen by the Synthetic Security Counterparty after the application of any cash on deposit in the Default Swap Collateral Account will be sold by the Trustee in a sale arranged by the Surveillance Agent and any loss or write down amount owed to the Synthetic Security Counterparty will be paid by the Issuer from the liquidation proceeds of such Default Swap Collateral. In the event such liquidation proceeds are less than par, the Synthetic Security Counterparty will accept the liquidation proceeds applicable to the face amount of Synthetic Security Collateral sold which is equal to the loss or write down amount. In addition, under certain circumstances upon the occurrence of a "credit event", the Default Swap Collateral chosen by the Synthetic Security Counterparty will instead be delivered to the Synthetic Security Counterparty in exchange for a deliverable obligation. Any deliverable obligation delivered to the Issuer whether or not it satisfies the definition of a Collateral Asset or an Eligible Investment may be retained or sold by the Issuer at the sole discretion of the Surveillance Agent without regard to whether such sale would be permitted as a sale of a Defaulted Obligation or Credit Risk Obligation; *provided* that no Event of Default has occurred and is continuing. In the event that no "credit event" under a Synthetic Security occurs prior to the termination or scheduled maturity of such Synthetic Security, the related Default Swap Collateral will be released from the lien of the Synthetic Security Counterparty and be treated as a Collateral Asset or Eligible Investment to the extent it meets the definition of either such term, in the business judgment of the Surveillance Agent, upon the termination or scheduled maturity of such Synthetic Security. If the Surveillance Agent elects to sell or terminate a portion of a Synthetic Security prior to its scheduled maturity, the Synthetic Security Counterparty will choose the Default Swap Collateral to be liquidated to make any termination payments due to the Synthetic Security Counterparty after the application of cash available in the Default Swap Collateral Account and the Surveillance Agent will cause such portion of the Default Swap Collateral to be sold and the liquidation proceeds equaling any such termination payment to be paid to the Synthetic Security Counterparty. The remaining portion of Default Swap Collateral not required to be pledged to such Synthetic Security Counterparty will be delivered to the Trustee free of such lien. The Surveillance Agent, in accordance with the terms of the related credit default swap and the Indenture,

may be able to sell or replace Default Swap Collateral prior to the termination or maturity of the related Synthetic Security with the consent of the Synthetic Security Counterparty. The Issuer may realize a loss upon any sale of any Default Swap Collateral, however, under the terms of the Synthetic Securities, the Synthetic Security Counterparty will bear any market risk on the liquidation of the Default Swap Collateral.

PROSPECTIVE PURCHASERS OF THE NOTES AND THE PREFERRED SHARES SHOULD CONSIDER AND ASSESS FOR THEMSELVES THE LIKELY LEVEL OF DEFAULTS ON THE COLLATERAL ASSETS, AS WELL AS THE LIKELY LEVEL AND TIMING OF RECOVERIES ON THE COLLATERAL ASSETS.

Insolvency Considerations with Respect to Issuers of Collateral Assets. Various laws enacted for the protection of creditors may apply to the Collateral Assets. If a court in a lawsuit brought by an unpaid creditor or representative of creditors of an issuer of a Collateral Asset, such as a trustee in bankruptcy, were to find that the issuer did not receive fair consideration or reasonably equivalent value for incurring the indebtedness constituting the Collateral Asset and, after giving effect to such indebtedness, the issuer (i) was insolvent, (ii) was engaged in a business for which the remaining assets of such issuer constituted unreasonably small capital or (iii) intended to incur, or believed that it would incur, debts beyond its ability to pay such debts as they mature, such court could determine to invalidate, in whole or in part, such indebtedness as a fraudulent conveyance, to subordinate such indebtedness to existing or future creditors of such issuer, or to recover amounts previously paid by such issuer in satisfaction of such indebtedness. The measure of insolvency for purposes of the foregoing will vary. Generally, an issuer would be considered insolvent at a particular time if the sum of its debts were then greater than all of its property at a fair valuation, or if the present fair saleable value of its assets was then less than the amount that would be required to pay its probable liabilities on its existing debts as they became absolute and matured. There can be no assurance as to what standard a court would apply in order to determine whether the issuer was "insolvent" after giving effect to the incurrence of the indebtedness constituting the Collateral Asset or that, regardless of the method of valuation, a court would not determine that the issuer was "insolvent" upon giving effect to such incurrence. In addition, in the event of the insolvency of an issuer of a Collateral Asset, payments made on such Collateral Asset could be subject to avoidance as a "preference" if made within a certain period of time (which may be as long as one year) before insolvency. Payments made under residential mortgage loans may also be subject to avoidance in the event of the bankruptcy of the borrower.

In general, if payments on a Collateral Asset are avoidable, whether as fraudulent conveyances or preferences, such payments can be recaptured. To the extent that any such payments are recaptured, the resulting loss will be borne first by the Holders of the Preferred Shares, then by the Holders of the Class E Notes, then by the Holders of the Class D Notes, then by the Holders of the Class C Notes, then by the Holders of the Class B Notes, then by the Holders of the Class A-2 Notes and finally by the Holders of the Class A-1 Notes.

Illiquidity of Collateral Assets; Certain Restrictions on Transfer. There may be a limited trading market for many of the Collateral Assets purchased by the Issuer, and in certain instances there may be effectively no trading market therefor.

In addition, it is expected that substantially all of the Collateral Assets will generally not have been registered or qualified under the Securities Act, or the securities laws of any other jurisdiction, and no person or entity will be obligated to register or qualify any such Collateral Assets under the Securities Act or any other securities law. Consequently, the Issuer's transfer of such Collateral Assets will be subject to satisfaction of legal requirements applicable to transfers that do not require registration or qualification under the Securities Act or any applicable state securities laws and upon satisfaction of certain other provisions of the respective agreements pursuant to which the Collateral Assets were issued. It is expected that such transfers will also be subject to satisfaction of certain other restrictions regarding the transfer thereof to, for the benefit of or with assets of, a Plan, as well as certain other transfer restrictions. The existence of such transfer restrictions will negatively affect the liquidity of, and consequently the price that may be realized upon a sale of, such securities.

The Issuer's investment in illiquid Collateral Assets may affect the Issuer's ability to sell such investments if they become Credit Risk Obligations or Defaulted Obligations and the timing and price thereof. The value of illiquid Collateral Assets may be less than comparable, more liquid investments. The illiquidity of Collateral Assets and the restrictions on transfer of Collateral Assets, in each case as described above, may also affect the ability of the Issuer to conduct a successful Auction, to exercise redemptions and may also affect the amount and timing of receipt of proceeds from the sale of Collateral Assets in connection with the exercise of remedies following an Event of Default.

Volatility of Market Value of Collateral Assets. The market value of the Collateral Assets will generally fluctuate with, among other things, changes in prevailing interest rates, general economic conditions, the condition of certain financial markets, developments or trends in any particular industry and the financial condition of the issuers of the Collateral Assets. A decrease in the market value of the Collateral Assets would adversely affect the proceeds that could be obtained upon the sale of the Collateral Assets and could ultimately affect the ability of the Issuer to effect an Auction, an Optional Redemption, a Class A-1 Optional Redemption or a Tax Redemption, or to pay the principal of the Notes, or make distributions on the Preferred Shares, upon a liquidation of the Collateral Assets following the occurrence of an Event of Default.

Interest Rate Risk; Hedge Agreements. There will be a floating/fixed rate or basis mismatch between the Notes and those underlying Collateral Assets that bear interest at a fixed rate and there will be a basis and timing mismatch between such Notes and the Collateral Assets which bear interest at a floating rate, since the interest rates on such Collateral Assets bearing interest at a floating rate may adjust more frequently or less frequently, on different dates and based on different indices, than the interest rate on the Notes. The fixed rates and the margins over LIBOR or other floating rates borne by Collateral Assets held at any given time may be lower than those on sold or amortized Collateral Assets which could cause a significant decline in interest coverage for the Notes. An increase in LIBOR, and therefore in the interest rate borne by the Notes, could adversely impact the interest coverage for the Notes, and a decrease in LIBOR, although also a decrease in the interest rate borne by the Notes, could also adversely impact the interest coverage for the Notes because under the Hedge Agreements the Issuer will generally be paying a fixed rate to the Hedge Counterparty determined at closing and the fixed rates and spreads of the Collateral Assets may be lower.

On the Closing Date, the Issuer will enter into Hedge Agreements to reduce the impact of the interest rate mismatch. After the Closing Date, subject to the terms of the Indenture and the Surveillance Agent Agreement including the requirement to satisfy the Rating Agency Condition, and subject to the constraints imposed by AIG Financial Products Corp., as the initial Hedge Counterparty (the "Hedge Counterparty"), the Surveillance Agent may on behalf of the Issuer, employ a variety of hedging strategies, which strategies may vary during the life of the transaction. After the Closing Date, even if the Surveillance Agent believes that engaging in a hedging technique (or replacing an existing Hedge Agreement that is terminated) would be beneficial, the Surveillance Agent may be unable to do so because (among other reasons) such technique will not satisfy the Rating Agency Condition, the initial Hedge Counterparty's consent may be required and not given, such technique may be too costly or insufficient funds may be available for such purpose or the Issuer may be unable to find a counterparty satisfying the requirements of the Indenture and a counterparty that is willing to receive payments from the Issuer subject to the other prior applications set forth in the Priority of Payments and in accordance with the terms of the Indenture. Accordingly, the Issuer may be unable, as a practical matter, to use hedging techniques to protect against interest rate risk. Despite the Issuer having the benefit of Hedge Agreements, there can be no assurance that the Collateral Assets and the Eligible Investments will in all circumstances generate sufficient Proceeds to make timely payments of stated interest on the Notes or amounts subordinated thereto. There is no assurance that any interest rate hedge will provide the necessary interest rate protection to the Notes.

The notional amounts in the Hedge Agreements which are interest rate swap agreements will be based on amortization schedules derived from the anticipated amortization of those Collateral Assets that bear interest at a fixed rate that the Issuer expects to own as of the Closing Date. The amortization

schedules will be designed such that on the Closing Date and thereafter on each Determination Date, the aggregate notional amount under such Hedge Agreements will be approximately equal to (i) the outstanding scheduled principal amount of the Notes scheduled to be outstanding on the related trade date less (ii) the outstanding principal amount of Collateral Assets that pay interest pursuant to a floating rate on such date. There can be no assurance that the actual amortization of the Collateral Assets will correspond to the anticipated amortization on which such Hedge Agreements will be based. The Collateral Assets are subject to prepayment and extension risk which may result in a further mismatch between the cash flow anticipated on the Collateral Assets and such Hedge Agreements.

In addition, as of the Closing Date, the Issuer will enter into a Hedge Agreement which is a basis swap agreement with AIG FP as initial Hedge Counterparty that will provide for the Issuer to pay the initial Hedge Counterparty an amount equal to LIBOR *plus* a designated spread in exchange for a payment from the Hedge Counterparty equal to LIBOR on the notional amount set forth in such Hedge Agreement for each applicable Payment Date. The Issuer will receive an aggregate initial payment on the Closing Date from the initial Hedge Counterparty under the initial Hedge Agreements.

The Issuer may only enter into or terminate a Hedge Agreement if the Rating Agency Condition is satisfied. In the event a Hedge Agreement is terminated, the Issuer has agreed to use reasonable efforts to enter into a substitute Hedge Agreement unless the Applicable Rating Agency Condition would not be satisfied by a substitute Hedge Agreement, but there is no assurance that a substitute will be found or that the Applicable Rating Agency Condition will be satisfied. Any termination of a Hedge Agreement, whether in whole or in part, may require the Issuer to pay termination payments to the Hedge Counterparty, which amounts are payable in accordance with the Priority of Payments prior to any payments on the Notes unless such payments are Defaulted Hedge Termination Payments.

Because the Collateral Assets are subject to prepayment and extension risk, the notional amounts under the Hedge Agreements which are interest rate swap agreements from time to time may be greater or lower than the outstanding principal amount of Collateral Assets that such Hedge Agreements were intended to hedge. Such an imbalance could require the Issuer to make payments to the Hedge Counterparties that exceed the amounts earned from the Collateral Assets unless the Hedge Agreements are partially terminated. A partial termination of a Hedge Agreement may require that the Issuer pay a termination payment to the Hedge Counterparty, which would reduce the Proceeds available for payment on the Notes and may prevent the Applicable Rating Agency Condition from being satisfied, which would prevent the Issuer from effecting a partial termination. The Issuer may also enter into offsetting Hedge Agreements, subject to satisfaction of the Applicable Rating Agency Condition and subject to the constraints imposed by AIG Financial Products Corp. ("AIG FP"), as the initial Hedge Counterparty, pursuant to which the Hedge Counterparty will agree to pay to the Issuer an amount equal to interest on the notional amount at a fixed interest rate specified therein and the Issuer will agree to pay the Hedge Counterparty an amount equal to interest on the notional amount at LIBOR. To the extent the fixed rate received under the offsetting Hedge Agreement is lower than the fixed rate paid under the initial Hedge Agreement, there will be less Proceeds available for payments on the Notes and the Preferred Shares.

The Issuer's ability to meet its obligations on the Notes will largely depend on the ability of the Hedge Counterparties to meet their respective obligations under the Hedge Agreements. In the event a Hedge Counterparty defaults or a Hedge Agreement is terminated, there can be no assurance that the amounts received from the Collateral Assets will be sufficient to provide for full payments due and payable on the Notes, or that amounts otherwise distributable to the Holders of the Preferred Shares will not be reduced.

In the event of the insolvency of a Hedge Counterparty, the Issuer will be treated as a general creditor of such Hedge Counterparty. Consequently, the Issuer will be subject to the credit risk of each Hedge Counterparty. As a result, concentrations of Hedge Agreements in any one Hedge Counterparty subject the Notes to an additional degree of risk with respect to defaults by such Hedge Counterparty.

American International Group, Inc. AIG FP will be the initial Hedge Counterparty and American International Group, Inc. ("AIG") will guarantee to the Issuer the payment obligations of AIG FP under the Hedge Agreements. AIG announced on May 31, 2005 that it had filed its 2004 Annual Report on Form 10-K with the Securities and Exchange Commission and that it had also completed its internal review which, as previously reported, resulted in the restatement of its 2000 through 2003 consolidated financial statements and the adjustment of its 2004 results.

In the May 31, 2005 announcement, AIG reported consolidated shareholders' equity at December 31, 2004 of $80.61 billion, a reduction of $2.26 billion or 2.7% from the unaudited consolidated shareholders' equity of $82.87 billion at December 31, 2004, which was previously announced in AIG's earnings release of February 9, 2005. This change includes an after-tax reduction of $1.19 billion for changes in estimates for the 2004 fourth quarter. AIG's net income for the year 2004 amounted to $9.73 billion, a reduction of $1.32 billion or 11.9% from the $11.05 billion previously announced in the February 9, 2005 earnings release.

Prospective purchasers should review the full press release of AIG dated May 31, 2005 which is available on the AIG website (www.AIG.com) for further information and should refer to the Form 10-K for details of the restatements and fourth quarter changes in estimates.

Prospective purchasers of the Notes should consider and assess for themselves the likelihood of a default by a Hedge Counterparty or a guarantor of its obligations, as well as the obligations of the Issuer under the Hedge Agreements, including the obligation to make termination payments to any Hedge Counterparty, and the likely ability of the Issuer to terminate or reduce any Hedge Agreements or enter into additional Hedge Agreements.

Concentration Risk. The Issuer will invest in the portfolio of Collateral Assets described in Appendix B hereto. Payments on the Securities could be adversely affected by the concentration in the portfolio of any one issuer or any one servicer if such issuer or servicer were to default.

No single issuer (or, with respect to Synthetic Securities, no single issuer of the related Reference Obligation) will represent as of the Closing Date more than approximately 2.6% of the Collateral Assets by outstanding principal or notional balance. For this purpose, trust issuers for CMBS, RMBS and Asset-Backed Securities with common or affiliated depositors are treated as different issuers. See "Security for the Notes—The Collateral Assets."

Other Considerations

Changes in Tax Law; No Gross-Up. Payments on the Collateral Assets generally are exempt under current United States tax law from the imposition of United States withholding tax. See "Income Tax Considerations—U.S. Federal Income Tax Consequences to the Issuer." However, there can be no assurance that, as a result of any change in any applicable law, treaty, rule or regulation or interpretation thereof, the payments on the Collateral Assets would not in the future become subject to withholding taxes imposed by the United States of America or another jurisdiction. In that event, if the obligors of such Collateral Assets were not then required to make "gross-up" payments that cover the full amount of any such withholding taxes, the amounts available to make payments on, or distributions to, the Holders of the Securities would accordingly be reduced. No "gross-up" payments are required with respect to CMBS. There can be no assurance that remaining payments on the Collateral would be sufficient to make timely payments of interest on and payment of principal at the Stated Maturity of each Class of the Notes and, consequently, to make any distributions on the Preferred Shares on the Scheduled Preferred Share Redemption Date.

In the event that any withholding tax is imposed on payments on the Securities, the Holders of such Securities will not be entitled to receive "grossed-up" amounts to compensate for such withholding tax. In addition, upon the occurrence of a Tax Event, the Issuer will redeem in whole but not in part, at applicable Note Redemption Prices specified herein, the Notes in accordance with the procedures

described under "Description of the Notes and the Preferred Shares—Tax Redemption," and "—Optional Redemption/Tax Redemption Procedures" herein. In addition, certain recharacterizations may impose withholding tax (which may be applied retroactively) on payments to non-U.S. Holders that do not (or had not) provided certain tax representations regarding the identity of the beneficial owner of the Notes. In the event such withholding tax was retroactively imposed, such tax may adversely affect the Issuer's financial ability to pay interest and principal on the Notes.

Lack of Operating History. The Issuer is a recently incorporated entity and has no prior operating history. Accordingly, the Issuer does not have a performance history for a prospective investor to consider.

Investment Company Act. Neither of the Issuers has registered with the United States Securities and Exchange Commission (the "SEC") as an investment company pursuant to the Investment Company Act. The Issuer has not so registered in reliance on an exception for investment companies organized under the laws of a jurisdiction other than the United States whose investors resident in the United States are solely Qualified Purchasers and which do not make a public offering of their securities in the United States. Counsel for the Issuers will opine, in connection with the sale of the Securities by the Initial Purchasers, that neither the Issuer nor the Co-Issuer is on the Closing Date an investment company required to be registered under the Investment Company Act (assuming, for the purposes of such opinion, that the Securities are sold by the Initial Purchasers in accordance with the terms of the Purchase Agreement). No opinion or no-action position has been requested of the SEC.

If the SEC or a court of competent jurisdiction were to find that the Issuer or the Co-Issuer is required, but in violation of the Investment Company Act had failed, to register as an investment company, possible consequences include, but are not limited to, the following: (i) the SEC could apply to a district court to enjoin the violation; (ii) investors in the Issuer or the Co-Issuer could sue the Issuer or the Co-Issuer, as the case may be, and recover any damages caused by the violation; and (iii) any contract to which the Issuer or the Co-Issuer, as the case may be, is a party that is made in, or whose performance involves a violation of the Investment Company Act would be unenforceable by any party to the contract unless a court were to find that under the circumstances enforcement would produce a more equitable result than non-enforcement and would not be inconsistent with the purposes of the Investment Company Act. Should the Issuer or the Co-Issuer be subjected to any or all of the foregoing, the Issuer or the Co-Issuer, as the case may be, would be materially and adversely affected.

The Securities are only permitted to be transferred to Qualified Institutional Buyers in transactions meeting the requirements of Rule 144A and, solely in the case of the Preferred Shares, to Accredited Investors having a net worth of not less than U.S.$10 million in transactions exempt from registration under the Securities Act, or in an offshore transaction, to a non-U.S. Person, complying with Rule 903 or Rule 904 of Regulation S. The Securities being offered in the United States are being offered only to persons that are also Qualified Purchasers. Any non-permitted transfer will be voided and the Issuers can require the transferee to sell its Securities to a permitted transferee, with such sale to be effected within 30 days after notice of such sale requirement is given. If such sale is not effected within such 30 day period, upon written direction from the Issuer, the Trustee will be authorized to conduct a commercially reasonable sale of such Securities to a permitted transferee and pending such transfer, no further payments will be made in respect of such Securities or any beneficial interest therein. See "Description of the Notes and the Preferred Shares—Form of the Securities" and "Notice to Investors."

Credit Ratings. Credit ratings of debt securities represent the rating agencies' opinions regarding their credit quality and are not a guarantee of quality. Rating agencies attempt to evaluate the safety of principal and interest payments and do not evaluate the risks of fluctuations in market value, therefore, they may not fully reflect the true risks of an investment. Also, rating agencies may fail to make timely changes in credit ratings in response to subsequent events, so that an issuer's current financial condition may be better or worse than a rating indicates. Credit ratings of non-investment grade and comparable unrated obligations included in the Collateral Assets may be less reliable indicators of investment quality than would be the case with investments in investment-grade debt obligations.

Document Repository. Pursuant to the Indenture, the Issuer will consent to the posting of this Confidential Offering Circular, the Indenture and certain periodic reports required to be delivered pursuant to the Transaction Documents, together with any amendments or modifications thereto, to the internet-based password protected electronic repository of transaction documents relating to privately offered and sold collateralized debt obligation securities located at "www.cdolibrary.com".

Emerging Requirements of the European Community. As part of the harmonization of securities markets in Europe, the European Commission has adopted directives known as the Prospectus Directive and the Transparency Obligations Directive that, among other things, will regulate issuers of securities that are offered to the public or admitted to trading on a European Union regulated market. The European Commission also is expected to consider other directives, including a directive known as the Market Abuse Directive, which would affect issuers of securities listed on a European Union stock exchange. The listing of Notes or Preferred Shares on any European Union stock exchange would subject the Issuer to regulation under these directives, although the requirements applicable to the Issuer are not yet fully clarified. The Indenture will not require the Issuer to apply for, list or maintain a listing for any Class of Notes or the Preferred Shares on a European Union stock exchange if compliance with these directives (or other requirements adopted by the European Commission or a relevant member state) becomes burdensome. Should the Notes or Preferred Shares be delisted from any exchange, the ability of the Holders of such Securities to sell such Securities in the secondary market may be negatively impacted.

Certain Conflicts of Interest. Various potential and actual conflicts of interest may arise from the overall advisory, investment and other activities of the Surveillance Agent, its affiliates and their clients and employees and from the overall investment activity of the Initial Purchasers, including in other transactions with the Issuer, including, without limitation, acting as counterparty with respect to any Hedge Agreements. The following briefly summarizes some of these conflicts, but is not intended to be an exhaustive list of all such conflicts.

The Surveillance Agent. Various potential and actual conflicts of interest may arise from the overall advisory, investment and other activities of the Surveillance Agent, its affiliates and their clients. The following briefly summarizes some of these conflicts, but is not intended to be an exhaustive list of all such conflicts.

The Surveillance Agent and/or its affiliates have ongoing relationships with, render service to, finance and engage in transactions with, and may own debt or equity securities issued by sponsors or issuers of certain of the Collateral Assets. The Surveillance Agent, its affiliates and/or their clients may invest in securities that are senior or subordinated to, or have interests different from or adverse to, the Collateral Assets. The interests of such parties may be different than or adverse to the interests of the Holders of the Securities. In addition, such persons may possess information relating to the Collateral Assets which is not known to the individuals at the Surveillance Agent responsible for monitoring the Collateral Assets and performing the other obligations under the Surveillance Agent Agreement. Such persons will not be required (and may not be permitted) to share such information or pass it along to the Issuer, the Surveillance Agent or any Holder of any Security. Neither the Surveillance Agent nor any of such person will have liability to the Issuer or any Holder of any Security for failure to disclose such information or for taking, or failing to take, any action based upon such information.

The Surveillance Agent serves as advisor to and is responsible for the surveillance of proprietary portfolios of its affiliates. In addition, the Surveillance Agent and/or any of its affiliates may engage in any other business and may currently or in the future furnish investment management and advisory services to others which may include, without limitation, serving as consultant for, investing in, lending to, being affiliated with or have other ongoing relationships with, other entities organized to issue collateralized debt obligations secured by assets similar to the Collateral Assets, and other trusts and pooled investments vehicles that acquire interests in, provide financing to, or otherwise deal with securities issued by issuers that would be suitable investments for the Issuer. In the course of monitoring the Collateral Assets held by the Issuer, the Surveillance Agent may consider relationships that it or its affiliates have with other clients (including entities whose securities (or those of its affiliates) are pledged to secure the Notes) and

relationships among it and its affiliates. In providing services to other clients, the Surveillance Agent and its affiliates may recommend activities that would compete with or otherwise adversely affect the Issuer. In addition, the Surveillance Agent will be free, in its sole discretion, to make recommendations to others, or effect transactions on behalf of itself or for others, that may be the same as or different from those effected on behalf of the Issuer, and the Surveillance Agent and/or its affiliates may furnish advisory services to others who may have investment policies similar to those followed by the Issuer and who may own securities of the same class, or which are the same type as, the Collateral Assets. Under the terms of the Surveillance Agent Agreement, the Surveillance Agent will be permitted to take whatever action is in the Surveillance Agent's best interest regardless of the impact on the Collateral Assets. In addition, under certain circumstances the Surveillance Agent may direct the Issuer to sell certain Collateral Assets. Such sales of Collateral Assets may result in losses by the Issuer, which losses may result in the reduction or withdrawal of the rating of any or all of the Securities by any of the Rating Agencies. In determining whether to exercise such right, the Surveillance Agent need not take into account the interests of the Issuers, the Noteholders, the Preferred Shareholders or any other party.

The Surveillance Agent and/or its affiliates may at certain times be simultaneously seeking to purchase or dispose of investments for their respective accounts or for another entity, which may include other collateralized debt obligation vehicles, at the same time as it is disposing of investments for the Issuer. Accordingly, conflicts may arise regarding the allocation of sale opportunities. The Surveillance Agent may aggregate sales of Collateral Assets with similar sales being made simultaneously for other clients or other accounts managed by the Surveillance Agent or with accounts of the affiliates of the Surveillance Agent, if in the Surveillance Agent's reasonable business judgment such aggregation will result in an overall economic benefit to the Issuer, taking into consideration the advantageous selling price, brokerage commission and other expenses. However, no provision of the Surveillance Agent Agreement requires the Surveillance Agent or its affiliates to execute orders as part of concurrent authorizations or to aggregate sales. Nevertheless, the Surveillance Agent may, in the allocation of business, take into consideration research and other brokerage services furnished to the Surveillance Agent or its affiliates by brokers and dealers. Such services may be used by the Surveillance Agent in connection with the Surveillance Agent's other advisory services or investment operations.

No provision in the Surveillance Agent Agreement prevents the Surveillance Agent or any of its affiliates from rendering services of any kind to the issuer of any Collateral Assets and its affiliates, the Trustee, the Holders of the Securities, the Hedge Counterparty or any other entity. Without prejudice to the generality of the foregoing, the Surveillance Agent and its affiliates, directors, officers, employees and agents may, among other things: (a) serve as directors, partners, officers, employees, agents, nominees or signatories for an issuer of any Collateral Assets; (b) receive fees for services rendered to the issuer of any Collateral Assets or any affiliate thereof; (c) be a secured or unsecured creditor of, or hold an equity interest in, any issuer of any Collateral Assets; (d) serve as a member of any "creditors' board" or "creditors' committee" with respect to any Collateral Assets which has become or may become a Defaulted Obligation or with respect to any commercial mortgage loan securing any Collateral Assets or the respective borrower for any such commercial mortgage loan; and (e) own or make loans to any borrower or affiliate of any borrower on any of the commercial mortgage loans securing the Collateral Assets. Under the terms of the Surveillance Agent Agreement, the Surveillance Agent will be permitted to take whatever action is in the Surveillance Agent's best interest regardless of the impact on the Collateral Assets.

On the Closing Date it is expected that one or more affiliates of the Surveillance Agent will purchase approximately 30% of the Preferred Shares and may purchase Notes or additional Preferred Shares on or after the Closing Date. Such affiliates may at times also own other Securities. There is no assurance that any of such affiliates will continue to hold any or all of the Notes or the Preferred Shares or that they will continue to hold interests in any securities related to the Collateral Assets.

ART or any of its affiliates or subsidiaries will be permitted to exercise all voting rights with respect to any Securities which they may acquire (other than with respect to a vote regarding the removal of the Surveillance Agent or the termination or assignment of the Surveillance Agent Agreement). The interests of the Preferred Shares may be different from or adverse to the interests of the Notes.

The Initial Purchasers. The Initial Purchasers may have provided investment banking services and other services to several issuers or sponsors of the Collateral Assets. The Initial Purchasers and their affiliates may have ongoing relationships (including investment banking, commercial banking and advisory services or engaging in securities or derivatives transactions) with issuers whose Collateral Assets are pledged to secure the Notes and may own debt obligations (including Collateral Assets) issued by such issuers. In addition, the Initial Purchasers and their affiliates, and clients of their affiliates, may invest in securities that are senior to, or have interests different from or adverse to, the Collateral Assets.

Anti Money Laundering Provisions. The Issuer and the Issuer Administrator are subject to anti money laundering laws and regulations in the Cayman Islands which impose specific requirements with respect to the obligation "to know your client." Except in relation to certain categories of institutional investors, the Issuer will require a detailed verification of each initial investor's identity and the source of the payment used by such investor for purchasing the Securities in a manner similar to the obligations imposed under the laws of other major financial centers. If the Cayman Islands government determined the Issuer was in violation of the anti money laundering provisions, the Issuer could be subject to substantial criminal penalties. Payment of any such penalties could materially adversely affect the timing and amount of payments to Holders of the Securities.

In addition, Uniting and Strengthening America By Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001 (the "USA PATRIOT Act"), signed into law on and effective as of October 26, 2001, imposes anti money laundering obligations on different types of financial institutions, including banks, broker dealers and investment companies. The USA PATRIOT Act requires the Secretary of the United States Department of the Treasury (the "Treasury") to prescribe regulations to define the types of investment companies subject to the USA PATRIOT Act and the related anti money laundering obligations. It is not clear whether Treasury will require entities such as the Issuer to enact anti money laundering policies. It is possible that Treasury will promulgate regulations requiring the Issuers or the Initial Purchasers or other service providers to the Issuers, in connection with the establishment of anti money laundering procedures, to share information with governmental authorities with respect to investors in the Notes and/or the Preferred Shares. Such legislation and/or regulations could require the Issuers to implement additional restrictions on the transfer of the Notes and/or the Preferred Shares. As may be required, the Issuer reserves the right to request such information and take such actions as are necessary to enable it to comply with the USA PATRIOT Act.

The Issuer. The Issuer is a recently incorporated Cayman Islands exempted limited liability company and has no substantial prior operating history. The Issuer will have no significant assets other than the Collateral Assets, Eligible Investments, rights under the Hedge Agreements and certain other accounts and agreements entered into as described herein, and proceeds thereof, all of which have been pledged to the Trustee to secure the Issuer's obligations to the Holders of the Notes and the Hedge Counterparties. The Issuer will not engage in any business activity other than the issuance and sale of the Notes and the Preferred Shares as described herein, the issuance of the Ordinary Shares, the acquisition and disposition of the Collateral Assets and Eligible Investments as described herein, the entering into of, and the performance of its obligations under, the Indenture, the Hedge Agreements, the Surveillance Agent Agreement, the Collateral Administration Agreement, any other applicable Transaction Document, the pledge of the Collateral as security for its obligations in respect of the Notes and otherwise for the benefit of the Secured Parties, certain activities conducted in connection with the payment of amounts in respect of the Notes and the Preferred Shares and the management of the Collateral and other activities incidental to the foregoing. Income derived from the Collateral Assets and other Collateral will be the Issuer's only source of cash.

The Co-Issuer. The Co-Issuer is a newly incorporated Delaware corporation and has no prior operating history. The Co-Issuer does not have and will not have any significant assets. The Co-Issuer will not engage in any business activity other than the co-issuance of the Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes.

Tax. See "Income Tax Considerations."

ERISA. See "ERISA Considerations."

DESCRIPTION OF THE NOTES AND THE PREFERRED SHARES

The Class E Notes will be issued by the Issuer and the other Notes will be issued by the Issuers pursuant to the Indenture. The Preferred Shares will be issued pursuant to the Issuer's Memorandum and Articles of Association and the Resolutions and will be subject to the Preferred Share Paying and Transfer Agency Agreement. The following summary describes certain provisions of the Securities, the Indenture, the Preferred Share Paying and Transfer Agency Agreement and the Issuer's Memorandum and Articles of Association. This summary does not purport to be complete and is subject to, and qualified in its entirety by reference to, the provisions of the Securities, the Indenture, the Preferred Share Paying and Transfer Agency Agreement and the Issuer's Memorandum and Articles of Association. Copies of the Indenture may be obtained by prospective purchasers of the Notes upon request in writing to the Trustee at LaSalle Bank National Association, 135 South LaSalle Street, Suite 1511, Chicago, IL 60603, Attention: CDO Trust Services Group, Coolidge Funding Ltd. (telephone number (312) 904-7815), and, so long as any Notes are listed on a stock exchange, the Indenture will be available for inspection free of charge from the office of the Listing and Paying Agent. Copies of the Preferred Share Paying and Transfer Agency Agreement and the Issuer's Memorandum and Articles of Association may be obtained by prospective purchasers of Preferred Shares upon request in writing to the Preferred Share Paying Agent at ABN AMRO Bank N.V. (London Branch), 82 Bishopsgate, London, England EC2N 4BN, Attention: Global Trust Services Group – Coolidge Funding, Ltd., telephone number (44 207-678-2015).

Status and Security

The Notes (other than the Class E Notes) will be limited recourse obligations of the Issuers and the Class E Notes will be limited recourse obligations of the Issuer, secured as described below. The Preferred Shares will be part of the issued share capital of the Issuer, will not be secured obligations of the Issuer and will only be entitled to receive amounts available for distribution to the Holders of the Preferred Shares after payment of all amounts payable prior thereto under the Priority of Payments. Payments of interest on the Class A-1 Notes will be made pro rata with interest payments on the Class A-2 Notes. As more fully set forth in the Priority of Payments, principal on the Class A-1 Notes will be paid in full prior to any payments of principal on the Class A-2 Notes, except in certain cases in which principal on the Class A-2 Notes will be paid pro rata with principal of the Class A-1 Notes. The Class A Notes will be senior in right of payment on each Payment Date to the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes and the Preferred Shares to the extent provided in the Priority of Payments. The Class B Notes will be senior in right of payment on each Payment Date to the Class C Notes, the Class D Notes, the Class E Notes and the Preferred Shares to the extent provided in the Priority of Payments. The Class C Notes will be senior in right of payment on each Payment Date to the Class D Notes, the Class E Notes and the Preferred Shares to the extent provided in the Priority of Payments. The Class D Notes will be senior in right of payment on each Payment Date to the Class E Notes and the Preferred Shares to the extent provided in the Priority of Payments. The Class E Notes will be senior in right of payment on each Payment Date to the Preferred Shares to the extent provided in the Priority of Payments. See "—Priority of Payments."

Under the terms of the Indenture, the Issuer will grant to the Trustee, for the benefit and security of the Trustee on behalf of the Noteholders, the Preferred Share Paying Agent, the Surveillance Agent and the Hedge Counterparties (collectively, the "Secured Parties"), a first priority security interest in (i) the Collateral Assets; (ii) the Collection Account; (iii) the Payment Account; (iv) the Hedge Termination Receipts Account, the Hedge Replacement Account and the Hedge Collateral Account (subject, in each case, to the rights of the Hedge Counterparty); (v) the Expense Reserve Account; (vi) the Collateral Account; (vii) the Synthetic Security Collateral Account and Default Swap Collateral Account (subject, in each case, to the rights of the Synthetic Security Counterparty) (items (ii) through (vii), the "Accounts"); (viii) Eligible Investments; (ix) the Issuer's rights under the Hedge Agreements; (x) the Issuer's rights under the Surveillance Agent Agreement and (xi) certain other property (collectively, the "Collateral").

Payments of interest on and principal of the Notes, and distributions to the Holders of the Preferred Shares, will be made solely from the proceeds of the Collateral in accordance with the Priority of Payments. The aggregate amount that will be available for payments required or permitted to be made on the Securities and of certain expenses of the Issuers, the Trustee and the Agents on any Payment Date will be the total amount of payments and collections in respect of the Collateral (including the proceeds of the sale of any Collateral) received during the period (a "Due Period") ending on (and including) the fifth Business Day prior to such Payment Date (or, in the case of a Due Period that is applicable to the Payment Date relating to the Stated Maturity of any Note, ending on (and including) the day preceding such Payment Date) and commencing immediately following the fifth Business Day prior to the preceding Payment Date (or, in the case of the Due Period relating to the first Payment Date, on the Closing Date) and any such amounts received in prior Due Periods that were not disbursed on a previous Payment Date.

Interest and Dividends

The Class A-1 Notes will bear interest during each Interest Accrual Period at the Class A-1 Note Interest Rate for such Interest Accrual Period. The Class A-2 Notes will bear interest during each Interest Accrual Period at the Class A-2 Note Interest Rate for such Interest Accrual Period. The Class B Notes will bear interest during each Interest Accrual Period at the Class B Note Interest Rate for such Interest Accrual Period. The Class C Notes will bear interest during each Interest Accrual Period at the Class C Note Interest Rate for such interest Accrual Period. The Class D Notes will bear interest during each Interest Accrual Period at the Class D Note Interest Rate for such Interest Accrual Period. The Class E Notes, after the Class E Principal Increase Option is exercised, will bear interest during each Interest Accrual Period at the Class E Note Interest Rate for such Interest Accrual Period. Interest with respect to each Class of Notes will be payable quarterly in arrears on each Payment Date, commencing October 10, 2005 or, with respect to the Class E Notes, on the first Payment Date following the exercise of the Class E Principal Increase Option. No interest will accrue or be payable on the Class E Notes unless and until the Class E Principal Increase Option has been exercised. LIBOR for the first Interest Accrual Period with respect to the Notes will be determined as of the second Business Day preceding the Closing Date (or, with respect to the Class E Notes, the Payment Date on which the Class E Principal Increase Option is exercised). Calculations of interest on the Notes will be made based on a 360-day year and the actual number of days in each Interest Accrual Period. The Holders of the Preferred Shares will, to the extent of lawfully available funds, receive on each Payment Date any amount of Proceeds that are available for distribution thereon in accordance with the Priority of Payments on such Payment Date subject to certain restrictions under Cayman Islands law. The "Interest Accrual Period," for any Payment Date with respect to the Notes, is the period commencing on and including the immediately preceding Payment Date (or the Closing Date in the case of the first Interest Accrual Period or, the Payment Date with respect to which the Class E Principal Increase Option is exercised in the case of the first Interest Accrual Period and the Class E Notes) and ending on and including the day immediately preceding such Payment Date.

If funds are not available on any Payment Date to pay the full amount of interest on the Class C Notes, or to the extent interest on such Notes is not paid in order to satisfy certain Coverage Tests, the interest not paid (the "Class C Deferred Interest"), will not be due and payable on such Payment Date, but will be added to the principal amount of the Class C Notes and, to the extent lawful and enforceable, thereafter shall accrue interest at the Class C Note Interest Rate. If funds are not available on any Payment Date to pay the full amount of interest on the Class D Notes, or to the extent interest on such Notes is not paid in order to satisfy certain Coverage Tests, the interest not paid (the "Class D Deferred Interest"), will not be due and payable on such Payment Date, but will be added to the principal amount of the Class D Notes and, to the extent lawful and enforceable, thereafter shall accrue interest at the Class D Note Interest Rate. If funds are not available on any Payment Date to pay the full amount of interest on the Class E Notes, or to the extent interest on such Notes is not paid in order to satisfy certain Coverage Tests, the interest not paid (the "Class E Deferred Interest"), will not be due and payable on such Payment Date, but will be added to the principal amount of the Class E Notes and, to the extent lawful and enforceable, thereafter shall accrue interest at the Class E Note Interest Rate. So long as any Class A Notes or Class B Notes are outstanding, the failure to pay interest to the Holders of the Class C Notes

will not be an Event of Default under the Indenture, so long as any Class A Notes, Class B Notes or Class C Notes are outstanding, the failure to pay interest to the Holders of the Class D Notes will not be an Event of Default under the Indenture and so long as any Class A Notes, Class B Notes, Class C Notes or Class D Notes are outstanding, the failure to pay interest to the Holders of the Class E Notes will not be an Event of Default under the Indenture. See "—Priority of Payments" and "—The Indenture and the Preferred Share Paying and Transfer Agency Agreement—Indenture—Events of Default."

Interest will cease to accrue on each Note from the date of repayment in full or Stated Maturity, or in the case of partial repayment, on such part, unless payment of principal is improperly withheld or unless default is otherwise made with respect to such payments of principal. See "—Principal." To the extent lawful and enforceable, interest on any Defaulted Interest on each Class of Notes entitled thereto will accrue at the interest rate applicable to such Class of Notes, until paid as provided herein. "Defaulted Interest" means any interest due and payable in respect of (i) any Class A Note or Class B Note or (ii) if there are no Class A Notes or Class B Notes outstanding, any Class C Note or if there are no Class A Notes, Class B Notes or Class C Notes outstanding, any Class D Note or if there are no Class A Notes, Class B Notes, Class C Notes or Class D Notes outstanding, any Class E Note which, in any such case, is not punctually paid or duly provided for on the applicable Payment Date or at Stated Maturity, as the case may be.

Determination of LIBOR

For purposes of calculating the Class A-1 Note Interest Rate, the Class A-2 Note Interest Rate, the Class B Note Interest Rate, the Class C Note Interest Rate, the Class D Note Interest Rate and the Class E Note Interest Rate, the Issuers will appoint as agent LaSalle Bank National Association (in such capacity, the "Note Calculation Agent"). LIBOR shall be determined by the Note Calculation Agent in accordance with the following provisions:

(i) On the second Business Day prior to the commencement of an Interest Accrual Period (each such day, a "LIBOR Determination Date"), LIBOR shall equal the rate, as obtained by the Note Calculation Agent, for Eurodollar deposits for the three month period (or, in the case of the first Interest Accrual Period, the interpolated rate for the three month and four month period) which appears on Bridge Telerate Page 3750 (as Telerate is defined in the International Swaps and Derivatives Association, Inc. Annex to the 2000 ISDA Definitions (June 2000 version)), or such page as may replace Bridge Telerate Page 3750, as of 11:00 a.m. (London time) on such LIBOR Determination Date.

(ii) If, on any LIBOR Determination Date, such rate does not appear on Bridge Telerate Page 3750, or such page as may replace Bridge Telerate Page 3750, the Note Calculation Agent shall determine the arithmetic mean of the offered quotations of the Reference Banks to leading banks in the London interbank market for Eurodollar deposits for the three month period (or, in the case of the first Interest Accrual Period, the interpolated rate for the three month and four month period) in an amount determined by the Note Calculation Agent by reference to requests for quotations as of approximately 11:00 a.m. (London time) on the LIBOR Determination Date made by the Note Calculation Agent to the Reference Banks. If, on any LIBOR Determination Date, at least two of the Reference Banks provide such quotations, LIBOR shall equal such arithmetic mean of such quotations. If, on any LIBOR Determination Date, only one or none of the Reference Banks provide such quotations, LIBOR shall be deemed to be the arithmetic mean of the offered quotations that leading banks in the City of New York selected by the Note Calculation Agent (after consultation with the Issuer or the Surveillance Agent on behalf of the Issuer) are quoting on the relevant LIBOR Determination Date for Eurodollar deposits for the applicable period in an amount determined by the Note Calculation Agent (after consultation with the Issuer or the Surveillance Agent on behalf of the Issuer) by reference to the principal London offices of leading banks in the London interbank market; *provided, however,* that if the Note Calculation Agent is required but is unable to determine a rate in accordance with at least one of the procedures provided above, LIBOR shall be LIBOR as determined on the most recent date LIBOR was available. As used herein, "Reference Banks" means four major banks in the London interbank market selected by the Note Calculation Agent (after consultation with the Issuer or the Surveillance Agent on behalf of the Issuer).

As soon as possible after 11:00 a.m. (New York time) on each LIBOR Determination Date, but in no event later than 11:00 a.m. (New York time) on the Business Day immediately following each LIBOR Determination Date, the Note Calculation Agent will cause notice of the Class A-1 Note Interest Rate, the Class A-2 Note Interest Rate, the Class B Note Interest Rate, the Class C Note Interest Rate, the Class D Note Interest Rate and the Class E Note Interest Rate for the next Interest Accrual Period and the amount of interest for such Interest Accrual Period payable in respect of each $1,000 principal amount of the Class A-1 Notes (the "Class A-1 Note Interest Amount"), of the Class A-2 Notes (the "Class A-2 Note Interest Amount"), of the Class B Notes (the "Class B Note Interest Amount"), of the Class C Notes (the "Class C Note Interest Amount"), of the Class D Notes (the "Class D Note Interest Amount") and of the Class E Notes (the "Class E Note Interest Amount") (each rounded to the nearest cent, with half a cent being rounded upward) on the related Payment Date to be communicated to the Issuers, DTC, Euroclear, Clearstream, the Note Paying Agents, the Trustee, the Surveillance Agent, the Securities Intermediary and the Listing and Paying Agent for delivery to the applicable stock exchange. In the last case, the Note Calculation Agent will furnish such information as soon as possible after its determination to the Listing and Paying Agent as long as any Notes are listed on the stock exchange. The Note Calculation Agent will also specify to the Issuers and the Surveillance Agent the quotations upon which the Class A-1 Note Interest Rate, the Class A-2 Note Interest Rate, the Class B Note Interest Rate, the Class C Note Interest Rate, the Class D Note Interest Rate and the Class E Note Interest Rate are based. The Note Calculation Agent shall notify the Issuers and the Surveillance Agent before 12:00 p.m. (New York time) on any LIBOR Determination Date if it has not determined and is not in the process of determining the applicable Class A-1 Note Interest Rate, Class A-2 Note Interest Rate, Class B Note Interest Rate, Class C Note Interest Rate, Class D Note Interest Rate, Class E Note Interest Rate, Class A-1 Note Interest Amount, Class A-2 Note Interest Amount, Class B Note Interest Amount, Class C Note Interest Amount, Class D Note Interest Amount and Class E Note Interest Amount (collectively, the "Interest Calculations"), together with its reasons therefor. With respect to the Notes, "Business Day" means any day other than (x) Saturday or Sunday or (y) a day on which commercial banking institutions are authorized or obligated by law, regulation or executive order to close in New York, New York or Chicago, Illinois; *provided, however*, that for the sole purpose of determining LIBOR, "Business Day" shall be defined as any day on which dealings in deposits in U.S. Dollars are transacted in the London interbank market and *provided further*, that to the extent action is required of the Listing and Paying Agent, the location of the Listing and Paying Agent shall be considered in determining the "Business Day" for purposes of determining when such Listing and Paying Agent action is required.

The Note Calculation Agent may be removed by the Issuers at any time. If the Note Calculation Agent is unable or unwilling to act as such or is removed by the Issuers, or if the Note Calculation Agent fails to determine the applicable Interest Calculations for any Interest Accrual Period, the Issuers will promptly appoint as a replacement Note Calculation Agent a leading bank which is engaged in transactions in Eurodollar deposits in the international Eurodollar market and which does not control or is not controlled by or under common control with the Issuers or their affiliates. The Note Calculation Agent may not resign its duties without a successor having been duly appointed. In addition, for so long as any Notes are listed on any stock exchange and the rules of such exchange so require, notice of the appointment of any Note Calculation Agent will be furnished to such stock exchange. For so long as any of the Notes remain outstanding, there will at all times be a Note Calculation Agent for the purpose of calculating the applicable Interest Calculations. The determination of the applicable Interest Calculations by the Note Calculation Agent shall (in the absence of manifest error) be final and binding upon all parties.

Distributions on Preferred Shares

On each Payment Date, the Holders of the Preferred Shares will be entitled to receive, after payment of items ranking higher in accordance with the Priority of Payments, and to the extent of funds legally available therefor, a distribution (if available) equal to the lesser of (i) the remaining proceeds and (ii) the amount needed to reduce the Preferred Share Make-Whole Amount to zero (after giving effect to all prior distributions to the Preferred Shares, including those on such Payment Date). In addition, on each Payment Date the Holders of Preferred Shares will also be entitled to receive, after payment of all

other senior amounts payable in accordance with the Priority of Payments, including any Surveillance Agent Incentive Fee accrued for such period, any remaining proceeds. Upon a Tax Redemption, Optional Redemption or successful Auction, the Holders of the Preferred Shares will be entitled to receive the Preferred Share Stated Amount and any other amounts remaining after distribution of the Liquidation Proceeds in accordance with the Priority of Payments. The calculation of the Preferred Share Make-Whole Amount will be made on the basis of amounts deposited to the Preferred Share Payment Account regardless of whether such amounts may legally be distributed to the Holders of the Preferred Shares under Cayman Islands law. The calculation of distributions and the Internal Rate of Return on the Preferred Shares will be made by the Preferred Share Paying Agent on the basis of a 360 day year consisting of twelve 30 day months.

Legal Provisions Applicable to Distributions on the Preferred Shares

Any amounts paid by the Preferred Share Paying Agent as dividends or other distributions on the Preferred Shares in accordance with the Priority of Payments and pursuant to the Preferred Shares Documents will be payable only to the extent of the Issuer's distributable profits and/or share premium (determined in accordance with Cayman Islands law). In addition, such distributions will be payable only to the extent that the Issuer will not be insolvent after such distributions are paid on the applicable Payment Date. Under Cayman Islands law, a company is generally deemed to be solvent if it is able to pay its debts as they come due. To the extent that any amounts received by the Preferred Share Paying Agent for the Holders of the Preferred Shares cannot legally be distributed to the Holders of the Preferred Shares on any Payment Date, the Preferred Share Paying Agent will, at the direction of the Issuer, distribute such amounts to the Holders of the Preferred Shares on the next Payment Date on which such distribution can legally be made. Amounts paid by the Preferred Share Paying Agent on behalf of the Issuer to the Holders of the Preferred Shares will be made pro rata based upon the number of Preferred Shares held.

Principal

The Notes will mature on the Payment Date in July 2040 (the "Stated Maturity"). The Preferred Shares are scheduled to receive their final distributions and be retired by the Issuer on the Payment Date in July 2040 (the "Scheduled Preferred Share Redemption Date"), in each case unless redeemed or retired prior thereto. The average life of each Class of Notes is expected to be substantially shorter than the number of years from issuance until the Stated Maturity for such Class of Notes. See "Risk Factors—Securities—Average Lives, Duration and Prepayment Considerations."

Principal will be payable on the Notes on each Payment Date in accordance with the Priority of Payments.

On any Payment Date on which certain conditions are satisfied, including (i) the Coverage Tests are satisfied and (ii) the Notes have not been accelerated due to an Event of Default, principal will be paid to the Holders of the Class A Notes, pro-rata, only in an amount required to increase (or maintain) the Class A Adjusted Overcollateralization Ratio to a specified target of 131.0% (subject to the Minimum Class A Adjusted Overcollateralization). After achieving and maintaining such target and minimum, the payment of remaining Principal Proceeds will shift to the Holders of the Class B Notes until such Holders have been paid an amount required to increase (or maintain) the Class B Adjusted Overcollateralization Ratio to the specified target of 116.2% (subject to the Minimum Class B Adjusted Overcollateralization). After achieving and maintaining such target level, the payment of remaining principal shifts to the Holders of the Class C Notes which will receive principal only in an amount required to increase (or maintain) the Class C Adjusted Overcollateralization Ratio to a specified target of 112.6% (subject to the Minimum Class C Adjusted Overcollateralization). After achieving and maintaining such target level, the payment of remaining principal shifts to the Holders of the Class D Notes which will receive principal until such Holders have been paid an amount required to increase (or maintain) the Class D Adjusted Overcollateralization Ratio to the specified target of 105.2% (subject to the Minimum Class D Adjusted Overcollateralization). The foregoing "shifting principal" method permits Holders of the Class B Notes, the

Class C Notes and the Class D Notes to receive payments of principal in accordance with the Priority of Payments while more senior Classes of Notes remain outstanding and permits distributions of Principal Proceeds to the Holders of the Class E Notes and the Preferred Shares, to the extent funds are available in accordance with the Priority of Payments, while more senior Notes are outstanding. Notwithstanding the foregoing, if either of the Class A/B Coverage Tests shall not have been satisfied on any Determination Date after the Class B Notes have received any payments of Principal Proceeds under clause (xi) of the Priority of Payments, then payments under clause (xi) of the Priority of Payments will, on all subsequent Payment Dates, be paid and allocated, *first*, to the Class A-1 Notes on such Payment Date and on subsequent Payment Dates until the Class A-1 Notes are paid in full, *second*, to the Class A-2 Notes on such Payment Date and on subsequent Payment Dates until the Class A-2 Notes are paid in full, *third*, to the Class B Notes on such Payment Date and on subsequent Payment Dates until the Class B Notes are paid in full, *fourth*, to the Class C Notes on such Payment Date and on subsequent Payment Dates until the Class C Notes are paid in full and, *fifth*, to the Class D Notes on such Payment Date and on subsequent Payment Dates until the Class D Notes are paid in full. Amounts properly paid pursuant to the Priority of Payments to a junior Class of Notes or to the Preferred Shares will not be recoverable in the event of a subsequent shortfall in the amount required to pay a more senior Class of Notes.

Subject to the availability of funds therefor in accordance with the Priority of Payments, if any of the Coverage Tests are not satisfied on any Determination Date Notes (other than the Class E Notes) will be subject to Mandatory Redemption on the related Payment Date. See "—Mandatory Redemption". Similarly, subject to the availability of funds therefor in accordance with the Priority of Payments, the Class A-1 Notes, the Class A-2 Notes, and the Class B Notes, in that order, will be subject to mandatory redemption on any Payment Date at par if the Class C/D Overcollateralization Ratio is less than 75%.

Scheduled Redemption of Preferred Shares

On or prior to the date that is one Business Day prior to the end of the Due Period applicable to the Scheduled Preferred Share Redemption Date, the Surveillance Agent will sell all remaining Collateral Assets. The settlement dates for any such sales shall be no later than one Business Day prior to the end of such Due Period. The proceeds of such sales will be paid to the Preferred Share Paying Agent after the payment of amounts senior to the Holders of the Preferred Shares in the Priority of Payments for deposit into the account maintained therefore by the Preferred Share Paying Agent (the "Preferred Share Payment Account") and payment to the Holders of the Preferred Shares as the redemption price for the Preferred Shares upon such payment subject to certain restrictions under Cayman Islands law. Upon such payment, the Issuer shall redeem the Preferred Shares.

Auction

Sixty days prior to the Payment Date occurring in July of each year (each, an "Auction Date") commencing on the July 2015 Payment Date, the Issuer will take steps to conduct an auction (the "Auction") of the Collateral Assets in accordance with procedures specified in the Indenture. If the Issuer receives one or more bids from Eligible Bidders not later than ten Business Days prior to the Auction Date equal to or greater than the Minimum Bid Amount, it will sell the Collateral Assets for settlement on or before the fifth Business Day prior to such Auction Date and the Notes and Preferred Shares will be redeemed in whole on such Auction Date (the "Auction Payment Date"). "Eligible Bidders" are the Surveillance Agent and its affiliates, institutions, which may include affiliates of the Initial Purchasers and Holders of the Notes and the Preferred Shares, whose short-term unsecured debt obligations have a rating of at least "P-1" (and not on credit watch for possible downgrade) by Moody's or "A-1+" by S&P. If any single bid, or the aggregate amount of multiple bids, does not equal or exceed the Minimum Bid Amount or if there is a failure at settlement, then the redemption of Securities on the related Auction Date will not occur. The aggregate minimum bid amount (the "Minimum Bid Amount") is an amount equal to the sum of (a) the Note Redemption Price, (b) any amount payable to the Hedge Counterparty in connection with the termination of the Hedge Agreements, less any amounts to be received from the Hedge Counterparty in connection with the termination of any Hedge Agreement, (c) an amount such that the Holders of the Preferred Shares have received the Preferred Share Stated Amount since the Closing

Date after giving effect to all prior distributions to the Holders of the Preferred Shares, (d) accrued and unpaid Senior Surveillance Agent Fees and (e) 101% of all unpaid expenses of the Issuer, less amounts on deposit in the Accounts which are available to redeem the Securities or pay amounts provided in (b) through (d) above.

The Notes will be redeemed following a successful Auction in accordance with the Priority of Payments at the applicable Note Redemption Price. The amount distributable as the final distribution on the Preferred Shares following any such redemption will equal any amount remaining after the redemption of the Notes, the payment of the Preferred Share Stated Amount to the Preferred Share Paying Agent for distribution to the Holders of the Preferred Shares, the payment of any amounts due in connection with the termination of the Hedge Agreements and the payment of all expenses in accordance with the Priority of Payments.

Tax Redemption

Subject to certain conditions described herein, the Notes may be redeemed at their Note Redemption Prices by the Issuers and the Preferred Shares may be redeemed by the Issuer at any time, in whole but not in part upon the occurrence of a Tax Event at the written direction of, or with the written consent of, (i) the Holders of at least 66-2/3% of the affected Preferred Shares or (ii) the Holders of a Majority of any Class of Notes which, as a result of the occurrence of a Tax Event, has not received 100% of the aggregate amount of principal and interest then due and payable on such Class on any Payment Date (such redemption, a "Tax Redemption"); *provided* that no such redemption shall be effected unless the expected Liquidation Proceeds equal or exceed the Total Redemption Amount. If the Holders of the Preferred Shares or the Holders of a Class of Notes so elect to cause the redemption of the Notes, the Preferred Shares will be redeemed simultaneously with the Notes.

In connection with a Tax Redemption, the Issuers (in the case of the Notes other than the Class E Notes) and the Issuer (in the case of the Class E Notes and the Preferred Shares) shall notify the Trustee of such Tax Redemption and the Payment Date which is the date for redemption (the "Tax Redemption Date") and direct the Trustee, in writing, to sell, in the manner determined by the Surveillance Agent, and in accordance with the Indenture, any Collateral Asset and upon any such sale the Trustee shall release the lien upon such Collateral Assets pursuant to the Indenture; *provided, however*, that the Issuer may not direct the Trustee to sell (and the Trustee shall not be obligated to release the lien upon) any Collateral Asset except in accordance with the procedures set forth in the Indenture including, without limitation, the requirement that the Surveillance Agent shall have forwarded to the Trustee binding agreements or certificates evidencing that the Liquidation Proceeds anticipated from the disposition of the Collateral Assets and other assets of the Issuer will equal or exceed the Total Redemption Amount.

The amount payable in connection with any Tax Redemption of the Securities will equal the Total Redemption Amount. The amount distributable as a redemption payment on the Preferred Shares following any Tax Redemption and after payment of the Preferred Share Stated Amount, will equal the Liquidation Proceeds, if any, remaining after the distribution of the Total Redemption Amount by the Issuer in accordance with the Priority of Payments and such payment will be subject to certain restrictions imposed under Cayman Islands law.

Optional Redemption

Subject to certain conditions described herein, the Notes (other than the Class E Notes) may be redeemed by the Issuers, and the Class E Notes and the Preferred Shares may be redeemed by the Issuer, in whole but not in part on any Payment Date on or after the July 2008 Payment Date, at the written direction of, or with the written consent of, the Holders of at least a Majority of the Preferred Shares (including Preferred Shares held by the Surveillance Agent or any affiliate thereof) (such redemption, an "Optional Redemption"); *provided* that no Optional Redemption shall be effected unless

the expected Liquidation Proceeds will equal or exceed the Total Redemption Amount. If the Holders of the Preferred Shares so elect to cause an Optional Redemption, the Preferred Shares will be redeemed simultaneously with the Notes.

In connection with an Optional Redemption, the Issuers (in the case of the Notes other than the Class E Notes) and the Issuer (in the case of the Class E Notes and the Preferred Shares) shall notify the Trustee of such Optional Redemption and the Optional Redemption Date and direct the Trustee, in writing, to sell, in the manner determined by the Surveillance Agent, and in accordance with the Indenture, any Collateral Asset and upon any such sale the Trustee shall release the lien upon such Collateral Assets pursuant to the Indenture; *provided, however*, that the Issuer may not direct the Trustee to sell (and the Trustee shall not be obligated to release the lien upon) any Collateral Asset except in accordance with the procedures set forth in the Indenture including, without limitation, the requirement that the Surveillance Agent shall have forwarded to the Trustee binding agreements or certificates evidencing that the Liquidation Proceeds anticipated from the disposition of the Collateral Assets and other assets of the Issuer will equal or exceed the Total Redemption Amount.

The amount payable in connection with any Optional Redemption of the Securities will equal the Total Redemption Amount. The amount distributable as the final distribution on the Preferred Shares following any redemption, after payment of the Preferred Shares Stated Amount will equal the Liquidation Proceeds, if any, remaining after the distribution of the Total Redemption Amount by the Issuer in accordance with the Priority of Payments.

Optional Redemption/Tax Redemption Procedures. To conduct an Optional Redemption or Tax Redemption, the procedures set forth in the Indenture must be followed and any conditions precedent thereto must be satisfied.

If in the case of an Optional Redemption, at least a Majority of the Holders of the Preferred Shares or, in the case of a Tax Redemption, Holders of at least 66-2/3% of the affected Preferred Shares or the Holders of a Majority of any Class of Notes affected by a Tax Event, desires to direct the Issuers, with respect to the Notes (other than the Class E Notes), and the Issuer, with respect to the Class E Notes and the Preferred Shares, to redeem the Notes and the Preferred Shares, such persons shall notify the Trustee, in the case of the Holders of the Notes or the Preferred Share Paying Agent, in the case of the Preferred Shares, which in any case shall in turn notify the Issuer, the Surveillance Agent, each Hedge Counterparty and each Synthetic Security Counterparty of such desire in writing no less than thirty (30) Business Days prior to the Redemption Date. Such notice by the Preferred Shareholders or Noteholders, as applicable, shall be irrevocable. The Preferred Share Paying Agent shall, within two (2) Business Days after receiving such notice, notify the other Holders of the Preferred Shares of the receipt of such notice.

The Trustee will provide notice of any Optional Redemption or Tax Redemption by first-class mail, postage prepaid, mailed not less than ten (10) Business Days prior to the scheduled Tax Redemption Date or Optional Redemption Date, as applicable, to the Principal Note Paying Agent, to the Preferred Share Paying Agent, to each Hedge Counterparty and to each Noteholder at such Holder's address in the register maintained by the Note Registrar under the Indenture, and to each Holder of a Preferred Share at such Holder's address in the share register maintained by the Share Registrar pursuant to the Preferred Share Paying and Transfer Agency Agreement and, as long as any Notes or Preferred Shares are listed on any stock exchange, the Trustee will also give notice to the Listing and Paying Agent.

Notes called for redemption must be surrendered at the office of any paying agent appointed under the Indenture in order to receive the Note Redemption Price. The initial paying agent for the Notes is LaSalle Bank National Association, as Principal Note Paying Agent, and, so long as any Notes are listed on a stock exchange, the Listing and Paying Agent.

Preferred Shares called for redemption must be surrendered at the office of any paying agent appointed under the Preferred Share Paying and Transfer Agency Agreement in order to receive the Preferred Share Stated Amount. The initial paying agent for the Preferred Shares is ABN AMRO Bank N.V. (London Branch).

Any such notice of redemption may be withdrawn by the Issuers (with respect to the Notes other than the Class E Notes) and the Issuer (with respect to the Class E Notes and the Preferred Shares) on or prior to the seventh Business Day prior to the scheduled redemption date by written notice from the Issuer to the Surveillance Agent, the Trustee, each Hedge Counterparty, the Holders of the Notes and the Holders of the Preferred Shares, but only if the Surveillance Agent shall be unable to deliver the sale agreement or agreements or certifications, required by the Indenture, in form satisfactory to the Trustee. The Hedge Agreements will not terminate upon notice to the respective counterparties of redemption until the time for withdrawal of notice has expired. The Surveillance Agent shall be liable only for the failure to enter into a binding agreement or agreements or to provide such certification in connection an Optional Redemption or Tax Redemption due to the Surveillance Agent's gross negligence or willful misconduct. Notice of any such withdrawal shall be given at the Issuer's expense by the Trustee to each Holder of a Security at the address appearing in the applicable register maintained by the Note Transfer Agent under the Indenture or the Preferred Share Transfer Agent under the Preferred Share Paying and Transfer Agency Agreement, as applicable, by overnight courier guaranteeing next day delivery sent not later than the third Business Day prior to the scheduled redemption date. The Trustee or the Preferred Share Paying Agent will also give notice to the Listing and Paying Agent of the stock exchange if the Securities are then listed on a stock exchange.

Class E Principal Increase Option

On any Payment Date after the Closing Date, at the written direction of, or with the written consent of, the Holders of at least a Majority of the Preferred Shares, the option to increase the principal balance of the Class E Notes (the "Class E Principal Increase Option") will be exercised and the Issuer will sell up to U.S.$5,000,000 face amount of Class E Notes (the "Maximum Increase Amount"). The Class E Notes may not be sold at a price less than 80% of their face amount. The net proceeds of the exercise of the Class E Principal Increase Option will be remitted to the Preferred Share Paying Agent for distribution to the Holders of the Preferred Shares and the interest and principal payments on the Class E Notes will be subordinate to all payments to the existing Notes, but senior to any distributions to Preferred Shares. The Class E Notes will be issued with a zero balance on the Closing Date and the principal balance of the Class E Notes will only increase if the Class E Principal Increase Option is exercised. The Class E Principal Increase Option is a single option and may only be exercised one time.

Class A-1 Optional Redemption

On any Payment Date on and after the Payment Date in October 2013, at the written direction of, or with the written consent of the Holders of at least a Majority of the Preferred Shares, additional Class A-1 Notes will be issued at a discount margin less than or equal to 0.30% and the proceeds of such additional issuance will be used to redeem the Class A-1 Notes in full (a "Class A-1 Optional Redemption"). No Class A-1 Optional Redemption shall occur unless the Surveillance Agent on behalf of the Issuer certifies to the Trustee that the Class A-1 Note Redemption Price of the Class A-1 Notes will be sufficient to pay the Class A-1 Notes in full and will be available for distribution to the Holders of the Class A-1 Notes on the related Payment Date.

Mandatory Redemption

On any Payment Date on which any Coverage Test was not satisfied on the last Business Day of the immediately preceding Due Period (such Business Day, the "Determination Date"), certain of the Notes will be redeemed as follows:

If either the Class A/B Overcollateralization Test or the Class A/B Interest Coverage Test (together, the "Class A/B Coverage Tests") is not satisfied on any Determination Date, Proceeds net of amounts payable under clauses (i) through (vi) of the Priority of Payments will be used, (i) if the Class A/B Overcollateralization Ratio is greater than or equal to 100% on such Determination Date, to redeem the Class A-1 Notes and the Class A-2 Notes, *pro rata*, until the Class A-1 Notes and the Class A-2 Notes have been paid in full, and then to redeem the Class B Notes until the Class B Notes have been paid in full and (ii) if the Class A/B Overcollateralization Ratio is less than 100% on such Determination Date, to redeem the Class A-1 Notes until the Class A-1 Notes have been paid in full, then to redeem the Class A-2 Notes until the Class A-2 Notes have been paid in full, and then to redeem the Class B Notes until the Class B Notes have been paid in full. The Class C Notes, the Class D Notes, the Class E Notes and the Preferred Shares will not be subject to mandatory redemption as a result of the failure of any Class A/B Coverage Test.

If either the Class C/D Overcollateralization Test or the Class C/D Interest Coverage Test (together, the "Class C/D Coverage Tests" and, together with the Class A/B Coverage Tests, the "Coverage Tests") is not satisfied on any Determination Date, Proceeds net of amounts payable under clauses (i) through (xiii) of the Priority of Payments will be used to redeem the Class C Notes until the Class C Notes have been paid in full and then to redeem the Class D Notes until the Class D Notes have been paid in full. The Class A Notes, the Class B Notes, the Class E Notes and the Preferred Shares will not be subject to mandatory redemption as a result of the failure of any Class C/D Coverage Test.

If the Class C/D Overcollateralization Ratio is less than 75% on any Determination Date, Proceeds net of amounts payable under clauses (i) through (vii) of the Priority of Payments will be used to redeem the Class A-1 Notes, and when the Class A-1 Notes have been paid in full, the Class A-2 Notes, and, when the Class A-2 Notes have been paid in full, the Class B Notes until the Class B Notes have been paid in full.

Cancellation

All Notes that are redeemed or paid and surrendered for cancellation as described herein will forthwith be canceled and may not be reissued or resold.

Payments

Payments on any Payment Date in respect of principal of and interest on the Notes issued as Global Notes will be made to the person in whose name the relevant Global Note is registered at the close of business on the Business Day prior to such Payment Date. For the Securities issued in definitive form, payments on any Payment Date in respect of principal, interest and other distributions will be made to the person in whose name the relevant Note is registered as of the close of business 10 Business Days prior to such Payment Date. Payments on the Notes will be payable by wire transfer in immediately available funds to a U.S. Dollar account maintained by DTC or its nominee (in the case of the Global Notes) or each Holder (in the case of individual Definitive Notes) to the extent practicable or otherwise by U.S. Dollar check drawn on a bank in the United States sent by mail either to DTC or its nominee (in the case of the Global Notes), or to each Holder at its address appearing in the applicable register. Final payments in respect of principal on the Notes will be made only against surrender of the Notes at the office of any paying agent. None of the Issuers, the Securities Intermediary, the Trustee, the Surveillance Agent or any Hedge Counterparty or any paying agent will have any responsibility or liability for any aspects of the records maintained by DTC or its nominee or any of its participants relating to, or for payments made thereby on account of beneficial interests in, a Global Note.

The Issuers expect that DTC or its nominee, upon receipt of any payment of principal or interest in respect of a Global Note held by DTC or its nominee, will immediately credit participants' accounts with payments in amounts proportionate to their respective beneficial interests in such Global Notes as shown on the records of DTC or its nominee. The Issuers also expect that payments by participants to owners of beneficial interests in such Global Notes held through such participants will be governed by standing

instructions and customary practices, as is now the case with securities held for the accounts of customers registered in the names of nominees for such customers. Such payments will be the responsibility of such participants.

If any payment on a Note is due on a day that is not a Business Day, then payment will not be made until the next succeeding Business Day.

For so long as any Securities are listed on any stock exchange and the rules of such exchange so require, the Issuers will have a paying agent and a transfer agent (which shall be the Listing and Paying Agent) for such Securities and payments on and transfers or exchanges of interest in such Notes may be effected through the Listing and Paying Agent. In the event that the Listing and Paying Agent is replaced at any time during such period, notice of the appointment of any replacement will be given to the applicable stock exchange as long as any Securities are listed thereon.

Priority of Payments

With respect to any Payment Date (other than the Final Payment Date), all Proceeds received on the Collateral during the related Due Period in respect of the Collateral will be applied by the Trustee in the priority set forth below (the "Priority of Payments"). For purposes of the Priority of Payments, (i) amounts paid as interest, fees or distributions on the Notes on a "pro rata" basis shall be pro rata based on the amount of interest due on each applicable Class of Notes or in the case of fees, the amount due to each applicable recipient, (ii) amounts paid as principal shall be paid pro rata based on the amount of principal then outstanding on each applicable Class of Notes and (iii) unless stated otherwise, Proceeds not constituting Principal Proceeds will be assumed to be applied prior to any Principal Proceeds.

On the Business Day prior to each Payment Date (other than the Final Payment Date), the Trustee will transfer all funds then on deposit in the Collection Account (other than amounts received after the end of the related Due Period) into the Payment Account. On each Payment Date (other than the Final Payment Date), amounts in the Payment Account and any payments received from the Hedge Counterparties since the previous Payment Date will be applied by the Trustee in the manner and order of priority set forth below:

i. to the payment of taxes and filing and registration fees (including, without limitation, annual return fees) owed by the Issuers, if any;

ii. to the payment, of accrued and unpaid fees of the Trustee up to a maximum amount on any Payment Date equal to the greater of $6,250 and 0.00375% of the Quarterly Asset Amount for the related Due Period (or in the case of the first Payment Date, up to a maximum amount equal to the greater of $7,430 and 0.004467% of the Quarterly Asset Amount);

iii. *first*, (a) to the payment, *pro rata*, of any remaining accrued and unpaid Administrative Expenses of the Issuers, excluding any indemnities (and legal expenses related thereto) payable by the Issuers; *second*, (b) to the payment of any indemnities (and legal expenses related thereto) payable by the Issuers; and *third*, (c) to the Expense Reserve Account the lesser of U.S.$50,000 and the amount necessary to bring the balance of such account to U.S.$200,000; *provided, however*, that the aggregate payments pursuant to subclauses (a) through (c) of this clause (iii) on any Payment Date shall not exceed U.S.$250,000 and the total distributions in subclauses (a) and (b) of this clause (iii) on the prior 11 Payment Dates shall not exceed U.S.$400,000;

iv. to the payment of amounts, if any, to be paid to the Hedge Counterparties pursuant to the Hedge Agreements including any termination or partial termination payments (other than any Defaulted Hedge Termination Payments payable under clause (xviii) below);

v. to the payment to the Surveillance Agent of the accrued and unpaid Senior Surveillance Agent Fee;

vi. *first*, to the payment, *pro rata*, of (A) accrued and unpaid interest on the Class A-1 Notes (including Defaulted Interest and any interest thereon) and (B) accrued and unpaid interest on the Class A-2 Notes (including Defaulted Interest and any interest thereon) and *second,* to the payment of accrued and unpaid interest on the Class B Notes (including Defaulted Interest and any interest thereon);

vii. if the Class A/B Overcollateralization Test is not satisfied on the Determination Date with respect to the related Payment Date after giving effect to all payments of principal on such Payment Date (without giving effect to any payments pursuant to this clause (vii)) or if the Class A/B Interest Coverage Test is not satisfied on the Determination Date with respect to the related Payment Date, then (A) if the Class A/B Overcollateralization Ratio is greater than or equal to 100% on the Determination Date with respect to the related Payment Date, *first*, *pro rata*, (i) to the payment of principal of all outstanding Class A-1 Notes and (ii) to the payment of principal of all outstanding Class A-2 Notes until the Class A Notes have been paid in full, and *second*, to the payment of principal of all outstanding Class B Notes until paid in full and (B) if the Class A/B Overcollateralization Ratio is less than 100% on the Determination Date with respect to the related Payment Date, *first*, to the payment of principal of all outstanding Class A-1 Notes until paid in full, *second*, to the payment of principal of all outstanding Class A-2 Notes until paid in full, and *third*, to the payment of principal of all outstanding Class B Notes until paid in full;

viii. if the Class C/D Overcollateralization Ratio is less than 75% on the Determination Date with respect to the related Payment Date after giving effect to all payments of principal on such date (without giving effect to any payments pursuant to this clause (viii)), then (A) first, to the payment of principal of any outstanding Class A-1 Notes until paid in full, (B) second, to the payment of principal of any outstanding Class A-2 Notes until paid in full and (C) third, to the payment of principal of any outstanding Class B Notes until paid in full;

ix. to the payment of accrued and unpaid interest on the Class C Notes (including Defaulted Interest and any interest thereon but not including Class C Deferred Interest);

x. to the payment of accrued and unpaid interest on the Class D Notes (including Defaulted Interest and any interest thereon but not including Class D Deferred Interest);

xi. to the payment of principal of *first,* the Class A-1 Notes and the Class A-2 Notes, *pro rata* based on their respective principal amounts, up to the amount specified in clause (b)(1) below, *second,* the Class B Notes up to the amount specified in clause (b)(2) below, *third*, the Class C Notes up to the amount specified in clause (b)(3) below, and *fourth*, the Class D Notes up to the amount specified in clause (b)(4) below in an aggregate amount equal to the lesser of (a) Principal Proceeds received during the related Due Period, and (b) the sum of (1) the amount necessary to increase the Class A Adjusted Overcollateralization Ratio to or maintain it at 131.0%, subject to the Minimum Class A Adjusted Overcollateralization, *plus* (2) the amount necessary to increase the Class B Adjusted Overcollateralization Ratio to or maintain it at 116.2%, subject to the Minimum Class B Adjusted Overcollateralization, *plus* (3) the amount necessary to increase the Class C Adjusted Overcollateralization Ratio to or maintain it at 112.6%, subject to the Minimum Class C Adjusted Overcollateralization, *plus* (4) the amount necessary to increase the Class D Adjusted Overcollateralization Ratio to or maintain it at 105.2%, subject to the Minimum Class D Adjusted Overcollateralization; *provided, however*, that if either of the Class A/B Coverage Tests shall not have been satisfied on any Determination Date after the Class B Notes have received any payments of Principal Proceeds under this clause (xi), then payments under this clause (xi) will, on all subsequent Payment Dates, be paid and allocated, first, to the Class A-1 Notes on such

Payment Date and on subsequent Payment Dates until the Class A-1 Notes are paid in full, second, to the Class A-2 Notes on such Payment Date and on subsequent Payment Dates until the Class A-2 Notes are paid in full, third, to the Class B Notes on such Payment Date and on subsequent Payment Dates until the Class B Notes are paid in full, fourth, to the Class C Notes on such Payment Date and on subsequent Payment Dates until the Class C Notes are paid in full and, fifth, to the Class D Notes on such Payment Date and on subsequent Payment Dates until the Class D Notes are paid in full;

xii. to the payment of principal of the Class C Notes in an amount equal to that portion of the principal of the Class C Notes comprised of Class C Deferred Interest unpaid after giving effect to payments under the prior clause (amounts will be considered unpaid for this purpose if the principal balance of the Class C Notes after giving effect to the prior clause exceeds any previous lowest amount outstanding);

xiii. to the payment of principal of the Class D Notes in an amount equal to that portion of the principal of the Class D Notes comprised of Class D Deferred Interest unpaid after giving effect to payments under clause (xi) above (amounts will be considered unpaid for this purpose if the principal balance of the Class D Notes after giving effect to clause (xi) above exceeds any previous lowest amount outstanding);

xiv. if the Class C/D Overcollateralization Test is not satisfied on the Determination Date with respect to the related Payment Date after giving effect to all payments of principal on such Payment Date (without giving effect to any payments pursuant to this clause (xiv)) or if the Class C/D Interest Coverage Test is not satisfied on the Determination Date with respect to the related Payment Date, then *first*, to the payment of principal of all outstanding Class C Notes until paid in full, and *second*, to the payment of principal of all outstanding Class D Notes until paid in full;

xv. to the payment of principal of the Class D Notes in an amount equal to the difference between (A) $1,000,000 and (B) all payments made to the Class D Notes pursuant to this clause (xv) (but not less than zero);

xvi. to the payment of accrued and unpaid interest on the Class E Notes (including Defaulted Interest and any interest thereon but not including Class E Deferred Interest);

xvii. *first*, to the payment of principal of the Class E Notes in an amount equal to that portion of the principal of the Class E Notes comprised of Class E Deferred Interest unpaid after giving effect to the payments under clause (xvi) above (amounts will be considered unpaid for this purpose if the principal balance of the Class E Notes after giving effect to clause (xvi) above exceeds any previous lowest amount outstanding) and *second*, from remaining Principal Proceeds only, to the payment of principal on the Class E Notes until paid in full;

xviii. to the payment of any Defaulted Hedge Termination Payments, with respect to the Hedge Agreements, pro rata based on the amount owed;

xix. *first* (a) to the payment, *pro rata*, of any remaining accrued and unpaid Administrative Expenses of the Issuers not paid pursuant to clauses (ii) and (iii) above (as the result of the limitations on amounts set forth therein), excluding any indemnities (and legal expenses related thereto) payable by the Issuers; *second*, (b) to the payment, pro rata, of any indemnities (and legal expenses related thereto) payable by the Issuers not paid pursuant to clause (iii) above (as the result of the limitation on amounts set forth therein) in the same order of priority set forth above; and *third*, (c) to the Expense Reserve Account until the balance of such account reaches U.S.$200,000 (after giving effect to any deposits made therein on such Payment Date under clause (iii) above); *provided, however*, that the aggregate payments pursuant to subclause (c) of this clause (xix) and subclause (c) of clause (iii) on any Payment Date shall not exceed U.S.$50,000;

xx. to the Preferred Share Paying Agent, for deposit in the Preferred Share Payment Account for payment to the Holders of the Preferred Shares, an amount equal to the lesser of (a) any remaining funds and (b) the Preferred Share Make-Whole Amount (subject to certain restrictions imposed under Cayman Islands law and to the extent of funds legally available therefor);

xxi. to the payment to the Surveillance Agent, as part of the Surveillance Agent Incentive Fee, an amount equal to 20% of any remaining funds; and

xxii. to the payment to the Preferred Share Paying Agent for deposit into the Preferred Share Payment Account for payment to the Holders of the Preferred Shares as additional distributions (subject to certain restrictions imposed under Cayman Islands law and to the extent of funds legally available therefor).

On the Business Day prior to the Final Payment Date, the Trustee will transfer all funds then on deposit in the Collection Account into the Payment Account. On the Final Payment Date, amounts in the Payment Account will be applied by the Trustee in the manner and order of priority set forth below:

i. to the payment of the amounts referred to in clauses (i) through (vi) of the Priority of Payments for Payment Dates which are not the Final Payment Date, in that order; *provided* that no deposit shall be made to the Expense Reserve Account pursuant to subclause (iii);

ii. to the payment to the Class A-1 Notes the amount necessary to pay the outstanding principal amount of such Notes in full;

iii. to the payment to the Class A-2 Notes the amount necessary to pay the outstanding principal amount of such Notes in full;

iv. to the payment to the Class B Notes, the amount necessary to pay the outstanding principal amount of such Notes in full;

v. to the payment to the Class C Notes, the amount necessary to pay accrued and unpaid interest on and the outstanding amount of such Notes (including any Deferred Interest and Defaulted Interest and any interest thereon) in full;

vi. to the payment to the Class D Notes, the amount necessary to pay accrued and unpaid interest on and the outstanding amount of such Notes (including any Deferred Interest and Defaulted Interest and any interest thereon) in full;

vii. to the payment to the Class E Notes, the amount necessary to pay accrued and unpaid interest on and the outstanding amount of such Notes (including any Deferred Interest and Defaulted Interest and any interest thereon) in full;

viii. to the payment of the amounts referred to in clause (xviii) of the Priority of Payments for Payment Dates that are not the Final Payment Date;

ix. to the payment of the amounts referred to in clause (xix) of the Priority of Payments for Payment Dates (without regard to any cap or limitation contained therein) that are not the Final Payment Date; *provided* that no deposit shall be made to the Expense Reserve Account pursuant to clause (xix);

x. to the payment of the amounts referred to in clause (xx) of the Priority of Payments for Payment Dates which are not the Final Payment Date, to the extent not previously paid;

xi. to the payment of the amounts referred to in clause (xxi) of the Priority of Payments for Payment Dates which are not the Final Payment Date; and

xii. to the payment to the Preferred Share Paying Agent for payment to the Holders of the Preferred Shares, all remaining funds, in accordance with the provisions of the Preferred Share Paying and Transfer Agency Agreement.

Upon payment in full of the last outstanding Note, the Issuer (or the Surveillance Agent acting pursuant to the Surveillance Agent Agreement on behalf of the Issuer) will liquidate any remaining Collateral Assets, Eligible Investments, the Hedge Agreements and any other items comprising the Collateral and deposit the proceeds thereof in the Collection Account. The net proceeds of such liquidation and all available cash (other than the U.S.$250 of capital contributed by the owners of the Issuer Ordinary Shares in accordance with the Issuer's Memorandum and Articles of Association and U.S.$250 representing a transaction fee to the Issuer) will be distributed in accordance with the Priority of Payments for the Final Payment Date and all amounts remaining thereafter will be distributed to the Holders of the Preferred Shares as a redemption payment, subject in the case of the Preferred Shares, to certain restrictions under Cayman Islands law, whereupon all of the Notes and the Preferred Shares will be canceled.

Preferred Shares

The final distribution on the Preferred Shares will be made by the Issuer on the Scheduled Preferred Share Redemption Date, unless redeemed or retired prior thereto in accordance with the Priority of Payments.

The Indenture and the Preferred Share Paying and Transfer Agency Agreement

The following summary describes certain provisions of the Indenture and the Preferred Share Paying and Transfer Agency Agreement. The summary does not purport to be complete and is subject to, and qualified in its entirety by reference to, the provisions of the Indenture and the Preferred Share Paying and Transfer Agency Agreement.

Indenture

Events of Default. An "Event of Default" under the Indenture includes:

i. a default in the payment, when due and payable, of any interest on any Class A Note or Class B Note or, if there are no Class A Notes or Class B Notes outstanding, any Class C Note or, if there are no Class A Notes, Class B Notes or Class C Notes outstanding, any Class D Note or, if there are no Class A Notes, Class B Notes, Class C Notes or Class D Notes outstanding, any Class E Note and a continuation of such default, in each case, for a period of 7 days (or, in the case of a default in payment resulting solely from an administrative error or omission by the Trustee, the Securities Intermediary, any Note Paying Agent or the Note Registrar, such default continues for a period of 7 days after the Trustee is made aware of such administrative error or omission);

ii. a default in the payment of principal due on any Note at its Stated Maturity or any date set for redemption (or, in the case of a default in payment resulting solely from an administrative error or omission by the Trustee, the Securities Intermediary, any Note Paying Agent or the Note Registrar, such default continues for a period of 7 days after the Trustee is made aware of such administrative error or omission);

iii. the failure on any Payment Date to disburse amounts (other than in payment of interest on any Note or principal of any Note at its Stated Maturity or any date set for redemption as described in (i) and (ii) above) available in the Payment Account in excess of $500 in

accordance with the Priority of Payments and a continuation of such failure for a period of 7 days after such failure has been recognized;

iv. a circumstance in which either of the Issuers or the Collateral or any portion thereof becomes an investment company required to be registered under the Investment Company Act;

v. a default, in any material respect (as determined by at least 50% in aggregate principal amount of the Controlling Class), in the performance, or breach, of any covenant, representation, warranty or other agreement of the Issuers in the Indenture (it being understood that a failure to satisfy a Coverage Test is not a default or breach) or in any certificate or writing delivered pursuant to the Indenture, or if any representation or warranty of the Issuers made in the Indenture or in any certificate or writing delivered pursuant thereto proves to be incorrect in any material respect when made, and the continuation of such default or breach for a period of 30 days after notice thereof shall have been given to the Issuers and the Surveillance Agent by the Trustee or to the Issuers, the Surveillance Agent and the Trustee by the Holders of at least 50% in aggregate outstanding principal amount of the Notes of the Controlling Class; and

vi. certain events of bankruptcy, insolvency, receivership or reorganization of either of the Issuers.

If an Event of Default should occur and be continuing, the Trustee may and will at the direction of the Holders of a Majority of the Controlling Class declare the principal of and accrued and unpaid interest on all Notes to be immediately due and payable (except that in the case of an Event of Default described in clause (vi) above, such an acceleration will occur automatically and shall not require any action by the Trustee or any Noteholder).

If an Event of Default should occur and be continuing, the Trustee is required to retain the Collateral intact and collect all payments in respect of the Collateral and continue making payments in the manner described under Priority of Payments unless (a) the Trustee determines (which determination will be based upon a certificate from the Surveillance Agent) that the anticipated proceeds of a sale or liquidation of the Collateral based on an estimate obtained from a nationally recognized investment banking firm (which estimate takes into account the time elapsed between such estimate and the anticipated sale of the Collateral) would equal the amount necessary to pay in full (after deducting the reasonable expenses of such sale or liquidation) the sum of (i) the principal (including any Class C Deferred Interest, Class D Deferred Interest and Class E Deferred Interest) and accrued interest (including all Defaulted Interest, and interest thereon) with respect to all the outstanding Notes; (ii) all Administrative Expenses; (iii) all amounts payable by the Issuer to the Hedge Counterparty (including, any applicable termination payments) net of all amounts payable to the Issuer by any Hedge Counterparty (in each case, net of any termination payments due to any Hedge Counterparty); (iv) the Preferred Share Stated Amount of the Preferred Shares; and (v) all other items in the Priority of Payments ranking prior to payments on the Notes, and, in any case, the Holders of a Majority of the Controlling Class agree with such determination or (b) the Holders of at least 66-2/3% of the aggregate outstanding principal amount of the Controlling Class and each Hedge Counterparty (unless the Hedge Counterparty will be paid in full the amounts due to it, including in each case, any applicable termination payments) direct, subject to the provisions of the Indenture, the sale and liquidation of the Collateral.

The Holders of a Majority of the Controlling Class will have the right to direct the Trustee in writing in the conduct of any proceedings or in the sale of any or all of the Collateral, but only if (i) such direction will not conflict with any rule of law or the Indenture (including the limitations described in the paragraph above) and (ii) the Trustee determines that such action will not involve it in liability (unless the Trustee has received an indemnity which is reasonably acceptable to the Trustee against any such liability).

Subject to the provisions of the Indenture relating to the duties of the Trustee, in case an Event of Default with respect to the Notes occurs and is continuing, the Trustee is under no obligation to exercise any of the rights or powers under the Indenture at the request of any Holders of Notes, unless such

Holders have offered to the Trustee reasonable security or an indemnity which is reasonably acceptable to the Trustee. The Holders of a Majority of the Controlling Class may waive any default with respect to the Notes, except (a) a default in the payment of principal or interest on any Note; (b) failure on any Payment Date to disburse amounts available in the Payment Account in accordance with the Priority of Payments and continuation of such failure for a period of five days; (c) certain events of bankruptcy or insolvency with respect to the Issuers; or (d) a default in respect of a provision of the Indenture that cannot be modified or amended without the waiver or consent of the Holder of each outstanding Note adversely affected thereby.

Furthermore, any declaration of acceleration of maturity of the Notes may be revoked and annulled by the Holders of a Majority of the Controlling Class before a judgment or decree for the payment of money has been obtained by the Trustee or the Collateral has been sold or foreclosed in whole or in part, by notice to the Issuers and the Trustee, if (a) the Issuer has paid or deposited with the Trustee a sum sufficient to pay, in accordance with the Priority of Payments, the principal and accrued interest (including all Defaulted Interest and the interest thereon) with respect to the outstanding Notes and any other administrative expenses, fees or other amounts that, under the Transaction Documents and pursuant to the Priority of Payments, are payable prior to the payment of the principal of and interest on the outstanding Notes, and (b) the Trustee has determined that all Events of Default, other than the non-payment of the interest on or principal of the outstanding Notes that have become due solely by such acceleration, have been cured and the Holders of a Majority of the Controlling Class by notice to the Trustee have agreed with such determination (which agreement shall not be unreasonably withheld) or waived such Event of Default in accordance with the provisions set forth in the Indenture.

Only the Trustee may pursue the remedies available under the Indenture and the Notes and no Holder of a Note will have the right to institute any proceeding with respect to the Indenture, its Note or otherwise unless (i) such Holder previously has given to the Trustee written notice of a continuing Event of Default; (ii) except in the case of a default in the payment of principal or interest, the Holders of at least 25%, by aggregate outstanding principal amount, of the Notes of the Controlling Class have made a written request upon the Trustee to institute such proceedings in its own name as Trustee and such Holders have offered the Trustee an indemnity which is reasonably acceptable to the Trustee; (iii) the Trustee has for 30 days failed to institute any such proceeding; and (iv) no direction inconsistent with such written request has been given to the Trustee during such 30-day period by the Holders of a Majority of the Controlling Class.

In determining whether the Holders of the requisite percentage of Notes have given any direction, notice or consent, Notes owned by the Issuer, the Co-Issuer or any affiliate thereof shall be disregarded and deemed not to be outstanding. In addition, Holders of Preferred Shares will not be considered to be affiliates of the Issuer or Co-Issuer by virtue of such ownership of Preferred Shares.

Notices. Notices to the Holders of the Notes shall be given by first-class mail, postage prepaid, to each Noteholder at the address appearing in the applicable note register. In addition, for so long as any of the Notes are listed on any stock exchange and so long as the rules of such exchange so require, notices to the Holders of such Notes shall also be published by the Listing and Paying Agent in the official list thereof.

Modification of the Indenture. Except as provided below, with the consent of the Holders of at least 66-2/3%, by aggregate outstanding principal amount of Notes, voting together as a single class, and at least 66-2/3% of the Preferred Shares materially and adversely affected thereby, the Trustee and the Issuers, with respect to the Notes, may execute a supplemental Indenture to add provisions to, or change in any manner or eliminate any provisions of, the Indenture or modify in any manner the rights of the Holders of the Notes of such Class or the Preferred Shares; *provided* that such supplemental indenture will not be executed until the Rating Agency Condition is met. The Trustee may, consistent with the written advice of legal counsel, at the expense of the Issuer, determine whether or not the Holders of Notes or the Preferred Shares would be materially and adversely affected by such change. Such determination shall be conclusive and binding on all present and future Holders.

Without the consent of the Holders of each adversely affected Note and each adversely affected Preferred Share, and the consent of the Hedge Counterparty, if adversely affected thereby, no supplemental indenture may be entered into which would (i) change the Stated Maturity of the principal of or the due date of any installment of interest on a Note; reduce the principal amount thereof or the rate of interest thereon, or the applicable Note Redemption Price with respect thereto; change the earliest date on which a Note may be redeemed; change the provisions of the Indenture relating to the application of proceeds of any Collateral to the payment of principal of or interest on Notes, to the payment of the distributions on the Preferred Shares or change any place where, or the coin or currency in which, Notes or the principal thereof or interest thereon are 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 Redemption Date); (ii) reduce the percentage in aggregate principal amount or number of shares, as applicable, of Holders of the Notes of each Class and Holders of the Preferred Shares whose consent is required for the authorization of any supplemental indenture or for any waiver of compliance with certain provisions of the Indenture or certain defaults thereunder or their consequences; (iii) impair or adversely affect the Collateral except as otherwise permitted by the Indenture; (iv) permit the creation of any security interest ranking prior to or on a parity with the security interest created by the Indenture with respect to any part of the Collateral (it being understood that extension of the benefit of the Indenture pursuant to its terms to the Hedge Counterparties does not require consent under this clause) or terminate such security interest on any property at any time subject thereto or deprive the Holder of any Note, the Trustee or the other Secured Parties of the security afforded by the Indenture; (v) reduce the percentage of Holders of the Notes of each Class whose consent is required to request the Trustee to preserve the Collateral or rescind the Trustee's election to preserve the Collateral or to sell or liquidate the Collateral pursuant to the Indenture; (vi) modify any of the provisions of the Indenture with respect to supplemental indentures, or to provide that other provisions of the Indenture cannot be modified or waived without the consent of the Holder of each outstanding Note adversely affected thereby; (vii) modify the definition of the term "Outstanding" or the Priority of Payments set forth in the Indenture; (viii) modify any of the provisions of the Indenture in such a manner as to affect the calculation of the amount of any payment of interest on or principal of any Note or modify any amount distributable to the Preferred Share Paying Agent for payment to the Holders of the Preferred Shares on any Payment Date or to affect the right of the Holders of the Notes or the Trustee to the benefit of any provisions for the redemption of such Notes contained therein; (ix) amend any provision of the Indenture or any other agreement entered into by the Issuer with respect to the transactions contemplated by the Indenture relating to the institution of proceedings for the Issuer or the Co-Issuer to be adjudicated as bankrupt or insolvent, or the consent of the Issuer or the Co-Issuer to the institution of bankruptcy or insolvency proceedings against it, or the filing with respect to the Issuer or the Co-Issuer of a petition or answer or consent seeking reorganization, arrangement, moratorium or liquidation proceedings, or other proceedings under the United States Bankruptcy Code or any similar laws, or the consent of the Issuer or the Co-Issuer to the filing of any such petition or the appointment of a receiver, liquidator, assignee, trustee or sequestrator (or other similar official) of the Issuer or the Co-Issuer or any substantial part of its property, respectively; (x) increase the amount of the Surveillance Agent Fees payable to the Surveillance Agent; (xi) amend any provision of the Indenture or any other agreement entered into by the Issuer with respect to the transactions contemplated thereby that provides that the obligations of the Issuers or the Issuer, as the case may be, are limited recourse obligations of the Issuers or the Issuer, respectively, payable solely from the Collateral in accordance with the terms of the Indenture; (xii) cause the Issuer, the Surveillance Agent or any Paying Agents to become subject to withholding or other taxes, fees or assessments or cause the Issuer to be treated as engaged in a United States trade or business or otherwise be subject to United States federal, state or local income tax on a net income basis; or (xiii) result in a deemed sale or exchange of any of the Notes under Section 1001 of the Code (items (i) through (xiii) above collectively, the "Reserved Matters").

Except as provided above, the Issuers and the Trustee may also enter into one or more supplemental indentures, without obtaining the consent of Holders of the Notes or the Preferred Shares, (i) if such supplemental indentures would have no material adverse effect on any of the Noteholders or Preferred Shareholders (as evidenced by an officer's certificate delivered by the Issuers to the Trustee) or (ii) for any of the following purposes: (a) to evidence the succession of any person to either the Issuer or Co-Issuer and the assumption by any such successor of the covenants of the Issuer or Co-Issuer in the

Notes and the Indenture; (b) to add to the covenants of the Issuers or the Trustee for the benefit of the Holders of the Notes or the other Secured Parties or to surrender any right or power conferred upon the Issuers; (c) to convey, transfer, assign, mortgage or pledge any property to 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 Notes; (d) to evidence and provide for the acceptance of appointment by a successor trustee and to add to or change any of the provisions of the Indenture as shall be necessary to facilitate the administration of the trusts under the Indenture by more than one Trustee; (e) to correct or amplify the description of any property at any time subject to the security interest created by the Indenture, or to better assure, convey, and confirm unto the Trustee any property subject or required to be subject to the security interest created by the Indenture (including, without limitation, any and all actions necessary or desirable as a result of changes in law or regulations) or to subject to the security interest created by the Indenture any additional property; (f) to cure any ambiguity or manifest error or correct or supplement any provisions contained herein which may be defective or inconsistent with any provision contained herein or make any modification that is of a formal, minor or technical nature or which is made to correct a manifest error; (g) to take any action necessary or advisable to prevent the Issuer, the Trustee or any Paying Agents from becoming subject to withholding or other taxes, fees or assessments or to prevent the Issuer from being treated as engaged in a United States trade or business or otherwise being subject to United States federal, state or local income tax on a net income basis; (h) to conform the Indenture to the descriptions thereof in this Offering Circular; or (i) to enter into any additional agreements not expressly prohibited by any of the Indenture or the other Transaction Documents, as well as any amendment, modification or waiver if the Issuer determines that such amendment, modification or waiver would not, upon or after becoming effective, materially and adversely affect the rights or interests of Holders of any Class of Securities. The Trustee may rely upon an officer's certificate delivered by the Issuers to the Trustee or upon an opinion of counsel (which may rely upon an officer's certificate) in its determination of whether or not the Holders of Securities would be materially adversely affected by such change (after giving notice of such change to the Holders of Securities). Such determination shall be binding on all present and future Holders.

The Issuer will not consent to enter into any supplemental indenture or any supplement or amendment to any other document related thereto unless and until the Surveillance Agent has received written notice of such amendment or supplement and has consented thereto in writing and, if such amendment or supplement could reasonably be expected to have a material adverse effect on any Hedge Counterparty or Synthetic Security Counterparty, such Hedge Counterparty and Synthetic Security Counterparty has received written notice of such amendment or supplement and has consented thereto in writing (which consent shall not be unreasonably withheld).

Under the Indenture, the Trustee will, for so long as the Notes are outstanding and rated by the Rating Agencies, mail a copy of any proposed supplemental indenture (whether or not required to be approved by the Holders of any Notes or Preferred Shares) to the Rating Agencies, the Surveillance Agent and the Hedge Counterparty not later than 15 Business Days prior to the execution of such proposed supplemental indenture, and no such supplemental indenture shall be entered into unless the Rating Agency Condition is met; *provided* that the Trustee shall, with the consent of the Holders of 100% of the aggregate outstanding amount of Notes of each Class and Preferred Shares and each Hedge Counterparty, enter into any such supplemental indenture notwithstanding any potential reduction or withdrawal of the ratings of any outstanding Class of Notes. The Trustee must provide notice of any amendment or modification of the Indenture (whether or not required to be approved by the Holders of any Notes or Preferred Shares) to the Holders of the Notes and Preferred Shares, each Hedge Counterparty, and, for so long as any Notes or Preferred Shares are listed on any stock exchange, the Listing and Paying Agent, promptly upon the execution of such supplemental indenture.

In connection with any amendment, the Trustee may require the delivery of an opinion of counsel satisfactory to it, at the expense of the Issuer, that such amendment is permitted under the terms of the Indenture.

Jurisdictions of Incorporation and Formation. Under the Indenture, the Issuer and the Co-Issuer will be required to maintain their rights and franchises as a company incorporated under the laws of the Cayman Islands and a corporation formed under laws of the State of Delaware, respectively, to comply with the provisions of their respective organizational documents and to obtain and preserve their qualification to do business as foreign corporations in each jurisdiction in which such qualifications are or shall be necessary to protect the validation and enforceability of the Indenture, the Notes or any of the Collateral; *provided, however,* that the Issuers shall be entitled to change their jurisdictions of incorporation from the Cayman Islands or Delaware, as applicable, to any other jurisdiction reasonably selected by such Issuer or Co-Issuer, as applicable, and approved by its common shareholders, so long as (i) the Issuer or Co-Issuer, as applicable, does not believe such change is disadvantageous in any material respect to such entity or the Holders of any Class of Notes; (ii) written notice of such change shall have been given by such entity to the Trustee, the Note Paying Agent, the Surveillance Agent, each Hedge Counterparty, the Holders of each Class of Notes and each of the Rating Agencies at least thirty (30) Business Days prior to such change of jurisdiction; and (iii) on or prior to the 25th Business Day following such notice the Trustee shall not have received written notice from Holders of a Majority of the Controlling Class objecting to such change.

Petitions for Bankruptcy. The Indenture will provide that neither (i) any Hedge Counterparty, the Paying Agents, the Note Registrar, or the Trustee, in its own capacity, or on behalf of any Noteholder, nor (ii) the Noteholders may, prior to the date which is one year and one day (or, if longer, the applicable preference period then in effect) after the payment in full of all Notes, institute against, or join any other person in instituting against, the Issuer or Co-Issuer any bankruptcy, reorganization, arrangement, moratorium, liquidation or similar proceedings under the laws of any jurisdiction.

Satisfaction and Discharge of the Indenture. The Indenture will be discharged with respect to the Collateral securing the Notes upon delivery to the Note Paying Agent for cancellation all of the Notes, or, within certain limitations (including the obligation to pay principal and interest), upon deposit with the Trustee of funds sufficient for the payment or redemption thereof and the payment by the Issuers of all other amounts due under the Indenture.

Trustee. LaSalle Bank National Association will be the Trustee under the Indenture. The Issuers and their affiliates may maintain other banking relationships in the ordinary course of business with the Trustee. The payment of the fees and expenses of the Trustee relating to the Notes is solely the obligation of the Issuers. The Trustee and/or its affiliates may receive compensation in connection with the Trustee's investment of trust assets in certain Eligible Investments as provided in the Indenture and in connection with the Trustee's administration of any securities lending activities of the Issuer.

The Indenture contains provisions for the indemnification of the Trustee for any loss, liability or expense incurred without negligence, willful misconduct or bad faith on its part, arising out of or in connection with the acceptance or administration of the Indenture. The Trustee will not be bound to take any action unless indemnified for such action. The Noteholders shall together have the power, exercisable by Extraordinary Resolution, to remove the Trustee as set forth in the Indenture. The removal of the Trustee shall not become effective until the acceptance of appointment by a successor trustee. If the Trustee is removed without cause, costs and expenses of the Trustee incurred in connection with the transfer to the successor Trustee shall be paid by the successor Trustee or the Issuer.

Agents. LaSalle Bank National Association will be the Note Paying Agent, the Note Registrar, the Note Calculation Agent and the Note Transfer Agent under the Indenture. The Issuers and their affiliates may maintain other banking relationships in the ordinary course of business with LaSalle Bank National Association. The payment of the fees and expenses of LaSalle Bank National Association relating to the Notes is solely the obligation of the Issuers. The Indenture contains provisions for the indemnification of LaSalle Bank National Association for any loss, liability or expense incurred without gross negligence, willful misconduct, default or bad faith on its part arising out of or in connection with the acceptance or administration of the Indenture.

Listing and Paying Agent. For so long as any Class of Notes is listed on any stock exchange and the rules of such exchange shall so require, the Issuer will have a Listing and Paying Agent and a paying agent (which shall be the "Listing and Paying Agent") for the Securities. The Issuers and their affiliates may maintain other relationships in the ordinary course of business with the Listing and Paying Agent. The payment of the fees and expenses of the Listing and Paying Agent relating to the Securities is solely the obligation of the Issuers. The Indenture contains provisions for the indemnification of the Listing and Paying Agent for any loss, liability or expense incurred without negligence, willful misconduct or bad faith on their respective parts arising out of or in connection with the acceptance or administration of the Indenture.

Status of the Preferred Shares. The Holders of the Preferred Shares will have certain rights to vote with respect to limited matters arising under the Indenture and the Surveillance Agent Agreement including, without limitation, in connection with certain modifications to the Indenture. However, the Holders of the Preferred Shares will have no right to vote in connection with the realization of the Collateral or certain other matters under the Indenture.

Preferred Share Paying and Transfer Agency Agreement

Pursuant to the Preferred Share Paying and Transfer Agency Agreement, the Preferred Share Paying Agent and the Preferred Share Transfer Agent will perform various fiscal services on behalf of the Holders of the Preferred Shares. The payment of the fees and expenses of the Preferred Share Paying Agent and Preferred Share Transfer Agent is solely the obligation of the Issuer. The Preferred Share Paying and Transfer Agency Agreement contains provisions for the indemnification of the Preferred Share Paying Agent and Preferred Share Transfer Agent for any loss, liability or expense incurred without gross negligence, willful misconduct or bad faith on its part, arising out of or in connection with the acceptance or administration of the Preferred Share Paying and Transfer Agency Agreement.

Consolidation, Merger or Transfer of Assets. The Holders of the Preferred Shares, as a condition to acquiring the Preferred Shares, and the Share Trustee, as a condition to acquiring the Issuer Ordinary Shares, will be required to covenant that, except under the limited circumstances set forth in the Indenture and the declaration of trust made by the Share Trustee in respect of the Issuer Ordinary Shares, they will not permit the Issuer to consolidate with, merge into, or transfer or convey all or substantially all of its assets to, any other corporation, partnership, trust or other person or other entity. The Share Trustee, as a condition to acquiring the common equity of the Co-Issuer, will be required to covenant that, except under the limited circumstances set forth in the Indenture, it will not permit the Co-Issuer to consolidate with, merge into, or transfer or convey all or substantially all of its assets to, any other limited liability company, corporation, partnership, trust or other person or other entity.

Governing Law of the Indenture, the Notes, the Preferred Share Paying and Transfer Agency Agreement, the Hedge Agreements and the Surveillance Agent Agreement

The Indenture, the Notes, the Preferred Share Paying and Transfer Agency Agreement, the Hedge Agreements and the Surveillance Agent Agreement will be governed by, and construed in accordance with, the laws of the State of New York applicable to agreements made and to be performed therein without regard to the conflict of laws principles thereof. Under the Indenture, the Preferred Share Paying and Transfer Agency Agreement, Hedge Agreements and the Surveillance Agent Agreement the Issuers have submitted irrevocably to the non-exclusive jurisdiction of the courts of the State of New York and the courts of the United States of America in the State of New York (in each case sitting in the County of New York) for the purposes of hearing and determining any suit, action or proceedings or settling any disputes arising out of or in connection with the Indenture, the Notes, the Preferred Share Paying and Transfer Agency Agreement, the Hedge Agreements and the Surveillance Agent Agreement. The Preferred Shares will be governed by, and construed in accordance with, the laws of the Cayman Islands.

Form of the Securities

The Notes. Each Class of Notes (other than the Class E Notes) sold in reliance on Rule 144A under the Securities Act will be represented by one or more Rule 144A Global Notes and will be deposited with LaSalle Bank National Association as custodian for DTC and registered in the name of Cede & Co., a nominee of DTC.

The Class E Notes will be issued in definitive, fully registered form, registered in the name of the owner thereof ("Definitive Notes"). The Rule 144A Global Notes and the Definitive Notes (and any Notes issued in exchange therefor) will be subject to certain restrictions on transfer as set forth under "Notice to Investors."

Each Class of Notes (other than the Class E Notes) sold in offshore transactions in reliance on Regulation S will initially be represented by a Temporary Regulation S Global Note deposited on the Closing Date with LaSalle Bank National Association as custodian for DTC and registered in the name of Cede & Co., a nominee of DTC, for the respective accounts of Euroclear and Clearstream. Beneficial interests in a Temporary Regulation S Global Note may be held only through Euroclear or Clearstream. Beneficial interests in a Temporary Regulation S Global Note will be exchanged for beneficial interests in a permanent Regulation S Global Note for the related Class of Notes in definitive, fully registered form upon the later of (i) the expiration of the Distribution Compliance Period and (ii) the first date on which the requisite certifications (in the form provided in the Indenture) are provided to the Trustee. The Regulation S Global Note will be registered in the name of Cede & Co., a nominee of DTC, and deposited with LaSalle Bank National Association as custodian for DTC for credit to the accounts of Euroclear and Clearstream for the respective accounts of the Holders of such Notes. Beneficial interests in a Regulation S Global Note may be held only through Euroclear or Clearstream.

A beneficial interest in a Regulation S Global Note or a Temporary Regulation S Global Note may be transferred, whether before or after the expiration of the Distribution Compliance Period, to a U.S. person only in the form of a beneficial interest in a Rule 144A Global Note, and only upon receipt by the Note Authenticating Agent of a written certification from the transferor (in the form provided in the Indenture) to the effect that the transfer is being made to a person the transferor reasonably believes is a Qualified Institutional Buyer and is a Qualified Purchaser. In addition, transfers of a beneficial interest in a Regulation S Global Note or Temporary Regulation S Global Note to a person who takes delivery in the form of an interest in a Rule 144A Global Note may occur only in denominations greater than or equal to the minimum denominations applicable to the Rule 144A Global Notes.

A beneficial interest in a Rule 144A Global Note may be transferred to a person who takes delivery in the form of an interest in a Temporary Regulation S Global Note or a Regulation S Global Note, as the case may be, whether during or after the expiration of the Distribution Compliance Period, only upon receipt by the Note Registrar of a written certification from the transferor (in the form provided in the Indenture) to the effect that such transfer is being made to a non U.S. Person in accordance with Rule 903 or 904 of Regulation S.

Any beneficial interest in one of the Global Notes that is transferred to a person who takes delivery in the form of an interest in another Global Note will, upon transfer, cease to be an interest in such Global Note and become an interest in the other Global Note and, accordingly, will thereafter be subject to all transfer restrictions and other procedures applicable to beneficial interests in such other Global Note for as long as it remains such interest.

Except in the limited circumstances described below, owners of beneficial interests in any Global Note will not be entitled to receive a Definitive Note. The Notes are not issuable in bearer form.

Each Note will be issued in minimum denominations of $250,000 (in the case of Rule 144A Notes) and $100,000 (in the case of Regulation S Notes) and integral multiples of $1 in excess thereof.

Global Notes. Upon the issuance of the Global Notes, DTC or its custodian will credit, on its internal system, the respective aggregate original principal amount of the individual beneficial interests represented by such Global Notes to the accounts of persons who have accounts with DTC. Such accounts initially will be designated by or on behalf of the Initial Purchasers. Ownership of beneficial interests in Global Notes will be limited to persons who have accounts with DTC ("participants") or persons who hold interests through participants. Ownership of beneficial interests in a Global Note will be shown on, and the transfer of that ownership will be effected only through, records maintained by DTC or its nominee (with respect to interests of participants) and the records of participants (with respect to interests of persons other than participants).

So long as DTC, or its nominee, is the registered owner or Holder of the Global Notes, DTC or such nominee, as the case may be, will be considered the sole owner or Holder of each Class of the Notes represented by such Global Notes for all purposes under the Indenture and such Notes. Unless DTC notifies the Issuers that it is unwilling or unable to continue as depositary for a global note or ceases to be a "Clearing Agency" registered under the Exchange Act, owners of the beneficial interests in the Global Notes will not be entitled to have any portion of such Global Notes registered in their names, will not receive or be entitled to receive physical delivery of Notes in certificated form and will not be considered to be the owners or Holders of any Notes under the Indenture. In addition, no beneficial owner of an interest in the Global Notes will be able to transfer that interest except in accordance with DTC's applicable procedures (in addition to those under the Indenture referred to herein and, if applicable, those of Euroclear and Clearstream).

Investors may hold their interests in a Regulation S Global Note or a Temporary Regulation S Global Note directly through Clearstream or Euroclear, if they are participants in these systems, or indirectly through organizations which are participants in these systems. Clearstream and Euroclear will hold interests in the Regulation S Global Notes on behalf of their participants through their respective depositaries, which in turn will hold the interests in the Regulation S Global Notes and Temporary Regulation S Global Notes in customers' securities accounts in the depositories' names on the books of DTC. Investors may hold their interests in a Rule 144A Global Note directly through DTC if they are participants in the system, or indirectly through organizations which are participants in the system.

Payments of the principal of and interest on the Global Notes will be made to DTC or its nominee, as the registered owner thereof. Neither the Issuers, the Trustee nor any paying agent will have any responsibility or liability for any aspect of the records relating to or payments made on account of beneficial ownership interests in the Global Notes or for any notice permitted or required to be given to Holders of Notes or any consent given or actions taken by DTC as Holder of Notes. The Issuers expect that DTC or its nominee, upon receipt of any payment of principal or interest in respect of a Global Note representing any Notes held by it or its nominee, will immediately credit participants' accounts with payments in amounts proportionate to their respective interests in the principal amount of such Global Notes as shown on the records of DTC or its nominee. The Issuers also expect that payments by participants to owners of interests in such Global Notes held through such participants will be governed by standing instructions and customary practices, as is now the case with securities held for the accounts of customers registered in the names of nominees for such customers. Such payments will be the responsibility of such participants.

Transfers between participants will be effected in the ordinary way in accordance with DTC rules and will be settled in same-day funds. The laws of some jurisdictions require that certain persons take physical delivery of securities in definitive form. Consequently, the ability to transfer beneficial interests in Global Notes to these persons may be limited. Because DTC can only act on behalf of participants, who in turn act on behalf of indirect participants and certain banks, the ability of a person having a beneficial interest in Global Notes to pledge its interest to persons or entities that do not participate in the DTC system, or otherwise take actions in respect of its interest, may be affected by the lack of a physical certificate of the interest. Transfers between account holders in Euroclear and Clearstream will be effected in the ordinary way in accordance with their respective rules and operating procedures.

Subject to compliance with the transfer restrictions applicable to the Notes described above, cross-market transfers between DTC participants, on the one hand, and, directly or indirectly through Euroclear or Clearstream account holders, on the other, will be effected in DTC in accordance with DTC rules on behalf of Euroclear or Clearstream, as the case may be, by its respective depositary; however, these cross-market transactions will require delivery of instructions to Euroclear or Clearstream, as the case may be, by the counterparty in the system in accordance with its rules and procedures and within its established deadlines (Brussels time). Euroclear or Clearstream, as the case may be, will, if the transaction meets its settlement requirements, deliver instructions to its respective depositary to take action to effect final settlement on its behalf by delivering or receiving interests in a Temporary Regulation S Global Note or a Regulation S Global Note in DTC, and making or receiving payment in accordance with normal procedures for a same-day funds settlement applicable to DTC. Clearstream and Euroclear account holders may not deliver instructions directly to the depositaries for Clearstream or Euroclear.

Because of time zone differences, the securities account of a Euroclear or Clearstream participant purchasing an interest in a Global Note from a DTC participant will be credited during the securities settlement processing day (which must be a Business Day for Euroclear or Clearstream, as the case may be) immediately following the DTC settlement date and the credit of any transactions in interests in a Global Note settled during the processing day will be reported to the relevant Euroclear or Clearstream participant on that day. Cash received in Euroclear or Clearstream as a result of sales of interests in a Global Note by or through a Euroclear or Clearstream participant to a DTC participant will be received with value on the DTC settlement date but will be available in the relevant Euroclear or Clearstream cash account only as of the Business Day following settlement in DTC.

DTC has advised the Issuers that it will take any action permitted to be taken by a Holder of the Notes (including the presentation of the applicable Notes for exchange as described below) only at the direction of one or more participants to whose account with DTC interests in a Global Note are credited and only in respect of that portion of the aggregate principal amount of the Notes as to which the participant or participants has or have given direction.

The giving of notices and other communications by DTC to participants, by participants to persons who hold accounts with them and by such persons to Holders of beneficial interests in a Global Note will be governed by arrangements between them, subject to any statutory or regulatory requirements as may exist from time to time.

DTC has advised the Issuers as follows: DTC is a limited purpose trust company organized under the laws of the State of New York, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the Uniform Commercial Code and a "Clearing Agency" registered pursuant to the provisions of Section 17A of the Exchange Act. DTC was created to hold securities for its participants and facilitate the clearance and settlement of securities transactions between participants through electronic book-entry changes in accounts of its participants, thereby eliminating the need for physical movement of certificates. Participants include securities brokers and dealers, banks, trust companies and clearing corporations and may include certain other organizations. Indirect access to the DTC system is available to others such as banks, brokers, dealers and trust companies that clear through or maintain a custodial relationship with a participant, either directly or indirectly ("indirect participants").

Clearstream. Clearstream Banking, société anonyme, was incorporated as a limited liability company under Luxembourg law. Clearstream is owned by Cedel International, société anonyme, and Deutsche Börse AG. The shareholders of these two entities are banks, securities dealers and financial institutions.

Clearstream holds securities for its customers and facilitates the clearance and settlement of securities transactions between Clearstream customers through electronic book-entry changes in accounts of Clearstream customers, thus eliminating the need for physical movement of certificates. Clearstream provides to its customers, among other things, services for safekeeping, administration, clearance and settlement of internationally traded securities, securities lending and borrowing and

collateral management. Clearstream interfaces with domestic markets in a number of countries. Clearstream has established an electronic bridge with Euroclear Bank S.A./N.V., the operator of the Euroclear System, to facilitate settlement of trades between Clearstream and Euroclear.

As a registered bank in Luxembourg, Clearstream is subject to regulation by the Luxembourg Commission for the Supervision of the Financial Sector. Clearstream customers are recognized financial institutions around the world, including underwriters, securities brokers and dealers, banks, trust companies and clearing corporations. In the United States, Clearstream customers are limited to securities brokers and dealers and banks and may include the Initial Purchasers. Other institutions that maintain a custodial relationship with a Clearstream customer may obtain indirect access to Clearstream. Clearstream is an indirect participant in DTC.

Distributions with respect to the Notes held beneficially through Clearstream will be credited to cash accounts of Clearstream customers in accordance with its rules and procedures, to the extent received by Clearstream.

The Euroclear System. The Euroclear System was created in 1968 to hold securities for participants of the Euroclear System and to clear and settle transactions between Euroclear participants through simultaneous electronic book-entry delivery against payment, thus eliminating the need for physical movement of certificates and risk from lack of simultaneous transfers of securities and cash. Transactions may now be settled in many currencies, including U.S. Dollars and Japanese Yen. The Euroclear System provides various other services, including securities lending and borrowing and interfaces with domestic markets in several countries generally similar to the arrangements for cross-market transfers with DTC described above.

The Euroclear System is operated by Euroclear Bank S.A./N.V. (the "Euroclear Operator"), under contract with Euroclear Clearance System plc, a U.K. corporation (the "Euroclear Clearance System"). The Euroclear Operator conducts all operations, and all Euroclear securities clearance accounts and Euroclear cash accounts are accounts with the Euroclear Operator, not the Euroclear Clearance System. The Euroclear Clearance System establishes policy for the Euroclear System on behalf of Euroclear participating organizations. Euroclear participants include banks (including central banks), securities brokers and dealers and other professional financial intermediaries and may include the Initial Purchasers. Indirect access to the Euroclear System is also available to other firms that clear through or maintain a custodial relationship with a Euroclear participant, either directly or indirectly. Euroclear is an indirect participant in DTC.

The Euroclear Operator is a Belgian bank. The Belgian Banking Commission regulates and examines the Euroclear Operator.

The Terms and Conditions Governing Use of Euroclear and the related Operating Procedures of the Euroclear System and applicable Belgian law govern securities clearance accounts and cash accounts with the Euroclear Operator. Specifically, these terms and conditions govern:

(a) transfers of securities and cash within the Euroclear System;

(b) withdrawal of securities and cash from the Euroclear System; and

(c) receipts of payments with respect to securities in the Euroclear System.

All securities in the Euroclear System are held on a fungible basis without attribution of specific certificates to specific securities clearance accounts. The Euroclear Operator acts under the terms and conditions only on behalf of Euroclear participants and has no record of or relationship with persons holding securities through Euroclear participants.

Distributions with respect to Notes held beneficially through Euroclear will be credited to the cash accounts of Euroclear participating organizations in accordance with the Euroclear Terms and Conditions, to the extent received by the Euroclear Operator and by Euroclear.

Although DTC, Clearstream and Euroclear have agreed to the foregoing procedures in order to facilitate transfers of interests in the Regulation S Global Notes and in the Rule 144A Global Notes among participants of DTC, Clearstream and Euroclear, they are under no obligation to perform or continue to perform these procedures, and the procedures may be discontinued at any time. Neither the Issuers nor the Trustee will have any responsibility for the performance by DTC, Clearstream, Euroclear or their respective participants or indirect participants of their respective obligations under the rules and procedures governing their operations.

Payments; Certifications by Holders of Temporary Regulation S Global Notes. A Holder of a beneficial interest in a Temporary Regulation S Global Note must provide Clearstream or Euroclear, as the case may be, with a certificate in the form required by the Indenture certifying that the beneficial owner of the interest in such Global Note is not a U.S. Person (as defined in Regulation S), and Clearstream or Euroclear, as the case may be, must provide to the Trustee a certificate in the form required by the Indenture prior to (i) the payment of interest or principal with respect to such Holder's beneficial interest in the Temporary Regulation S Global Note and (ii) any exchange of such beneficial interest for a beneficial interest in a Regulation S Global Note.

Individual Definitive Notes. The Notes (other than the Class E Notes) will be initially issued in global form. The Class E Notes will be represented by one or more Definitive Notes. If DTC or any successor to DTC advises the Issuer in writing that it is at any time unwilling or unable to continue as a depositary for the reasons described in "—Global Notes" and a successor depositary is not appointed by the Issuers within ninety (90) days or as a result of any amendment to or change in, the laws or regulations of the Cayman Islands or the State of Delaware, as applicable, or of any authority therein or thereof having power to tax or in the interpretation or administration of such laws or regulations which become effective on or after the Closing Date, the Issuers or the Note Paying Agent is or will be required to make any deduction or withholding from any payment in respect of the Notes which would not be required if the Notes were in definitive form, the Issuers will issue Definitive Notes in registered form in exchange for the Regulation S Global Notes and the Rule 144A Global Notes, as the case may be. Upon receipt of such notice from DTC, the Issuers will use their best efforts to make arrangements with DTC for the exchange of interests in the Global Notes for individual Definitive Notes and cause the requested individual Definitive Notes to be executed and delivered to the Note Registrar in sufficient quantities and authenticated by or on behalf of the Note Transfer Agent for delivery to Holders of the Notes. Persons exchanging interests in a Global Note for individual Definitive Notes will be required to provide to the Note Transfer Agent, through DTC, Clearstream or Euroclear, (i) written instructions and other information required by the Issuers and the Note Transfer Agent to complete, execute and deliver such individual Definitive Notes, (ii) in the case of an exchange of an interest in a Rule 144A Global Note, such certification as to Qualified Institutional Buyer status and that such Holder is a Qualified Purchaser, as the Issuers shall require and (iii) in the case of an exchange of an interest in a Regulation S Global Note, such certification as the Issuers shall require as to non-U.S. Person status. In all cases, individual Definitive Notes delivered in exchange for any Global Note or beneficial interests therein will be registered in the names, and issued in denominations in compliance with the minimum denominations specified for the applicable Global Notes, requested by DTC.

Individual Definitive Notes will bear, and be subject to, such legends as the Issuers require in order to assure compliance with any applicable law. Individual Definitive Notes will be transferable subject to the minimum denomination applicable to the Rule 144A Global Notes and Regulation S Global Notes, in whole or in part, and exchangeable for individual Definitive Notes of the same Class at the office of the Note Paying Agent, Note Authenticating Agent or the office of any transfer agent, upon compliance with the requirements set forth in the Indenture. Individual Definitive Notes may be transferred through any transfer agent upon the delivery and duly completed assignment of such Notes. Upon transfer of any individual Definitive Note in part, the Note Authenticating Agent will issue in exchange therefor to the

transferee one or more individual Definitive Notes in the amount being so transferred and will issue to the transferor one or more individual Definitive Notes in the remaining amount not being transferred. No service charge will be imposed for any registration of transfer or exchange, but payment of a sum sufficient to cover any tax or other governmental charge may be required. The Holder of a restricted individual Definitive Note may transfer such Note, subject to compliance with the provisions of the legends thereon. Upon the transfer, exchange or replacement of Notes bearing a legend, or upon specific request for removal of a legend on a Note, the Issuer will deliver only Notes that bear such legends, or will refuse to remove such legends, as the case may be, unless there is delivered to the Issuer such satisfactory evidence, which may include an opinion of counsel, as may reasonably be required by the Issuer that neither the legends nor the restrictions on transfer set forth therein are required to ensure compliance with the provisions of the Securities Act and the Investment Company Act. Payments of principal and interest on individual Definitive Notes shall be payable by the Note Paying Agents by U.S. Dollar check drawn on a bank in the United States of America and sent by mail to the registered Holder thereof, by wire transfer in immediately available funds. In addition, for so long as any Notes are listed on any stock exchange and the rules of such exchange shall so require, in the case of a transfer or exchange of individual Definitive Notes, a Holder thereof may effect such transfer or exchange by presenting such Notes at, and obtaining a new individual Definitive Note from the office of the Listing and Paying Agent, in the case of a transfer of only a part of an individual Definitive Note, a new individual Definitive Note in respect of the balance of the principal amount of the individual Definitive Note not transferred will be delivered at the office of applicable stock exchange, and in the case of a replacement of any lost, stolen, mutilated or destroyed individual Definitive Notes, a Holder thereof may obtain a new individual Definitive Note from the Listing and Paying Agent.

Holders of Class E Notes may only transfer such notes upon receipt by the Issuer and the Trustee of a Class E Notes Purchase and Transfer Letter to the effect that the transfer is being made (i) to a Qualified Institutional Buyer that has acquired an interest in the Class E Notes in a transaction meeting the requirements of Rule 144A or (ii) to a non-U.S. Person in an offshore transaction complying with Rule 903 or Rule 904 of Regulation S. The transferee must also make certain other representations applicable to such transferee, as set forth in the Class E Purchase and Transfer Letter.

The Preferred Shares. The Preferred Shares will be represented by one or more Preferred Share Certificates in definitive form and the Preferred Shares will be subject to certain restrictions on transfer as set forth under "Notice to Investors."

Preferred Shares may be transferred only upon receipt by the Issuer and Preferred Share Transfer Agent of a Preferred Shares Purchase and Transfer Certificate to the effect that the transfer is being made (i)(a) to a Qualified Institutional Buyer that has acquired an interest in the Preferred Shares in a transaction meeting the requirements of Rule 144A, or (b) to an Accredited Investor having a net worth of not less than U.S.$10 million in a transaction exempt from registration under the Securities Act who is a Qualified Purchaser, or (ii) to a non-U.S. Person in an offshore transaction complying with Rule 903 or Rule 904 of Regulation S. The transferee must also make certain other representations applicable to such transferee, as set forth in the Preferred Shares Purchase and Transfer Certificate.

The Preferred Shares will be issued in minimum numbers of 250 Preferred Shares per investor and integral multiples of one Preferred Share in excess thereof. Payments on the Preferred Shares on any Payment Date will be made to the person in whose name the relevant Preferred Share is registered in the share register as of the close of business on the first calendar day of the month in which such Payment Date occurs (or if such day is not a Business Day, the next succeeding Business Day).

A Holder of Preferred Shares may, upon notice to the Preferred Share Paying Agent, elect to forfeit the voting or consent rights specified in such notice of all or any portion of the Preferred Shares owned by such Holder (an "Electing Preferred Share Holder"). With respect to any matter as to which Holders of the Preferred Shares may vote or consent and as to which any Electing Preferred Share Holder has forfeited the right to consent in respect of any Preferred Shares owned by it (the "Elected Preferred Shares"), such Elected Preferred Shares shall not be counted as outstanding in determining

whether such matter has been approved, consented to or adopted. Any such election may be rescinded in whole or in part at any time if such Electing Preferred Share Holder determines that such rescission is consistent with applicable banking laws but such rescission shall not effect the prior exercise of voting or consent rights.

USE OF PROCEEDS

The gross proceeds associated with the offering of the Securities are expected to equal approximately U.S.$417,800,000. Approximately U.S.$7,175,000 of such gross proceeds will be applied by the Issuer to pay upfront fees and expenses associated with the offering of the Securities. On the Closing Date or promptly thereafter as is consistent with customary settlement procedures, pursuant to agreements to purchase entered into on or before the Closing Date, the Issuer will apply the net proceeds to purchase the Collateral Assets described herein having an aggregate Principal Balance of approximately U.S.$410,000,000 and will have entered into the Hedge Agreements. In addition, on the Closing Date, approximately U.S.$200,000 of the net proceeds from the issuance of the Securities will be deposited into the Expense Reserve Account.

RATINGS OF THE NOTES

It is a condition to the issuance of the Notes that the Class A-1 Notes and the Class A-2 Notes be rated "Aaa" by Moody's and "AAA" by S&P, that the Class B Notes be rated at least "Aa2" by Moody's and at least "AA" by S&P, that the Class C Notes be rated at least "A3" by Moody's and at least "A-" by S&P, that the Class D Notes be rated at least "Baa2" by Moody's and at least "BBB" by S&P, that the Class E Notes be rated at least "Ba3" by Moody's and at least "BB-" by S&P assuming the Class E Principal Increase Option, the Maximum Increase Amount and the Maximum Coupon for the Class E Notes and that the Preferred Shares be issued with a rating of at least "Ba3" by Moody's as to the ultimate receipt of the Preferred Share Stated Amount of the Preferred Shares. A rating is not a recommendation to buy, sell or hold securities and may be subject to revision or withdrawal at any time.

Moody's Ratings

The ratings assigned to the Notes by Moody's are based upon its assessment of the probability that the Collateral Assets will provide sufficient funds to pay such Notes, based largely upon Moody's statistical analysis of historical default rates on debt obligations with various ratings, expected recovery rates on the Collateral Assets, the asset and interest coverage required for such Notes (which is achieved through the subordination of more junior Notes), and the diversification requirements that the Collateral Assets must satisfy.

Moody's ratings of (i) the Class A Notes and the Class B Notes address the ultimate cash receipt of all required principal payments and the timely cash receipt of all interest payments as provided in the governing documents, (ii) the Class C Notes, the Class D Notes and the Class E Notes address the ultimate cash receipt of all required interest and principal payments as provided in the governing documents and (iii) the Preferred Shares address the ultimate receipt of cash distributions in an amount equal to their Preferred Share Stated Amount. The Moody's rating of the Preferred Shares does not address the receipt by the Holders of such Preferred Shares of any amounts in excess of the Preferred Share Stated Amount. Moody's ratings are based on the expected loss posed to the Holders of the Notes relative to the promise of receiving the present value, calculated using a discounted rate equal to the promised interest rate of such payments. Moody's analyzes the likelihood that each debt obligation included in the portfolio will default, based on historical default rates for similar debt obligations, the historical volatility of such default rates and an additional default assumption to account for future fluctuations in defaults. Moody's then determines the level of credit protection necessary to achieve the expected loss associated with the rating of the structured securities, taking into account the potential recovery value of the Collateral Assets and the expected volatility of the default rate of the portfolio based on the level of diversification by issuer and industry.

In addition to these quantitative tests, Moody's ratings take into account qualitative features of a transaction, including the experience of the Surveillance Agent, the legal structure and the risks associated with such structure, its view as to the quality of the participants in the transaction and other factors that it deems relevant.

S&P Ratings

S&P will rate the Notes in a manner similar to the manner in which it rates other structured issues. The ratings assigned to the Class A Notes and the Class B Notes by S&P addresses the likelihood of the timely payment of interest and the ultimate payment of principal on such Notes. The ratings assigned to the Class C Notes, the Class D Notes and the Class E Notes by S&P addresses the likelihood of the ultimate payment of interest and principal on such Notes. This requires an analysis of the following: (i) credit quality of the Collateral Assets securing the Notes; (ii) cash flow used to pay liabilities and the priorities of these payments; and (iii) legal considerations. Based on these analyses, S&P determines the necessary level of credit enhancement needed to achieve a desired rating.

S&P's analysis includes the application of its proprietary default expectation computer model, the Standard & Poor's CDO Monitor (which will be provided to the Surveillance Agent), which is used to estimate the default rate the portfolio is likely to experience. The Standard & Poor's CDO Monitor calculates the projected cumulative default rate of a pool of Collateral Assets consistent with a specified benchmark rating level based upon S&P's proprietary corporate debt default studies. The Standard & Poor's CDO Monitor takes into consideration the rating of each issuer or obligor, the number of issuers or obligors, the issuer or obligor industry concentration and the remaining weighted average maturity of each of the Collateral Assets and Eligible Investments included in the portfolio. The risks posed by these variables are accounted for by effectively adjusting the necessary default level needed to achieve a desired rating. The higher the desired rating, the higher the level of defaults the portfolio must withstand.

Credit enhancement to support a particular rating is then provided based, in part, on the results of the Standard & Poor's CDO Monitor, as well as other more qualitative considerations such as legal issues and management capabilities. Credit enhancement is typically provided by a combination of overcollateralization/subordination, cash collateral/reserve account, excess spread/interest and amortization. A transaction-specific cash flow model (the "Transaction-Specific Cash Flow Model") is used to evaluate the portfolio and determine whether it can withstand an estimated level of default while fully repaying the class of debt under consideration.

There can be no assurance that actual loss on the Collateral Assets will not exceed those assumed in the application of the Standard & Poor's CDO Monitor or that recovery rates and the timing of recovery with respect thereto will not differ from those assumed in the Transaction-Specific Cash Flow Model. The Issuers make no representation as to the expected rate of defaults on the portfolio or as to the expected timing of any defaults that may occur.

S&P's rating of the Notes will be established under various assumptions and scenario analyses. There can be no assurance, and no representation is made, that actual defaults on the Collateral Assets will not exceed those in S&P's analysis, or that recovery rates with respect thereto (and, consequently, loss rates) will not differ from those in S&P's analysis.

SECURITY FOR THE NOTES

Under the terms of the Indenture, the Issuer will grant to the Trustee, for the benefit of the Secured Parties (but not the Holders of the Preferred Shares), a first priority perfected security interest in the Collateral, including the Collateral Assets, that is free of any adverse claim, to secure the Issuers' obligations under the Indenture, the Notes and the Hedge Agreements.

On the Closing Date, the Issuer expects to acquire approximately U.S.$410,000,000 in aggregate principal and notional balance of Collateral Assets. The Collateral Assets will consist of Residential Mortgage-Backed Securities, Commercial Mortgage-Backed Securities, CDO Securities, Asset-Backed Securities and Synthetic Securities. Certain information with respect to the Collateral Assets is included herein (including in Appendix B) and on the CD-ROM attached to this Offering Circular. This information was provided by or derived from information provided by the issuers, underwriters and/or the servicers for each underlying Collateral Asset. None of the Issuers, the Initial Purchasers, the Surveillance Agent, the Trustee or any party on their behalf has made any independent review as to the accuracy and completeness of the information contained below or is making any representation or warranty regarding, or assuming any responsibility for, the accuracy, completeness, or applicability of the information contained below.

The Collateral Assets

The Collateral Assets had an aggregate principal or notional balance (an aggregate "Collateral Asset Principal Balance") on or about June 13, 2005 (the "Reference Date") of approximately U.S. $410,077,977. The Reference Date balances of the Collateral Assets reflect their principal balances after giving effect to distributions received by June 13, 2005 and (without duplication) after application of all payments due on the Collateral Assets before the Reference Date, whether or not received. However, the first distributions on the Collateral Assets available to make payments on the Notes will be those made from June 22, 2005 through September 30, 2005. The use of a later Reference Date would result in a lower Reference Date balance for certain Collateral Assets and, consequently, a lower aggregate Collateral Asset Principal Balance. The Collateral Assets consist of:

(i) 21 issues across 3 categories of CMBS constituting approximately 24.2% of the Collateral Assets (by principal or notional balance),

(ii) 56 issues across 5 categories of RMBS constituting approximately 57.6% of the Collateral Assets (by principal or notional balance),

(iii) 14 issues across 3 categories of CDO Securities constituting approximately 12.4% of the Collateral Assets (by principal or notional balance), and

(iv) 6 issues across 2 categories of Asset-Backed Securities consisting of approximately 5.7% of Collateral Assets (by principal or notional balance).

For purposes of the information set forth herein, unless otherwise specified, Synthetic Securities included in the Collateral Assets are treated in the category in which the related Reference Obligation would be treated. 16.3% of the Synthetic Securities, constituting approximately 3.66% of the Collateral Assets (by principal or notional balance) have Reference Obligations which are RMBS, 67.4% of the Synthetic Securities, constituting approximately 15.12% of the Collateral Assets (by principal or notional l balance) have Reference Obligations which are CMBS and 16.3% of the Synthetic Securities, constituting approximately 3.66% of the Collateral Assets (by principal or notional balance) have Reference Obligations which are Asset-Backed Securities.

CMBS. The Collateral Assets include 26 whole and partial classes of commercial mortgage pass-through certificates The following is a list of the respective classes and series of CMBS included in the Collateral Assets:

Collateral Asset	CMBS Category	Principal Balance as of Closing Date	Percentage of CMBS	Ratings (Moody's/S&P)	Coupon Type	Weighted Average Life
GSMS 1998-GLII F	CMBS Large Loan	3,000,000	3.0%	Ba2	fixed	4.58
GCCFC 2004-FL2A L	CMBS Large Loan	5,673,279	5.7%	Baa3/BBB-	LIBOR01M	2.38
GCCFC 2004-FL2A J	CMBS Large Loan	5,000,000	5.0%	Baa2/A-	LIBOR01M	2.06
GUGH 2005-1A C	CMBS Large Loan	5,000,000	5.0%	A3/BBB+	LIBOR01M	5.44
MLMI 1999-C1 E	CMBS Conduit	5,000,000	5.0%	BBB	fixed	4.25
LBUBS 2003-C8 M	CMBS Conduit	2,000,000	2.0%	Ba2/BB	synthetic sprd	8.42
GCCFC 2004-GG1 K	CMBS Conduit	2,000,000	2.0%	Ba2/BB	synthetic sprd	8.91
GECMC 2004-C1 K	CMBS Conduit	2,000,000	2.0%	Ba2/BB	synthetic sprd	9.40
GSMS 2004-C1 H	CMBS Conduit	5,000,000	5.0%	Baa3	synthetic sprd	5.58
GSMS 2004-C1 K	CMBS Conduit	5,000,000	5.0%	Ba2	synthetic sprd	5.58
COMM 2004-LB3A H	CMBS Conduit	5,000,000	5.0%	Baa3/BBB-	synthetic sprd	8.94
BSCMS 2004-T14 H	CMBS Conduit	5,000,000	5.0%	Baa3/BBB-	synthetic sprd	10.73
LBUBS 2004-C2 M	CMBS Conduit	5,000,000	5.0%	Ba2/BB	synthetic sprd	13.51
GSMS 2004-GG2 H	CMBS Conduit	3,000,000	3.0%	Baa3/BBB-	synthetic sprd	9.23
GSMS 2004-GG2 K	CMBS Conduit	3,000,000	3.0%	Ba2/BB	synthetic sprd	9.24
CSFB 2004-C1 H	CMBS Conduit	5,000,000	5.0%	Baa3/BBB-	synthetic sprd	8.67
BSCMS 2004-PWR5 H	CMBS Conduit	5,000,000	5.0%	Baa3	synthetic sprd	13.66
BSCMS 2004-T16 H	CMBS Conduit	5,000,000	5.0%	BBB-	synthetic sprd	12.17
MSC 2004-IQ7 G	CMBS Conduit	5,000,000	5.0%	BBB-	synthetic sprd	13.36
MSC 2004-T15 G	CMBS Conduit	5,000,000	5.0%	Baa3/BBB-	synthetic sprd	13.40
BAYC 2005-1A B3	CMBS Conduit	2,954,699	3.0%	BBB-	LIBOR01M	6.08
IMM 2005-2 2M2	CMBS Conduit	1,993,054	2.0%	A2	LIBOR01M	3.77
IMM 2005-2 2B	CMBS Conduit	2,989,581	3.0%	Baa2	LIBOR01M	3.77
LBSBC 2005-1A M2	CMBS Conduit	1,500,000	1.5%	A2/A+	LIBOR01M	6.62
LBSBC 2005-1A B	CMBS Conduit	500,000	0.5%	Baa1/A-	LIBOR01M	6.62
AHR 2004-1A EFL	CMBS Repackaging	3,600,000	3.6%	Baa3/BBB	LIBOR01M	9.51

The CMBS evidence direct and indirect subordinate interests in 21 separate segregated pools (each, an "Underlying CMBS Trust Fund") of commercial and multifamily mortgage loans and/or participations and other certificated interests in commercial and multifamily mortgage loans (the "Commercial Mortgage Loans"). The Commercial Mortgage Loans are secured by liens on the respective borrowers' fee and/or leasehold interests in commercial and multifamily mortgaged properties (each, a "Commercial Mortgaged Property"). Each series of certificates of which a CMBS included in the Collateral Assets is a part (each, an "Underlying CMBS Series") collectively represents the entire

beneficial ownership interest in, or is secured by, an Underlying CMBS Trust Fund. Each Commercial Mortgage Loan is evidenced by a promissory note, bond or other evidence of indebtedness of the related borrower (as to such loan, the "Commercial Mortgagor") and is secured by one or more mortgages, deeds of trust or similar security instruments (each, a "Commercial Mortgage") that, in each case, creates a lien on a fee simple or leasehold interest of the related Commercial Mortgagor in the related Commercial Mortgaged Property. As described below and in the corresponding Disclosure Documents referred to herein, any particular Commercial Mortgage Loan: (i) may provide for the accrual of interest thereon at an interest rate (a "Commercial Mortgage Rate") that is fixed over its remaining term or that adjusts in relation to an index or in connection with the exercise of an extension option; (ii) may provide for level Monthly Payments to maturity; (iii) may be fully amortizing over its term to maturity or, alternatively, may provide for no amortization prior to maturity or for an amortization schedule that is significantly longer than its remaining term, thereby having a substantial principal amount due and payable on such loan's maturity, unless prepaid prior thereto; or (iv) may prohibit voluntary prepayments of principal for a specified period or may require payment of a prepayment premium or yield maintenance payment (in either case, a "Prepayment Premium") in connection with a voluntary prepayment of principal. In general, the Commercial Mortgage Loans constitute nonrecourse obligations of the related Commercial Mortgagors and, upon any such Commercial Mortgagor's default in the payment of any amount due under the related loan, the holder thereof may look only to the related Commercial Mortgaged Property or Properties or, with respect to Commercial Mortgage Loans as to which a defeasance has taken place, the U.S. government obligations that have been substituted therefor for satisfaction of the Commercial Mortgagor's obligation. In addition, in those cases where recourse to a Commercial Mortgagor or guarantor is permitted by the loan documents, the Issuer has not undertaken an evaluation of the financial condition of any such person, and prospective investors should thus consider all the Commercial Mortgage Loans to be nonrecourse.

Each Underlying CMBS Series included in the Collateral Assets is serviced by a servicer/special servicer. As of the Closing Date, Lennar Partners is the servicer/special servicer with respect to approximately 6.2%, by principal balance, of the Collateral Assets and ARCap Special Servicing is the servicer/special servicer with respect to approximately 3.7%, by principal balance, of the Collateral Assets.

For further information about the CMBS included in the Collateral Assets, investors should refer to the information in Appendix B to this Offering Circular, and to the Disclosure Documents therefor set forth on the CD-ROM attached to this Offering Circular.

Additional Credit Support of CMBS. While 77.8% of the CMBS included in the Collateral Assets are rated at least investment grade as of the date hereof, 66.1% of the CMBS without more senior classes of the same Underlying CMBS Series included in the Collateral Assets, are subordinate to one or more senior classes of the same Underlying CMBS Series. Those classes of CMBS included in the Collateral Assets will, among other things, offset losses and other shortfalls with respect to the related Underlying CMBS Trust Fund before related, more senior classes. In addition, 58.1% of the CMBS without more junior classes of the same Underlying CMBS Series included in the Collateral Assets, are senior to one or more junior classes of the same Underlying CMBS series, for purposes of, among other things, offsetting losses and other shortfalls with respect to the related Underlying CMBS Trust Fund. None of the Commercial Mortgage Loans or the CMBS is insured or guaranteed by the United States, any governmental agency or instrumentality, or any other person.

RMBS. The Collateral Assets include 84 whole and partial classes of residential mortgage pass-through certificates. The following is a list of the respective classes and series of RMBS included in the Collateral Assets:

Collateral Asset	RMBS Category	Principal Balance as of Closing Date	Percentage of RMBS	Ratings (Moody's/S&P)	Coupon Type	Weighted Average Life
ORGN 2004-B A4	RMBS MH	2,000,000	0.8%	Aaa/AAA	fixed	9.17
ORGN 2004-B M1	RMBS MH	1,750,000	0.7%	Aa2/AA	fixed	7.57
LBMLT 2004-4 M9	RMBS HEL	2,250,000	1.0%	Baa3/A-	LIBOR01 M	4.24
FFML 2004-FF7 M4	RMBS HEL	5,631,000	2.4%	A+	LIBOR01 M	4.35
ACCR 2004-4 M2	RMBS HEL	3,500,000	1.5%	A2/A+	LIBOR01 M	5.23
ACCR 2004-4 M5	RMBS HEL	1,500,000	0.6%	Baa2/BBB+	LIBOR01 M	4.96
EMLT 2004-3 M9	RMBS HEL	575,000	0.2%	Baa2/BBB-	LIBOR01 M	4.36
EMLT 2004-3 M8	RMBS HEL	1,930,000	0.8%	Baa1/BBB	LIBOR01 M	4.41
EMLT 2005-1 M5	RMBS HEL	1,000,000	0.4%	A2/A	LIBOR01 M	3.97
EMLT 2005-1 M9	RMBS HEL	1,000,000	0.4%	Baa3/BBB-	LIBOR01 M	3.88
BSABS 2003-SD1 B	RMBS HEL	5,185,000	2.2%	Baa2/BBB	LIBOR01 M	3.91
HMBT 2004-2 M2	RMBS HEL	3,694,489	1.6%	A2/A	LIBOR01 M	3.34
NCHET 2004-3 M8	RMBS HEL	5,000,000	2.1%	Baa2/BBB	synthetic sprd	4.98
CMLTI 2004-OPT1 M10	RMBS B/C	5,000,000	2.1%	Baa3/BBB	LIBOR01 M	4.32
PPSI 2004-WCW2 M8	RMBS B/C	5,500,000	2.3%	Baa2/BBB	LIBOR01 M	4.83
CXHE 2004-D MV6	RMBS B/C	1,000,000	0.4%	Baa1/BBB+	LIBOR01 M	5.03
PPSI 2004-MCW1 M7	RMBS B/C	2,000,000	0.8%	Baa1/A-	LIBOR01 M	4.15
CWL 2004-8 M7	RMBS B/C	3,000,000	1.3%	AA-	LIBOR01 M	4.09
OOMLT 2004-3 M4	RMBS B/C	2,000,000	0.8%	A1/AA-	LIBOR01 M	3.92
OOMLT 2004-3 M7	RMBS B/C	2,000,000	0.8%	Baa1/A	LIBOR01 M	3.89
OOMLT 2004-3 M9	RMBS B/C	3,000,000	1.3%	Baa3/A-	LIBOR01 M	3.88
INHEL 2004-B M6	RMBS B/C	5,000,000	2.1%	A3/AA-	LIBOR01 M	4.61
INHEL 2004-B M9	RMBS B/C	5,000,000	2.1%	Baa3/BBB+	LIBOR01 M	4.39
OOMLT 2004-3 M10	RMBS B/C	3,500,000	1.5%	BBB+	LIBOR01 M	4.00
BSABS 2004-HE9 M2	RMBS B/C	2,000,000	0.8%	A2/AA	LIBOR01 M	4.68
BSABS 2004-HE9 M3	RMBS B/C	2,360,000	1.0%	A3/A+	LIBOR01 M	4.59
BSABS 2004-HE9 M4	RMBS B/C	2,000,000	0.8%	Baa1/A	LIBOR01 M	4.54
RASC 2004-KS10 M3	RMBS B/C	4,000,000	1.7%	A3/A	LIBOR01 M	3.90
RASC 2004-KS10 M4	RMBS B/C	2,500,000	1.1%	Baa1/A-	LIBOR01 M	3.82
AABST 2004-5 M3	RMBS B/C	3,100,000	1.3%	A3/A-	LIBOR01 M	4.88
AABST 2004-5 B1	RMBS B/C	3,050,000	1.3%	Baa1/BBB+	LIBOR01 M	4.81
NHEL 2004-4 B1	RMBS B/C	2,500,000	1.1%	Baa1/A	LIBOR01 M	4.72

NHEL 2004-4 B3	RMBS B/C	2,000,000	0.8%	Baa3/BBB	LIBOR01M	4.43
EMCM 2004-C M1	RMBS B/C	5,000,000	2.1%	AA	LIBOR01M	6.72
EMCM 2004-C M2	RMBS B/C	4,518,000	1.9%	A	LIBOR01M	6.61
GSAMP 2004-AR2 B3	RMBS B/C	6,759,000	2.9%	Baa3	LIBOR01M	4.23
ABFC 2004-OPT2 M5	RMBS B/C	5,000,000	2.1%	Baa2/BBB+	synthetic sprd	3.07
FHLT 2004-D M8	RMBS B/C	5,000,000	2.1%	Baa2/BBB	synthetic sprd	4.05
FINA 2004-2 B1	RMBS B/C	2,817,000	1.2%	Ba1/BB+	LIBOR01M	2.83
CXHE 2005-B M6	RMBS B/C	2,000,000	0.8%	A3/A-	LIBOR01M	4.31
CXHE 2005-B B	RMBS B/C	3,000,000	1.3%	Baa2/BBB	LIBOR01M	3.07
GSRPM 2004-1 M2	RMBS B/C	2,955,000	1.3%	A2/A	LIBOR01M	6.49
GSRPM 2004-1 B2	RMBS B/C	2,000,000	0.8%	BBB	LIBOR01M	6.49
FHLT 2005-B M9	RMBS B/C	2,500,000	1.1%	Baa2/BBB	LIBOR01M	4.29
MLMI 2005-NC1 B3	RMBS B/C	1,000,000	0.4%	Baa3/BBB+	LIBOR01M	3.76
CWL 2004-AB1 M2	RMBS Alt-A	3,000,000	1.3%	A1/AA	LIBOR01M	4.07
CWL 2004-AB1 M3	RMBS Alt-A	2,000,000	0.8%	A2/AA	LIBOR01M	4.07
RESIF 2004-C B6	RMBS Alt-A	1,485,057	0.6%	Baa3/BBB-	LIBOR01M	9.40
BALTA 2004-10 B2	RMBS Alt-A	2,664,000	1.1%	Baa3/BBB	LIBOR01M	4.94
BAYV 2004-D M4	RMBS Alt-A	2,000,000	0.8%	A3/A-	LIBOR01M	6.01
BAYV 2004-D B1	RMBS Alt-A	2,000,000	0.8%	Baa2/BBB	LIBOR01M	6.01
BAYV 2004-D B2	RMBS Alt-A	1,795,000	0.8%	Baa3	LIBOR01M	6.01
GSAA 2004-11 B1	RMBS Alt-A	1,600,000	0.7%	Baa2/BBB	LIBOR01M	3.91
CWALT 2004-J13 B	RMBS Alt-A	1,000,000	0.4%	Baa2/BBB	LIBOR01M	4.36
IMSA 2004-4 M4	RMBS Alt-A	2,000,000	0.8%	A1/AA-	LIBOR01M	4.34
IMSA 2004-4 M5	RMBS Alt-A	4,000,000	1.7%	A3/A	LIBOR01M	4.14
AHM 2004-4 6M2	RMBS Alt-A	4,730,816	2.0%	A2/A	LIBOR01M	3.05
AHM 2004-4 6B1	RMBS Alt-A	4,730,816	2.0%	Baa1/BBB+	LIBOR01M	3.05
GSAA 2005-2 B1	RMBS Alt-A	1,000,000	0.4%	Baa1/A	LIBOR01M	4.32
GSAA 2005-2 B3	RMBS Alt-A	1,000,000	0.4%	Baa3/BBB	LIBOR01M	4.30
BALTA 2005-1 M2	RMBS Alt-A	5,000,000	2.1%	A2/A	LIBOR01M	3.57
SVHE 2003-2 B	RMBS Alt-A	2,000,000	0.8%	Ba3/BB	fixed	2.21
RAMP 2005-RS2 M7	RMBS Alt-A	2,000,000	0.8%	Baa1	LIBOR01M	4.09
HMBT 2005-1 B1	RMBS Alt-A	2,408,508	1.0%	Baa1/BBB+	LIBOR01M	2.73
IMSA 2004-3 M5	RMBS Alt-A	2,000,000	0.8%	A2/AA	LIBOR01M	3.71
HMAC 2004-6 M8	RMBS Alt-A	1,773,000	0.8%	Baa3/BBB-	LIBOR01M	3.91

IMM 2005-2 1M6	RMBS Alt-A	1,462,491	0.6%	A3/A	LIBOR01 M	2.25
IMM 2005-2 1B	RMBS Alt-A	3,412,479	1.4%	Baa2/BBB+	LIBOR01 M	2.25
BALTA 2005-2 1B2	RMBS Alt-A	2,115,000	0.9%	Baa3/BBB-	LIBOR01 M	3.58
GSAA 2005-4 M2	RMBS Alt-A	2,000,000	0.8%	A2/A	LIBOR01 M	4.21
GSAA 2005-4 B2	RMBS Alt-A	1,725,000	0.7%	Baa2/BBB	LIBOR01 M	4.08
FFML 2004-FFH4 M11	RMBS Alt-A	3,122,000	1.3%	Baa3	LIBOR01 M	4.13
GSR 2004-12 1B3	RMBS A	2,766,366	1.2%	Baa2	LIBOR01 M	6.38
GSR 2004-14 1B2	RMBS A	2,059,822	0.9%	A2/A	LIBOR01 M	5.47
GSR 2004-14 1B3	RMBS A	2,471,786	1.0%	Baa2/BBB	LIBOR01 M	5.47
DSLA 2005-AR1 B2	RMBS A	999,583	0.4%	A2/A	LIBOR01 M	6.63
DSLA 2005-AR1 B3	RMBS A	1,375,426	0.6%	Baa2/BBB	LIBOR01 M	6.63
CWHL 2005-2 M8	RMBS A	4,963,075	2.1%	Baa2/A	LIBOR01 M	4.92
CWHL 2004-25 3A1	RMBS A	4,642,099	2.0%	Aaa/AAA	LIBOR01 M	2.84
INDX 2005-AR6 B2	RMBS A	998,031	0.4%	A2/AA-	LIBOR01 M	6.14
INDX 2005-AR6 B3	RMBS A	3,992,126	1.7%	Baa3/BBB	LIBOR01 M	6.14
WAMU 2005-AR6 B4	RMBS A	4,999,941	2.1%	A+	LIBOR01 M	5.32
GPMF 2005-AR1 M7A	RMBS A	499,945	0.2%	Baa1/A	LIBOR01 M	5.38
GPMF 2005-AR1 B2	RMBS A	4,500,508	1.9%	Baa3/BBB+	LIBOR01 M	5.38

The RMBS evidence direct and indirect subordinate interests in 56 separate segregated pools (each, an "Underlying RMBS Trust Fund") of residential mortgage loans and/or participations and other certificated interests in residential mortgage loans (the "Residential Mortgage Loans"). The Residential Mortgage Loans are secured by liens on the respective borrowers' fee and/or leasehold interests in residential mortgaged properties (each, a "Residential Mortgaged Property"). Each series of certificates of which a RMBS included in the Collateral Assets is a part (each, an "Underlying RMBS Series") collectively represents the entire beneficial ownership interest in, or is secured by, an Underlying RMBS Trust Fund. Each Residential Mortgage Loan is evidenced by a promissory note, bond or other evidence of indebtedness of the related borrower (as to such loan, the "Residential Mortgagor") and is secured by one or more mortgages, deeds of trust or similar security instruments (each, a "Residential Mortgage") that, in each case, creates a lien on a fee simple or leasehold interest of the related Residential Mortgagor in the related Residential Mortgaged Property. As described below and in the corresponding Disclosure Documents referred to herein, any particular Residential Mortgage Loan: (i) may provide for the accrual of interest thereon at an interest rate that is fixed over its remaining term or that adjusts in relation to an index; (ii) may provide for level Monthly Payments to maturity or (iii) may be fully amortizing over its term to maturity or, alternatively, may provide for an amortization schedule that is longer than its remaining term. The Residential Mortgage Loans generally do not restrict prepayments or require the payment of prepayment penalties. The origination and servicing of the Residential Mortgage Loans may be subject to various federal and state laws and regulations with respect to interests rates and other charges, or may require certain disclosures, required licensing of originators and regulate debt collection practices.

Each Underlying RMBS Series included in the Collateral Assets is serviced by a primary servicer. As of the Closing Date, Countrywide Home Loans Servicing LP is the primary servicer with respect to approximately 10.8%, by principal balance, of the Collateral Assets and EMC Mortgage Corporation is the primary servicer with respect to approximately 7.0%, by principal amount, of the Collateral Assets.

For further information about the RMBS included in the Collateral Assets, investors should refer to the information in Appendix B to this Offering Circular, and to the Disclosure Documents set forth on the CD-ROM attached to this Offering Circular.

Additional Credit Support of RMBS. While 98.0% of the RMBS included in the Collateral Assets are rated investment grade as of the date hereof, 44.8% of the RMBS without more senior classes of the same Underlying RMBS Series included in the Collateral Assets, are subordinate to one or more senior classes of the same Underlying RMBS Series, for purposes of, among other things, offsetting losses and other shortfalls with respect to the related Underlying RMBS Trust Fund. In addition, 34.2% of the RMBS without more junior classes of the same Underlying RMBS Series included in the Collateral Assets, are senior to one or more junior classes of the same Underlying RMBS series, for purposes of, among other things, offsetting losses and other shortfalls with respect to the related Underlying RMBS Trust Fund. None of the Residential Mortgage Loans or the RMBS are insured or guaranteed by the United States, any governmental agency or instrumentality, or any other person.

CDO Securities.[1] The Collateral Assets include 14 whole and partial classes of CDO Securities, representing 12.4% of the principal balance of the Collateral Assets as of the Reference Date. The following is a list of the respective classes and series of CDO Securities included in the Collateral Assets:

Collateral Asset	CDO Security Category	Principal Balance as of Closing Date	Percentage of CDO Securities	Ratings (Moody's/S&P)	Coupon Types	Weighted Average Life
NYLIM 2004-1A D	CLO	3,000,000	5.9%	Baa2/BBB	LIBOR03 M	11.19
NAVG 2004-1A D1	CLO	2,000,000	3.9%	Ba2/BB	LIBOR03 M	8.61
PLT 2004-1A D	CLO	3,000,000	5.9%	Ba2/BB	LIBOR03 M	5.25
BRYP 2005-1A B	CLO	3,000,000	5.9%	A2/A	LIBOR03 M	8.69
NSTAR 2004-2A C1	CDO SPS	5,000,000	9.8%	Baa3/BBB+	LIBOR01 M	9.02
BRCN 2004-1A E	CDO SPS	3,000,000	5.9%	Ba2/BBB-	LIBOR03 M	5.34
CREST 2004-1A G1	CDO SPS	2,000,000	3.9%	Ba2/BB+	LIBOR03 M	9.36
PARAG 2004-1A C	CDO SPS	3,000,000	5.9%	A2/A	LIBOR03 M	8.22
ZENTH 2004-1A B	CDO SPS	5,000,000	9.8%	A3/A-	LIBOR03 M	8.40
MADRE 2004-1A C	CDO SPS	5,000,000	9.8%	A3/A-	LIBOR01 M	5.51
ETRD 2002-1A B	CDO SPS	5,000,000	9.8%	A2/A*-	LIBOR03 M	5.28
PTNM 2001-1A B	CDO SPS	4,000,000	7.8%	Aa2/AA-	LIBOR03 M	6.16
LONGP 2005-2A A3	CDO SPS	3,000,000	5.9%	A2/A	LIBOR03 M	6.80
REG DIVERSIFIED FUNDING	CDO TRUPS	5,000,000	9.8%	A3	fixed	8.66

[1] In addition to the Collateral Assets described herein, 562 Preferred Shares of PLT 2004-1A D will be contributed to the Issuer on the Closing Date at a price equal to zero.

Each of the CDO Securities is a debt security issued by a special purpose issuer, all of the assets of which are pledged to repay the related CDO Security and other classes of securities issued by such issuer. Certain of the CDO Securities provide for a revolving period during which certain proceeds of the underlying assets are reinvested in additional assets, and for a lockout period during which the CDO Securities will be redeemed or receive principal payments only in limited circumstances. While 80.4% of the classes of CDO Securities included in the Collateral Assets are rated investment grade as of the date hereof, none of the CDO Securities are subordinate in right of payment and rank junior to other securities in the same issuance, and none of the CDO Securities are senior to other more subordinate securities of the same issuance. Twelve of the classes of CDO Securities included in the Collateral Assets provide for the deferral of interest under certain circumstances and the failure to pay current interest on such classes of CDO Securities generally will not be an event of default so long as any more senior classes of securities are outstanding. The deferral of interest payments, if it occurs, would adversely affect the cash flow available to the Issuer. The CMBS and RMBS underlying certain of the CDO Securities have characteristics similar to the characteristics of the CMBS and RMBS described herein.

Asset-Backed Securities. The Collateral Assets include 6 partial classes of Asset-Backed Securities, representing approximately 5.7% of the principal and notional balance of the Collateral Assets as of the Reference Date. The following is a list of the respective classes and series of Asset-Backed Securities included in the Collateral Assets.

Collateral Asset	Asset-Backed Security Category	Principal Balance as of Closing Date	Percentage of Asset-Backed Securities	Ratings (Moody's/S&P)	Coupon Types	Weighted Average Life
NCSLT 2004-2 C	ABS Student Loans	5,000,000	21.3%	A3/A	synthetic sprd	12.18
SLMA 2004-B C	ABS Student Loans	5,000,000	21.3%	Baa1/BBB	synthetic sprd	7.02
PGMT 2004-DA D	ABS Credit Cards	2,000,000	8.5%	Baa2/BBB	fixed	2.25
COMET 2003-C3 C3	ABS Credit Cards	5,000,000	21.3%	Baa2/BBB	LIBOR01 M	8.25
MMT 2004-2 C	ABS Credit Cards	1,500,000	6.4%	Baa2	LIBOR01 M	1.34
MBNAS 2004-C2 C2	ABS Credit Cards	5,000,000	21.3%	Baa2/BBB	synthetic sprd	9.00

None of the CDO Securities and none of the Asset-Backed Securities are directly insured or guaranteed by the United States, any governmental agency or instrumentality, or any other Person.

For further information about the Asset-Backed Securities included in the Collateral Assets, investors should refer to the information in Appendix B to this Offering Circular and to the Disclosure Documents set forth on the CD-ROM attached to this Offering Circular.

Appendix B. The information included in Appendix B to this Offering Circular and elsewhere herein does not purport to be complete and is subject to and qualified in its entirety by reference to, the provisions of the various agreements pursuant to which each of the Collateral Assets was issued as to the other documents referred to herein pursuant to which certain classes of the Collateral Assets were originally offered. As set forth herein, the Disclosure Documents relating to certain of the Collateral Assets are set forth on the CD-ROM attached to this Offering Circular. Prospective investors are strongly urged to read them in their entirety to obtain material information concerning the Collateral Assets. Investors should note, however, that, although they are substantially consistent in their overall presentation of information, this Offering Circular and such Disclosure Documents may vary in their use of defined terms, and any particular defined term should be read in the context of the document in which it is contained. Notwithstanding the foregoing, none of the respective issuers of the Collateral Assets has passed on the accuracy or completeness of this Offering Circular or is in any way associated with the

offering of the Securities, nor does any such issuer make any representation or warranty as to the appropriateness of any document for use in connection with the offering of the Securities or take any responsibility for such use. None of the Issuers, the Initial Purchasers, the Surveillance Agent or the Trustee takes any responsibility for, or makes any representation or warranty as to the accuracy or completeness of, any of the Disclosure Documents used in connection with the original offerings of the Collateral Assets.

All numerical information provided herein with respect to the Collateral Assets is provided on an approximate basis as of, unless otherwise specified, the Reference Date. All weighted average information provided herein with respect to the Collateral Assets reflects weighting by the related Reference Date Balance.

The information contained herein with respect to the Collateral Assets has been derived from a variety of sources including the disclosure documents, and reports from and communications with the related trustee, servicer, master servicer or special servicer. The Issuers, the Surveillance Agent, the Initial Purchasers and the Trustee are limited in their ability to independently verify the information obtained from the above-referenced sources.

The information set forth in the related Disclosure Documents on the CD-ROM attached to this Offering Circular is furnished on a confidential basis solely for the purpose of evaluating the investment offered hereby and may not be reproduced in whole or in part or used for any other purpose. None of the Issuers, the Initial Purchasers, the Trustee or the Surveillance Agent make any representation or warranty as to the accuracy or completeness of the information contained in such CD-ROM and such summaries and nothing herein shall be deemed to constitute such a representation or warranty. None of the Issuers, the Initial Purchasers, the Trustee or the Surveillance Agent make any representation or warranty that the information contained in the related Disclosure Documents on the attached CD-ROM is current or that current information, if provided, would not be materially different.

The Coverage Tests

The Coverage Tests will be used primarily to determine whether interest may be paid on the Class C Notes, the Class D Notes and the Class E Notes, whether Proceeds will be distributed to the Holders of the Preferred Shares and whether Proceeds must be used to make mandatory redemptions of the Class A-1 Notes, the Class A-2 Notes, the Class B Notes, the Class C Notes and the Class D Notes. See "Description of the Notes and the Preferred Shares—Principal" and "—Priority of Payments." The Coverage Tests will consist of the Class A/B Overcollateralization Test, the Class A/B Interest Coverage Test, the Class C/D Overcollateralization Test and the Class C/D Interest Coverage Test. For purposes of the Coverage Tests, (i) unless otherwise specified, a Synthetic Security shall be included as a Collateral Asset having the characteristics of the Reference Obligation and not of the Synthetic Security; *provided*, that if such Synthetic Security Counterparty is in default under the related Synthetic Security, such Synthetic Security shall not be included in the Coverage Tests or such Synthetic Security will be treated in such a way that will satisfy the Rating Agency Condition, (ii) the calculation of the Class A/B Overcollateralization Ratio and the Class C/D Overcollateralization Ratio on any Determination Date shall be made by giving effect to all payments scheduled or expected to be made pursuant to the Priority of Payments on the Payment Date following such Determination Date, and (iii) the calculation of the Class A/B Interest Coverage Ratio and the Class C/D Interest Coverage Ratio on any Determination Date shall be made without giving effect to payments scheduled or expected to be made pursuant to the Priority of Payments on the Payment Date following such Determination Date. For purposes of each of the Class A/B Overcollateralization Test and the Class C/D Overcollateralization Test, notwithstanding the definition of Principal Balance contained herein, the Principal Balance of any security that is not currently paying cash interest (excluding any security that is, in accordance with its terms, making payments due thereon "in kind") shall be the accreted value of such security as of the date on which it was purchased by the Issuer; *provided,* that such accreted value shall not exceed the par amount of such security.

The Class A/B Overcollateralization Test

The "Class A/B Overcollateralization Ratio" as of any Determination Date will equal the ratio (expressed as a percentage) obtained by dividing (i) the Net Outstanding Portfolio Collateral Balance on such Determination Date (for the purposes of such calculation, the Net Outstanding Portfolio Collateral Balance will not include Principal Proceeds held as cash and Eligible Investments) by (ii) the sum of the aggregate outstanding principal amount of the Class A Notes and the Class B Notes *minus* Principal Proceeds expected to be available for distribution following the application of clauses (i) through (x) of the Priority of Payments on the related Payment Date.

The "Class A/B Overcollateralization Test" will be satisfied on any Determination Date on which any Class A Notes or Class B Notes remain outstanding if the Class A/B Overcollateralization Ratio on such Determination Date is equal to or greater than 108.0%. As of the Closing Date, the Class A/B Overcollateralization Ratio is expected to be equal to 114.8%.

The "Class A/B Interest Coverage Test" will be satisfied as of any Determination Date if the Class A/B Interest Coverage Ratio is equal to or greater than 112.0%. As of the Closing Date, the Class A/B Interest Coverage Ratio is expected to be equal to 138.1%.

The "Class A/B Interest Coverage Ratio" as of any Determination Date will equal the ratio (expressed as a percentage) obtained by dividing:

> (A) the sum of the cash interest payments (or any purchase discount in the case of Eligible Investments or premiums in the case of Synthetic Securities) received in the related Due Period on the Collateral Assets and the Eligible Investments (other than Defaulted Obligations and Deferred Interest PIK Bonds) held in any of the Accounts, *plus* (b) prepayment premiums received, *plus* or *minus*, as applicable, (c) without duplication, amounts scheduled to be received by the Issuer from any Hedge Counterparty under any Hedge Agreement less any amounts scheduled to be paid to any Hedge Counterparty by the Issuer under any Hedge Agreement (other than termination payments and termination receipts related to such Hedge Agreements) *minus* (d) the excess of amounts expected to be paid on the related Payment Date under clauses (i), (ii), (iii) and (v) of the Priority of Payments over amounts on deposit in the Expense Reserve Account on the Determination Date; by
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> (B) an amount not less than U.S.$1.00 equal to the sum of the interest payments due on the Class A Notes and the Class B Notes, on the related Payment Date, including, without duplication, any Defaulted Interest and interest on Defaulted Interest, if any.

For purposes of calculating the Class A/B Interest Coverage Ratio, amounts scheduled to be received under any Hedge Agreement which the Issuer or the Surveillance Agent reasonably expects will not be made during the applicable Due Period will not be included.

The Class C/D Overcollateralization Test

The "Class C/D Overcollateralization Ratio" as of any Determination Date will equal the ratio (expressed as a percentage) obtained by dividing (i) the Net Outstanding Portfolio Collateral Balance on such Determination Date (for purposes of such calculation, the Net Outstanding Portfolio Collateral Balance will not include Principal Proceeds held as cash and Eligible Investments) by (ii) the sum of the aggregate outstanding principal amount of the Notes (other than the Class E Notes and including Class C Deferred Interest and Class D Deferred Interest) *minus* Principal Proceeds expected to be available for distribution following the application of the clauses (i) through (x) of the Priority of Payments on the related Payment Date.

The "Class C/D Overcollateralization Test" will be satisfied on any Determination Date on which any Class C Notes or Class D Notes remain outstanding if the Class C/D Overcollateralization Ratio on such Determination Date is equal to or greater than 103.3%. As of the Closing Date, the Class C/D Overcollateralization Ratio is expected to be equal to 104.2%.

Class C/D Interest Coverage Test

The "Class C/D Interest Coverage Test" will be satisfied as of any Determination Date if the Class C/D Interest Coverage Ratio is equal to or greater than 106.0%. As of the Closing Date, the Class C/D Interest Coverage Ratio is expected to be equal to 119.3%.

The "Class C/D Interest Coverage Ratio" as of any Determination Date will equal the ratio (expressed as a percentage) obtained by dividing:

> (A) the sum of the cash interest payments (or any purchase discount in the case of Eligible Investments or premiums in the case of Synthetic Securities) received in the related Due Period on the Collateral Assets and the Eligible Investments (other than Defaulted Obligations and Deferred Interest PIK Bonds) held in any of the Accounts, *plus* (b) prepayment premiums received, *plus* or *minus*, as applicable, (c) without duplication, amounts scheduled to be received by the Issuer from any Hedge Counterparty under any Hedge Agreement less any amounts scheduled to be paid to any Hedge Counterparty by the Issuer under any Hedge Agreement (other than termination payments and termination receipts related to such Hedge Agreements), *minus* (d) the excess of amounts expected to be paid on the related Payment Date under clauses (i), (ii), (iii) and (v) of the Priority of Payments over amounts on deposit in the Expense Reserve Account on the Determination Date; by
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> (B) an amount not less than U.S.$1.00 equal to the sum of interest payments due on the Class A Notes, Class B Notes, Class C Notes and Class D Notes on the related Payment Date, including without duplication, Defaulted Interest and interest on Defaulted Interest, if any.

For purposes of calculating the Class C/D Interest Coverage Ratio amounts scheduled to be received under any Hedge Agreement which the Issuer or the Surveillance Agent reasonably expects will not be made during the applicable Due Period will not be included and interest scheduled to be paid on the Class C Notes and the Class D Notes on the related Payment Date shall be considered due even if all or a portion of such interest shall become Class C Deferred Interest or Class D Deferred Interest on such Payment Date.

Disposition of Collateral Assets

The Collateral Assets may be retired prior to their respective final maturities due to, among other things, the existence and frequency of exercise of any optional or mandatory redemption features of such Collateral Assets. In addition, pursuant to the Indenture and subject to the restrictions contained therein, so long as no Event of Default has occurred and is continuing, the Surveillance Agent may direct the Issuer to sell any Credit Risk Obligation, Defaulted Obligation or equity securities. The sale price for any such disposition of a Collateral Asset will equal the fair market value of such Collateral Asset. The fair market value of any such Collateral Asset will be the highest bid received by the Surveillance Agent after attempting to solicit a bid from up to three independent third parties making a market in such Collateral Assets, at least one of which is not from the Surveillance Agent; *provided* that, if upon commercially reasonable efforts of the Surveillance Agent, bids from three independent third parties making a market in such Collateral Assets are not available, the higher of the bids from two such third parties may be used; *provided, further* that, if upon commercially reasonable efforts of the Surveillance Agent, bids from two independent third parties (including the Surveillance Agent and its affiliates) making a market in such Collateral Assets are not available, one such bid may be used so long as it is not from the Surveillance Agent. The proceeds from any such sale of Collateral Assets will be applied as Principal Proceeds on the

next succeeding Payment Date. A Collateral Asset (i) the rating of which has been downgraded, qualified or withdrawn by any Rating Agency or has been put on "negative credit watch" or similar status for possible downgrading, qualification or withdrawal from the ratings that were in place as of the date the Issuer purchased such Collateral Asset and in respect of which the Surveillance Agent believes that, since such Collateral Asset was purchased by the Issuer, it has a risk of declining in credit quality or, with a lapse of time, a risk of becoming a Defaulted Obligation, (ii) that bears interest at a fixed rate which the Surveillance Agent believes has become under hedged and in respect of which the Surveillance Agent believes that, since such Collateral Asset was purchased by the Issuer, has a risk of declining in credit quality or, with a lapse of time, a risk of becoming a Defaulted Obligation or (iii) in respect of which the Surveillance Agent believes that, since such Collateral Asset was purchased by the Issuer, it has a risk of declining in credit quality or, with a lapse of time, a risk of becoming a Defaulted Obligation, will be considered a "Credit Risk Obligation". The proceeds from the disposition of a Collateral Asset may not be reinvested in other Collateral Assets.

The Issuer may also (i) in the case of an Auction, sell in the manner specified in the Indenture, the Collateral Assets and liquidate the remaining Collateral; *provided*, that the criteria for an Auction can be demonstrably met prior to any such sale and that the expected Liquidation Proceeds equal or exceed the Total Redemption Amount; (ii) in the case of a Tax Redemption, direct the Trustee to sell, and the Trustee shall sell in the manner directed by the Surveillance Agent in writing, the Collateral Assets and liquidate the remaining Collateral; *provided* that the criteria for a Tax Redemption can be demonstrably met prior to any such sale and that the expected Liquidation Proceeds equal or exceed the Total Redemption Amount; and (iii) in the case of an Optional Redemption, direct the Trustee to sell, and the Trustee shall sell in the manner directed by the Surveillance Agent in writing, the Collateral Assets and liquidate the remaining Collateral; *provided* that the criteria for an Optional Redemption can be demonstrably met prior to any such sale and that the expected Liquidation Proceeds equal or exceed the Total Redemption Amount. See "Description of the Notes and the Preferred Shares—Auction," "—Tax Redemption" and "—Optional Redemption."

Accounts

Pursuant to the Indenture, the Issuer shall cause there to be opened and at all times maintained the Collection Account, the Payment Account, the Expense Reserve Account, the Collateral Account, the Hedge Termination Receipts Account, the Hedge Replacement Account, the Hedge Collateral Account, the Default Swap Collateral Account and the Synthetic Security Collateral Account (each as hereinafter defined), each of which shall be a segregated account or sub-account established with the Securities Intermediary in the name of the Trustee for the benefit of the Secured Parties as further described in the Indenture. Each Account is required to be maintained by the Trustee or by another financial institution that is an Eligible Depositary.

All distributions on the Collateral Assets and any proceeds received from the disposition of any Collateral Assets, all net proceeds from, and associated with the issuance of the Notes and the Preferred Shares not used on the Closing Date to purchase Collateral Assets, to enter into Hedge Agreements or to be deposited to the Default Swap Collateral Account, the initial payment pursuant to the Hedge Agreement, any Hedge Receipt Amounts received prior to the Business Day prior to a Payment Date and any other amounts transferred to the Collection Account from other Accounts as provided for in the Indenture will be remitted to an account (the "Collection Account") and will be available, together with reinvestment earnings thereon, for application in accordance with the Priority of Payments.

On the Business Day prior to each Payment Date (the "Transfer Date"), the Trustee will deposit into a separate account (the "Payment Account") all funds (including any reinvestment income) in the Collection Account (to the extent received prior to the end of the related Due Period) and any Hedge Receipt Amount received on the Transfer Date related to such Payment Date for application in accordance with the Priority of Payments.

Principal Proceeds shall be deposited in the Collection Account and applied in accordance with the Priority of Payments.

On the Closing Date, U.S.$200,000 from the net proceeds of the offering of the Securities will be deposited by the Trustee into a single, segregated account established and maintained by the Trustee under the Indenture (the "Expense Reserve Account"). On each Payment Date, to the extent that funds are available for such purpose in accordance with and subject to the limitations of the Priority of Payments, the Trustee will deposit into the Expense Reserve Account an amount from Proceeds such that the amount on deposit in the Expense Reserve Account (after giving effect to such deposit) will equal U.S.$200,000. Amounts on deposit in the Expense Reserve Account may be withdrawn from time to time to pay accrued and unpaid Administrative Expenses of the Issuers. With respect to the first Payment Date, funds on deposit in the Expense Reserve Account in excess of U.S.$200,000 will be transferred by the Trustee to the Payment Account for application as interest proceeds. All funds on deposit in the Expense Reserve Account at the time when substantially all of the Issuer's assets have been sold or otherwise disposed of will be transferred by the Trustee to the Payment Account for application as Proceeds on the immediately succeeding Payment Date.

The Synthetic Securities will require that the Issuer purchase or post collateral as security for its obligations under such Synthetic Security. The collateral shall be deposited in a segregated trust account (the "Default Swap Collateral Account"). The Default Swap Collateral Account shall be established in the name of the Trustee.

In the event any Hedge Counterparty fails to maintain the ratings required under the Hedge Agreement, such Hedge Counterparty will be required to (i) post collateral under the terms of the related Hedge Agreement; (ii) transfer its rights and obligations upon 10 days' prior notice to a replacement Hedge Counterparty with higher ratings in accordance with the Hedge Agreement subject to satisfaction of the Rating Agency Condition; (iii) obtain a guarantor for such Hedge Counterparty's obligations meeting certain ratings requirements; or (iv) take such other steps as each Rating Agency may require. The Hedge Collateral pledged by such Hedge Counterparty will be deposited by the Trustee into a segregated account (the "Hedge Collateral Account") established in the name of the Trustee and held therein pursuant to the terms of the related Hedge Agreement. Each item of collateral deposited in the Hedge Collateral Account will be deposited in a separate subaccount relating to the Hedge Agreement for which the related Hedge Counterparty has pledged such collateral.

Under certain conditions described in the Synthetic Securities, the Synthetic Security Counterparty may be required to post collateral (the "Synthetic Security Collateral"). The Synthetic Security Collateral pledged by such Synthetic Security Counterparty will be deposited by the Trustee into a segregated account (the "Synthetic Security Collateral Account") established in the name of the Trustee and held therein pursuant to the terms of the related Synthetic Security. A separate sub-account of the Synthetic Security Collateral Account shall be established for each Synthetic Security Counterparty.

Amounts retained in the Accounts during a Due Period will be invested in Eligible Investments.

Synthetic Securities

As part of the purchase of a Synthetic Security on the Closing Date, the Issuer will be required to purchase or post cash, securities or other collateral for the benefit of the Synthetic Security Counterparty, including without limitation an up-front payment of cash or delivery of securities by the Issuer (the "Default Swap Collateral"). Under the terms of the Indenture, all Default Swap Collateral is required to be deposited in the Default Swap Collateral Account. The Issuer will also grant to the Trustee for the benefit of the Secured Parties, a security interest in any Default Swap Collateral, subject to the lien of the related Synthetic Security Counterparty, and shall notify the Synthetic Security Counterparty of such security interest. The Issuer must obtain the consent of the Synthetic Security Counterparty with respect to any Default Swap Collateral purchased by the Issuer. The amount payable by the Issuer to the Synthetic Security Counterparty under a Synthetic Security shall not exceed the Default Swap Collateral.

Interest payments, redemption premiums, dividend distributions, investment earnings on and any fees paid with respect to any Default Swap Collateral will constitute property of the Issuer and will be paid to the Trustee and deposited into the Collection Account and treated as Proceeds unless such amounts

are required to be paid to the related Synthetic Security Counterparty under the terms of the related Synthetic Security. Principal payments on the Default Swap Collateral prior to the termination of the Synthetic Security shall be held in accordance with such Synthetic Security in the Default Swap Collateral Account and invested in Eligible Investments until reinvested in Default Swap Collateral at the direction of the Surveillance Agent on behalf of the Issuer and with the consent of the Synthetic Security Counterparty.

In the event a Synthetic Security is terminated prior to its scheduled maturity without the occurrence of a "credit event," the Surveillance Agent on behalf of the Issuer shall cause such portion of the related Default Swap Collateral chosen by the Synthetic Security Counterparty as may be required to make any required termination payment owed to the Synthetic Security Counterparty, to be liquidated and any such termination payments paid to the Synthetic Security Counterparty. The remaining related Default Swap Collateral to the extent not required to be pledged to the related Synthetic Security Counterparty shall be released from the lien of the Synthetic Security Counterparty and delivered to the Trustee free of such lien. Upon release of the lien of the Synthetic Security Counterparty, the Issuer shall direct the Trustee to take any specific actions necessary to create in favor of the Trustee a valid, perfected, first priority security interest in such Default Swap Collateral under applicable law and regulations for the benefit of the Secured Parties. Any Default Swap Collateral released from the lien of the Synthetic Security Counterparty which satisfies the definition of an Eligible Investment shall be treated as an Eligible Investment and any Default Swap Collateral released from the lien of the Synthetic Security Counterparty which qualifies as a Collateral Asset in the business judgment of the Surveillance Agent shall be treated as a Collateral Asset and in either case may be retained by the Trustee or sold by the Surveillance Agent in the sole discretion of the Surveillance Agent without regard to whether such sale would be permitted as a sale of a Defaulted Obligation or a Credit Risk Obligation; *provided* that no Event of Default has occurred and is continuing. Any Proceeds net of purchase accrued interest or interest payments received upon the maturity or liquidation of the Default Swap Collateral released from the lien of the Synthetic Security Counterparty shall be deemed to be Principal Proceeds.

Upon the occurrence of a "credit event" under a Synthetic Security, the item of Default Swap Collateral chosen by the Synthetic Security Counterparty after the application of any cash on deposit in the Default Swap Collateral Account will be sold by the Trustee in a sale arranged by the Surveillance Agent and any loss or writedown owed to the Synthetic Security Counterparty will be paid by the Issuer from the liquidation proceeds of such Default Swap Collateral. In the event such liquidation proceeds are less than par, the Synthetic Security Counterparty will accept the liquidation proceeds applicable to the face amount of Default Swap Collateral sold which is equal to the loss or write down amount. In addition, under certain circumstances upon the occurrence of a "credit event", the Default Swap Collateral chosen by the Synthetic Security Counterparty will instead be delivered to the Synthetic Security Counterparty in exchange for a deliverable obligation. Any deliverable obligation delivered to the Issuer whether or not it qualifies as a Collateral Asset or an Eligible Investment may be retained or sold by the Issuer at the sole discretion of the Surveillance Agent without regard to whether a sale would be permitted as a sale of a Defaulted Obligation or Credit Risk Obligation; *provided* that no Event of Default has occurred and is continuing. In the event a "credit event" has occurred and the Issuer is required to liquidate Default Swap Collateral and deliver cash to the Synthetic Security Counterparty, the Synthetic Security Counterparty will bear any market risk on the liquidation of the Default Swap Collateral.

Synthetic Security Counterparty Payments

Each Synthetic Security Counterparty will be required to pay a fixed amount to the Issuer with respect to each Payment Date based on interest payments made on the underlying Reference Obligation in accordance with such Synthetic Security. If there is an interest shortfall on the related Reference Obligation, such fixed payment to the Issuer will be reduced but not below zero. So long as the long-term ratings of the guarantor of the Synthetic Security Counterparty's obligation under a Synthetic Security are equal to or higher than "A1" by Moody's (and, if rated "A1" by Moody's, is not on watch for possible downgrade) and "A" by S&P (and, if rated "A" by S&P, is not on watch for possible downgrade), the fixed payment due by the Synthetic Security Counterparty will be payable in arrears, however, if the long-term

ratings of the Synthetic Security Counterparty fall below any such levels, the Synthetic Security Counterparty will be required to pay the fixed payment due under the Synthetic Security in advance. The failure of any Synthetic Security Counterparty to make the fixed payment in advance if such rating levels are no longer satisfied will constitute a termination event under the terms of the related Synthetic Security with such Synthetic Security Counterparty as the sole "Affected Party" under such Synthetic Security.

Initial Synthetic Security Counterparty

The initial Synthetic Security Counterparty under the Synthetic Security is Goldman Sachs International. The swap guarantor with respect to the initial Synthetic Securities is The Goldman Sachs Group, Inc., a Delaware corporation (the "GS Group"), which is an affiliate of the Synthetic Security Counterparty.

The Annual Report on Form 10-K for the fiscal year ended November 26, 2004 filed by GS Group with the SEC (other than, in each case, documents or information deemed to have been furnished and not filed in accordance with SEC rules) are incorporated by reference into this Offering Circular.

GS Group, together with its subsidiaries, is a global investment banking, securities and investment management firm that provides financial services worldwide to clients that includes corporations, financial institutions, governments and high net-worth individuals.

Any statement contained in a document incorporated or deemed to be incorporated by reference into this Offering Circular, or contained in this Offering Circular, will be deemed to be modified or superseded for purposes of this Offering Circular to the extent that a statement contained herein or in any other subsequently filed document which also is or is deemed to be incorporated by reference herein, modifies or supersedes such statement. Any such statement so modified or superseded will not be deemed, except as so modified or superseded, to constitute a part of this Offering Circular. GS Group's filings with the SEC are available to the public through the SEC's Internet site at http://www.sec.gov, and through the New York Stock Exchange, 20 Broad Street, New York, New York 10005, on which GS Group's common stock is listed.

The Notes do not represent an obligation of, and will not be insured or guaranteed by, GS Group or any of its subsidiaries and investors will have no rights or recourse against GS Group or any of its subsidiaries.

Reports

A monthly report will be prepared by the Collateral Administrator and made available to the Holders of the Notes and Holders of the Preferred Shares which will provide information on the Collateral Assets and, when prepared in months in which a Payment Date occurs, information with respect to payments expected to be made on the related Payment Date (each, a "Monthly Report").

The information in Monthly Reports prepared in months in which a Payment Date occurs will be prepared as of the Determination Date preceding the related Payment Date and will set out, among other things, the amounts payable in accordance with the Priority of Payments on such Payment Date. The Issuer will instruct the Trustee to transfer the amounts set forth in such Monthly Report in the manner specified in, and in accordance with, the Priority of Payments. As long as any Notes are listed on any stock exchange, the Monthly Reports will be obtainable at the office of the Listing and Paying Agent.

Hedge Agreements

General. From time to time the Issuer will enter into one or more swap agreements (collectively, "Hedge Agreements") in order to protect against interest rate risk during certain periods. On the Closing Date, the Issuer will enter into Hedge Agreements with AIG Financial Products Corp. ("AIG FP") as initial Hedge Counterparty, one of which is an interest rate swap agreement and the other of which is a basis

swap transaction. The Issuer shall not enter into any additional Hedge Agreements without obtaining the consent of AIG FP (which consent shall not be unreasonably withheld) and subject to certain other restrictions specified in the initial Hedge Agreements, as long as AIG FP remains a Hedge Counterparty, and unless the Applicable Rating Agency Condition is satisfied.

The Issuer shall ensure that each Hedge Agreement shall generally provide that the Issuer will have the option to terminate any Hedge Agreement without cause, in whole or in part, at any time upon payment (or receipt) of a make-whole payment and upon satisfaction of the Rating Agency Condition, and with the consent of the initial Hedge Counterparty (such consent not to be unreasonably withheld) if the initial Hedge Counterparty is still a Hedge Counterparty at such time and if the termination of such Hedge Agreement is not in connection with a default by the Hedge Counterparty under the terms of the Hedge Agreement or a termination event in which the Issuer is an Affected Party (as defined in the Hedge Agreement).

Payments (other than Defaulted Hedge Termination Payments) due to any Hedge Counterparty under any Hedge Agreement shall be paid, in accordance with the Priority of Payments, prior to any payments on the Securities, from Proceeds available therefor on each Payment Date. The claims of each Hedge Counterparty shall rank equally and pari passu with the claims of other Hedge Counterparties entitled to receive payments at the same level of priority within the Priority of Payments. Defaulted Hedge Termination Payments shall be paid after payment of Principal Proceeds to the Notes in accordance with the Priority of Payments.

Each Hedge Agreement shall generally provide that if (A)(i) the long-term senior unsecured debt rating from S&P of the Hedge Counterparty (or its guarantor, if the Hedge Counterparty is AIG FP or another Hedge Counterparty the obligations of which are supported by a guarantor) falls below "A+" or no such long-term rating from S&P exists and (ii) the short-term rating of the Hedge Counterparty (or its guarantor, if the Hedge Counterparty is AIG FP or another Hedge Counterparty the obligations of which are supported by a guarantor) falls below "A-1" or no such short-term rating from S&P exists, (B) the long-term senior unsecured debt rating from Moody's of the Hedge Counterparty (or its guarantor, if the Hedge Counterparty is AIG FP or another Hedge Counterparty the obligations of which are supported by a guarantor) falls to "Aa3" (and is on credit watch for possible downgrade) or below "Aa3" if such Hedge Counterparty (or its guarantor, if the Hedge Counterparty is AIG FP or another Hedge Counterparty the obligations of which are supported by a guarantor) has no short-term rating or (C) the long-term senior unsecured debt rating of the Hedge Counterparty (or its guarantor, if the Hedge Counterparty is AIG FP or another Hedge Counterparty the obligations of which are supported by a guarantor) from Moody's is withdrawn, suspended or falls to "A1" (and is on credit watch for possible downgrade) or below "A1", or the short-term senior unsecured debt rating of the Hedge Counterparty, or if no such rating is available, its guarantor, if the Hedge Counterparty is AIG FP, or any guaranteed affiliate thereof (whose rating is based solely upon the support thereof), if rated by Moody's, from Moody's falls to "P-1" (and is on credit watch for possible downgrade) or below "P-1" (any such event, a "Collateralization Event"), then the Hedge Counterparty shall generally be required to within 30 days, (i) provide sufficient collateral as required under the Hedge Agreement, (ii) transfer its rights and obligations upon 10 days prior notice to a replacement Hedge Counterparty which satisfies the Hedge Counterparty Ratings Requirement, *provided* that (1) as of the date of such assignment, such replacement Hedge Counterparty will not, as a result of such assignment, be required to withhold or deduct on account of tax under the Hedge Agreement in excess of what would have been required to be withheld or deducted in the absence of such transfer, (2) a termination event or event of default does not occur under the Hedge Agreement as a result of such assignment and (3) the Rating Agency Condition is satisfied, (iii) obtain a guarantor for the Hedge Counterparty's obligations under the Hedge Agreement which satisfies the Hedge Counterparty Ratings Requirement or (iv) take such other steps to allow the Issuer (as confirmed by the Surveillance Agent in writing) to satisfy the Rating Agency Condition. If the Hedge Counterparty fails to comply with at least one of the obligations as set forth in clauses (i)-(iv) of the preceding sentence, or if certain further downgrades occur, a substitution event shall have occurred (a "Hedge Counterparty Substitution Event"). Upon the occurrence of a Hedge Counterparty Substitution Event, the Hedge Counterparty will generally be required to assign its rights and obligations under such Hedge Agreement to a new Hedge

Counterparty in accordance with the terms of the Hedge Agreement, *provided* that such substitute Hedge Counterparty or its guarantor satisfies the Hedge Counterparty Ratings Requirement and the Rating Agency Condition is satisfied with respect to such assignment. Each Hedge Agreement (other than with respect to the initial Hedge Counterparty) shall also provide that the failure of a Hedge Counterparty to assign its rights and obligations under the related Hedge Agreement in accordance with the terms thereof following the occurrence of a Hedge Counterparty Substitution Event shall constitute a termination event thereunder.

Each Hedge Agreement may be terminated, whether or not the Notes have been paid in full on or prior to such termination, upon, among other things, (i) certain events of bankruptcy, insolvency, conservatorship, receivership or reorganization of the Issuer or the related Hedge Counterparty, (ii) failure on the part of the Issuer or the related Hedge Counterparty to make any payment under the Hedge Agreement within the applicable grace period, (iii) certain withholding or other taxes being imposed on payments to be made under the Hedge Agreement as set forth in Sections 5(b)(ii) and (iii) of the ISDA Master Agreement incorporated in the Hedge Agreement or (iv) a change in law making it illegal for either the Issuer or the related Hedge Counterparty to be a party to, or perform an obligation under, the Hedge Agreement.

A termination of a Hedge Agreement will not constitute an Event of Default under the Indenture. Although the Issuer believes that any such termination is unlikely, the Issuer has agreed to use reasonable efforts to enter into a substitute Hedge Agreement on similar terms to the extent that the Issuer is able to enter into such an agreement, and shall apply any termination receipts to the purchase of a new Hedge Agreement. If the Issuer is unable to obtain a substitute Hedge Agreement, interest due on the Notes will be paid from amounts received on the Collateral Assets without the benefit of any Hedge Agreement. There can be no assurance that such amounts will be sufficient to provide for the full payment of interest on the Notes, or that amounts that would otherwise be distributable to the Holders of the Preferred Shares will not be reduced.

In the event of any early termination of a Hedge Agreement (i) any hedge termination receipts paid to the Issuer and not concurrently applied in connection with the Issuer's entering into a replacement Hedge Agreement will be deposited in a single, segregated trust account held in the name of the Trustee (the "Hedge Termination Receipts Account") for the benefit of the Secured Parties and (ii) any amounts received by the Issuer from a replacement counterparty in consideration for entering into a substantially similar replacement agreement that preserves for the Issuer the economic equivalent of the terminated Hedge Agreement ("Hedge Replacement Proceeds") will be deposited in a single, segregated trust account held in the United States in the name of the Trustee (the "Hedge Replacement Account") for the benefit of the Secured Parties.

The Surveillance Agent may cause the Issuer, promptly following the early termination of a Hedge Agreement (other than with respect to a Final Payment Date) and to the extent possible through application of funds available in the Hedge Termination Receipts Account, to enter into a replacement Hedge Agreement (a "Replacement Hedge Agreement") which may have different terms, including different notional amounts, *provided* that the Rating Agency Condition is satisfied.

If (i) the funds available in the Hedge Termination Receipts Account exceed the costs of entering into a Replacement Hedge Agreement, (ii) the Surveillance Agent determines not to replace the terminated Hedge Agreement and the Rating Agency Condition is satisfied, or (iii) the termination is occurring on a Final Payment Date, then amounts in the Hedge Termination Receipts Account (after providing for the costs of entering into a Replacement Hedge Agreement, if any) will be transferred to the Collection Account on the next following Transfer Date and will be treated as Principal Proceeds and distributed in accordance with the Priority of Payments on the next Payment Date (or on such Final Payment Date, in the event the Notes are redeemed in full thereon).

If a Hedge Agreement is terminated and the costs of entering into a Replacement Hedge Agreement exceed the funds on deposit and available therefor in the Hedge Termination Receipts Account, then, after using the funds in the Hedge Termination Receipts Account, the Issuer may enter into a Replacement Hedge Agreement with the amount of such shortfall payable to the replacement Hedge Counterparty in accordance with the Priority of Payments on following Payment Dates.

The amounts in the Hedge Replacement Account will be applied directly to the payment of termination amounts owing to the Hedge Counterparties, if any. To the extent not fully paid from Hedge Replacement Proceeds, such amounts will be payable to the Hedge Counterparties on subsequent Payment Dates in accordance with the Priority of Payments. To the extent that the funds available in the Hedge Replacement Account exceed any such termination amounts (or if there are no termination amounts), the excess amounts in the Hedge Replacement Account will be transferred to the Collection Account on the next Transfer Date and will be treated as Principal Proceeds and distributed in accordance with the Priority of Payments on the next Payment Date. If the termination amounts owing to Hedge Counterparties exceed the Hedge Replacement Proceeds for such agreements, then, unless such amounts represent Defaulted Hedge Termination Payments, they will be paid before funds are applied to pay principal or interest on any Notes in accordance with the Priority of Payments.

In order to effect an Optional Redemption, Tax Redemption or Auction or liquidation of the Collateral following an Event of Default, the Hedge Agreements must be terminated and the proceeds from such termination and from the liquidation of the remaining Collateral must be sufficient to pay any termination payment owing to the Hedge Counterparties in addition to any amounts owing under the Notes and Preferred Shares and certain other expenses. In the event of the occurrence of an Optional Redemption or Tax Redemption or a successful Auction, if any Hedge Agreement is terminated in accordance with the terms thereof, the Surveillance Agent, on behalf of the Issuer, shall furnish to the Trustee evidence in form and substance satisfactory to the Trustee that the Surveillance Agent on behalf of the Issuer has entered into one or more binding agreements (i) for the purchase of the Collateral and (ii) for the pricing of termination payments under each Hedge Agreement, in each case with purchasers or counterparties whose short term debt ratings are "P-1" by Moody's and "A-1+" by S&P, and which agreements provide for the purchase of the Collateral Assets and the termination of each Hedge Agreement in 10 days or less and such redemption is non-revocable.

In connection with the Mandatory Redemption, the Issuer may terminate a portion of any Hedge Agreement in accordance with the terms thereof upon satisfaction of the Rating Agency Condition.

The Issuer may not terminate any Hedge Agreement without satisfaction of the Rating Agency Condition and without the consent of AIG FP (such consent not to be unreasonably withheld) if AIG FP is still a Hedge Counterparty.

Each Hedge Agreement (other than with respect to the initial Hedge Counterparty) will provide that a Hedge Counterparty, with the consent of the Surveillance Agent (on behalf of the Issuer) (such consent not to be unreasonably withheld), may assign its obligations under a Hedge Agreement to any institution which satisfies the Rating Agency Condition; *provided* that the Hedge Counterparty may assign its obligations to an affiliate in accordance with the Hedge Agreement without satisfaction of the Rating Agency Condition or consent of the Surveillance Agent or the Issuer but with notice to the Rating Agencies and the Surveillance Agent, *provided* that such affiliate has the higher ratings required in accordance with the terms of the Hedge Agreement and AIG FP (if AIG FP is still a Hedge Counterparty) consents to such assignment (such consent not to be unreasonably withheld).

The initial Hedge Counterparty is AIG FP. Affiliates of the Initial Purchasers or the Surveillance Agent may also act as Hedge Counterparties from time to time, which may create certain conflicts of interest. See "Risk Factors—Other Considerations—Certain Conflicts of Interest."

Each Hedge Agreement will provide that the Issuer's obligations thereunder will be limited recourse obligations of the Issuer payable solely from the Collateral and subordinated, in certain cases, as set forth in the Priority of Payments, and will contain a standard non-petition clause for the benefit of the Issuer. Each Hedge Agreement will be governed by, and construed in accordance with, the laws of the State of New York.

The Hedge Counterparty ratings requirements and the required consents and actions described herein are subject to modification prior to the Closing Date, and may be revised thereafter upon satisfaction of the Rating Agency Condition. The description of the provisions of the Hedge Agreements herein related to substitution, collateralization assignment and termination may vary from the actual Hedge Agreements to be entered into by the Issuer and AIG FP on the Closing Date.

Rate Swap Agreements and Basis Swap Agreements. As of the Closing Date, the Issuer will enter into a Hedge Agreement which is a rate swap agreement with AIG FP as initial Hedge Counterparty that will provide for the Issuer to pay the initial Hedge Counterparty an amount equal to 6.486% per annum with such accrual commencing on October 9, 2005 through the period set forth in such Hedge Agreement in exchange for payments equal to LIBOR on an initial notional amount of U.S.$21,000,000. The Issuer will receive an aggregate initial payment on the Closing Date of approximately U.S.$2,000,000 from the initial Hedge Counterparty under such initial Hedge Agreement. After the Closing Date, the Issuer may enter into additional rate swap agreements with AIG FP or other counterparties (each, a "Counterparty") which may consist of interest rate swaps and/or interest rate caps.

The Issuer is authorized to enter into, or terminate, Hedge Agreements in whole or in part from time to time in order to manage interest rate timing mismatches and other risks in connection with the Issuer's issuance of, and making of payments on, the Notes and ownership and disposition of the Collateral Assets and with such Hedge Counterparties as it may elect in its sole discretion, in each case subject to the satisfaction of the Rating Agency Condition and assigning and granting a security interest in such Hedge Agreements to the Trustee on behalf of the Secured Parties pursuant to the Indenture; *provided* that after the Closing Date the Issuer shall not enter into any Hedge Agreements without obtaining the consent of AIG FP (which consent shall not be unreasonably withheld) and subject to certain other restrictions specified in the initial Hedge Agreements as long as AIG FP remains a Hedge Counterparty.

Pursuant to any Hedge Agreements that are interest rate swap agreements, the Issuer will generally agree to pay to the Hedge Counterparty an amount equal to interest on the notional amount at a fixed interest rate specified therein and the Hedge Counterparty will agree to pay the Issuer an amount equal to interest on the notional amount at LIBOR. The Issuer may also enter into offsetting Hedge Agreements, subject to satisfaction of the Rating Agency Condition, pursuant to which the Hedge Counterparty will agree to pay to the Issuer an amount equal to interest on the notional amount at a fixed interest rate specified therein and the Issuer will agree to pay the Hedge Counterparty an amount equal to interest on the notional amount at LIBOR. Only a single net payment will be made under a Hedge Agreement with respect to each Payment Date. If the floating rate payment to be made by a party (the "Floating Rate Payor") is greater than the fixed rate payment to be made by the other party (the "Fixed Rate Payor"), then the Floating Rate Payor will pay the difference to the Fixed Rate Payor, whereas if the floating rate payment to be made by the Floating Rate Payor is less than the fixed rate payment to be made by the Fixed Rate Payor, then the Fixed Rate Payor will pay the difference to the Floating Rate Payor.

Pursuant to any Hedge Agreements that are interest rate cap agreements, the Hedge Counterparty will agree to pay to the Issuer with respect to each interest rate cap payment date an amount equal to the excess, if any, of LIBOR over a fixed strike rate on a notional amount. The Issuer will make a single fixed payment to the Hedge Counterparty at the beginning of such transaction or a series of fixed payments to the Hedge Counterparty on two or more Payment Dates.

The Issuer has agreed to enter into Hedge Agreements in notional amounts based on amortization schedules derived from the anticipated amortization as reasonably determined by the Surveillance Agent of those Collateral Assets that bear interest at a fixed rate that the Issuer expects to own as of the Closing Date. The amortization schedules will be designed by the Surveillance Agent such that on the Closing Date and thereafter on each Determination Date, the aggregate notional amount under such Hedge Agreements will be slightly less than (i) the outstanding scheduled principal amount of the Notes scheduled to be outstanding on such date less (ii) the outstanding principal amount of Collateral Assets that pay interest pursuant to a floating rate on such date. However, there can be no assurance that the actual amortization of the Collateral Assets will correspond to the anticipated amortization on which the Hedge Agreements will be based.

In addition, as of the Closing Date, the Issuer will enter into a Hedge Agreement which is a basis swap agreement with AIG FP as initial Hedge Counterparty that will provide for the Issuer to pay the initial Hedge Counterparty an amount equal to LIBOR *plus* a designated spread equal to 0.2985% with such accrual commencing on October 9, 2005 for the period set forth in such Hedge Agreement in exchange for a payment from the Hedge Counterparty equal to LIBOR on an initial notional amount of U.S.$407,000,000 which amount will be reduced on each Payment Date in accordance with such Hedge Agreement. The Issuer will receive an aggregate initial payment on the Closing Date of approximately U.S.$5,800,000 from the initial Hedge Counterparty under such initial Hedge Agreement.

In addition, such Hedge Agreements may be terminated on a date other than a Payment Date with the consent of the initial Hedge Counterparty (such consent only to be required under the conditions set forth in the applicable Hedge Agreement so long as AIG FP remains the Hedge Counterparty and not to be unreasonably withheld).

WEIGHTED AVERAGE LIFE AND YIELD CONSIDERATIONS

The Stated Maturity of the Notes is the Payment Date in July 2040. However, the principal of the Notes is expected to be paid in full prior to the Stated Maturity. Average life refers to the average amount of time that will elapse from the date of delivery of a security until each dollar of the principal of such security will be paid to the investor. The average lives of the Notes will be determined by the amount of principal payments which are dependent on a number of factors, including when the Collateral Assets are repaid.

Weighted Average Life. Weighted average life refers to the average amount of time that will elapse from the date of delivery of a security until each dollar of the principal of such security will be paid to the investor. The weighted average lives of the Notes of each Class will be determined by the amount and frequency of principal payments, which are dependent upon, among other things, the amount of payments received at or in advance of the scheduled maturity of the Collateral Assets (whether through sale, maturity, redemption, prepayment, default or other liquidation or disposition). The actual weighted average lives and actual maturities of the Notes will be affected by the financial conditions of the obligors on or the issuers of the Collateral Assets or the obligors on the underlying assets, and the characteristics of such securities and assets, including the existence and frequency of exercise of any optional or mandatory redemption features, the prevailing level of interest rates, the redemption price, prepayment rates, any lockout periods or prepayment premiums or penalties, the actual default rate and the actual level of recoveries on any Defaulted Obligations, and the frequency of tender or exchange offers for such Collateral Assets. Any disposition of a Collateral Asset will change the composition and characteristics of the Collateral Assets and the scheduled payments and payment characteristics thereon, and, accordingly, may affect the actual weighted average lives of the Notes. The rate of future defaults and the amount and timing of any cash realization from Defaulted Obligations and Credit Risk Obligations also will affect the maturity and weighted average lives of the Notes. The weighted average life of the Notes of each Class may also vary depending on whether or not the Notes are redeemed. The weighted average lives of the Notes are expected to be shorter, and may be substantially shorter, than the Stated Maturity of the Notes.

The table set forth below indicates the percentage of the initial balance of each Class of Notes that would be outstanding on each Payment Date assuming no prepayments or losses and the weighted average life of each Class of Notes and principal window of each Class based on the following assumptions (the "Collateral Assets Assumptions"):

i. Forward LIBOR curve as of June 14, 2005;

ii. the Closing Date is June 22, 2005 and the first Payment Date is October 9, 2005;

iii. all of the net proceeds of the offering of the Securities are invested as of the Closing Date in the Collateral Assets;

iv. the Coverage Tests are satisfied as of the Closing Date;

v. expenses due under clauses (i), (ii) and (iii) of the Priority of Payments are paid on each Payment Date and will be 0.04% per annum of the Collateral Assets as of the immediately proceeding Payment Date and the Surveillance Agent Fee is 0.25% per annum of the outstanding Principal Balance of the Collateral Assets as of the immediately proceeding Payment Date;

vi. payments on Collateral Assets are made on the 27th day of the month in which such payment is due and reinvested for ten days at a rate equal to LIBOR *minus* 0.5%;

vii. payments on the Notes are made on the 9th day of the month in which each applicable Payment Date falls (each of which is assumed to be a Business Day) commencing in October 2005;

viii. failure to pay interest to the Holders of the Class A Notes and the Class B Notes is not an Event of Default;

ix. all unpaid Class C Note, Class D Note and Class E Note interest is Deferred Interest;

x. the Class A-1 Notes are not redeemed and reissued;

xi. the Class E Principal Increase Option is exercised in July 2008 resulting in an Aggregate Outstanding Amount of $5,000,000 and the Maximum Coupon;

xii. there are no sales of Collateral Assets;

xiii. no rating change occurs on any Collateral Asset or the Notes;

xiv. there is no Optional Redemption, Tax Redemption or Auction;

xv. all Classes of Notes are issued at par;

xvi. defaults are incurred at the constant annual default rates indicated and are applied in each month to the outstanding Principal Balance of the Collateral Assets as of the proceeding month commencing on the Closing Date;

xvii. each of the Class A Adjusted Overcollateralization Ratio, the Class B Adjusted Overcollateralization Ratio, the Class C Adjusted Overcollateralization Ratio and the Class D Adjusted Overcollateralization Ratio is modeled using the Net Outstanding Portfolio Collateral Balance (for the purpose of such calculation, the Net Outstanding Portfolio Collateral Balance will not include Principal Proceeds held as cash and Eligible Investments purchased with Principal Proceeds) rather than the Adjusted Net Outstanding Portfolio Collateral Balance;

xviii. there is no termination of the Hedge Agreements;

xix. each Hedge Counterparty makes all required payments to the Issuer on a timely basis; and

xx. there is no delay for recovery on Collateral Assets.

Percentages of Initial Principal Balance of the Class A Notes, Class B Notes, Class C Notes, Class D Notes and Class E Notes Assuming No Unexpected Prepayments or Losses[1]

	Class A-1	Class A-2	Class B	Class C	Class D	Class E[4]
Closing Date	100%	100%	100%	100%	100%	0%
7/9/2006	98%	98%	100%	100%	96%	0%
7/9/2007	93%	93%	100%	100%	96%	0%
7/9/2008	74%	74%	81%	80%	76%	100%
7/9/2009	63%	63%	69%	68%	64%	54%
7/9/2010	54%	54%	49%	66%	62%	33%
7/9/2011	42%	42%	40%	66%	62%	33%
7/9/2012	36%	36%	40%	66%	62%	33%
7/9/2013	28%	28%	40%	66%	62%	33%
7/9/2014	13%	13%	40%	66%	62%	33%
7/9/2015	0%	0%	0%	0%	0%	0%
Expected Principal Window[2]	October 9, 2005 to April 9, 2015	October 9, 2005 to April 9, 2015	October 9, 2007 to July 9, 2015	October 9, 2007 to July 9, 2015	October 9, 2005 to July 9, 2015	October 9, 2008 to July 9, 2015
Expected Weighted Average Life[3]	5.63 years	5.63 years	6.38 years	7.69 years	7.33 years	2.88 years

(1) The results of this table assume a successful Auction on the July 2015 Payment Date and assume no payments are made in connection with the termination of any Hedge Agreements.

(2) The "Expected Principal Window" for a Class of Notes is the period in which (a) the initial principal payment of the Class is expected to be made and (b) the final payment of principal of the Class is expected to be made under the Collateral Assets Assumptions (assuming no unexpected prepayments or defaults).

(3) The "Expected Weighted Average Life" of each Class of Notes is determined by (i) multiplying the amount of each principal distribution on such Class that would result under the Collateral Assets Assumptions (assuming no unexpected prepayments or defaults) by the number of years from the Closing Date to the related Payment Date (assuming 30 days in each month and a 360-day year), (ii) adding the results and (iii) dividing the sum by the aggregated principal distributions referred to in clause (i).

(4) Assuming the Class E Notes average life from July 2008.

The following table shows the "Expected Weighted Average Life" and the "Expected Principal Window" for each Class of Notes under various constant default rates. The "Expected Weighted Average Life" of each Class of Notes is determined by (i) multiplying the amount of each principal distribution on such Class that would result under the Collateral Assets Assumptions by the number of years from the Closing Date to the related Payment Date (assuming 30 days in each month and a 360-day year), (ii) adding the results and (iii) dividing the sum by the aggregated principal distributions referred to in clause (i). The "Expected Principal Window" for a Class of Notes is when the first and last payments of principal are expected to be made under the Collateral Assets Assumptions, assuming no prepayments. The loss severity is assumed to be 65%.

Sensitivity of Principal Payments to CDR

	0.0% CDR		0.5% CDR		1.0% CDR		1.5% CDR	
Class	Expected Weighted Average Life	Expected Principal Window	Expected Weighted Average Life	Expected Principal Window	Expected Weighted Average Life	Expected Principal Window	Expected Weighted Average Life	Expected Principal Window
A-1	5.63 years	October 9, 2005 to April 9, 2015	5.54 years	October 9, 2005 to April 9, 2015	5.45 years	October 9, 2005 to April 9, 2015	5.37 years	October 9, 2005 to April 9, 2015
A-2	5.63 years	October 9, 2005 to April 9, 2015	5.54 years	October 9, 2005 to April 9, 2015	5.45 years	October 9, 2005 to April 9, 2015	5.37 years	October 9, 2005 to April 9, 2015
B	6.65 years	October 9, 2007 to April 9, 2017	6.75 years	January 9, 2008 to April 9, 2017	6.84 years	January 9, 2008 to July 9, 2017	7.01 years	January 9, 2008 to October 9, 2017
C	10.02 years	October 9, 2007 to April 9, 2019	9.78 years	January 9, 2008 to April 9, 2019	9.76 years	October 9, 2007 to January 9, 2019	6.73 years	October 9, 2006 to January 9, 2019
D	9.31 years	October 9, 2005 to July 9, 2019	9.26 years	October 9, 2005 to July 9, 2019	10.92 years	October 9, 2005 to April 9, 2023	11.68 years	October 9, 2005 to January 9, 2024
E*	3.48 years	October 9, 2008 to July 9, 2017	9.39 years	October 9, 2009 to January 9, 2020	14.42 years	January 9, 2013 to January 9, 2024	2.06 years	January 9, 2009 to October 9, 2013

*Assuming the Class E Notes average life from July 2008.

The table set forth below entitled "Class A, B, C, D and E Note Constant Default Rate Stress Tests" shows the Constant Default Rate ("CDR") and Cumulative Defaults for each Class of Notes under three stress scenarios, assuming a 65% loss severity on defaulted Collateral Assets. In column one ("First Dollar of Loss"), CDR represents the CDR starting from the Closing Date that would result in the first dollar of principal loss to the respective Class of Notes. Cumulative Defaults represent the sum of such defaults divided by the aggregate principal balance of the Collateral Assets as of the Closing Date. In column two ("Flat Return"), CDR represents the CDR starting from the Closing Date that would result in a yield equivalent to a zero discount margin over three-month LIBOR for the Class A-1 Notes, the Class A-2 Notes, the Class B Notes, the Class C Notes, the Class D Notes and the Class E Notes. Cumulative Defaults represent the sum of such defaults divided by the aggregate principal balance of the Collateral Assets as of the Closing Date. In column three ("Return of Investment, (0% return)"), the CDR represents the CDR starting from the Closing Date that would result in an approximate 0.0% return for the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes and the Class E Notes. Cumulative Defaults represent the sum of such defaults divided by the aggregate principal balance of the Collateral Assets as of the Closing Date.

Class A, B, C, D and E Note Constant Default Rate Stress Tests

Constant Annual Default Rate at 65% Loss Severity	First Dollar of Loss		Flat Return		Return of Investment (0% return)	
	CDR	Cumulative Defaults	CDR	Cumulative Defaults	CDR	Cumulative Defaults
Class A-1	8.4%	39.151%	8.9%	40.851%	16.1%	60.104%
Class A-2	6.5%	32.151%	6.7%	32.931%	7.9%	37.394%
Class B	4.3%	22.842%	4.6%	24.195%	6.1%	30.560%
Class C	3.0%	16.643%	3.1%	17.140%	3.9%	20.993%
Class D	1.4%	8.204%	2.3%	13.067%	2.9%	16.143%
Class E	0.6%	3.616%	0.7%	4.204%	0.8%	4.787%

Yield. The yield to maturity of the Notes of each Class will also be affected by the rate of repayment of the Collateral Assets, by the redemption of the Notes in an Auction, an Optional Redemption or Tax Redemption (and upon the Note Redemption Price then payable), and in the case of the Class A-1 Notes, by the redemption of the Class A-1 Notes in a Class A-1 Optional Redemption. The Issuer is not required to repay the Notes on any date prior to their Stated Maturity. The receipt of principal payments on the Notes at a rate slower than the rate anticipated by investors purchasing the Notes at a discount will result in an actual yield that is lower than anticipated by such investors.

The yield to maturity of the Notes may also be affected by the rate of delinquencies and defaults on and liquidations of the Collateral Assets, to the extent not absorbed by the Preferred Shares; sales of Collateral Assets; and/or purchases of Collateral Assets having different scheduled payments and payment characteristics and the effect of the Coverage Tests on payments under the Priority of Payments. The yield to investors in the Notes will also be adversely affected to the extent that the Issuers incur certain expenses that are not absorbed by the Preferred Shares.

THE SURVEILLANCE AGENT

The information appearing in this section has been prepared by the Surveillance Agent and has not been independently verified by the Initial Purchasers or either of the Issuers. Neither the Initial Purchasers nor the Issuers assume any responsibility for the accuracy, completeness or applicability of such information.

General

Certain monitoring and sale functions with respect to the Collateral Assets will be performed by Allianz Risk Transfer, Inc. ("ART") as the Surveillance Agent under a surveillance agent agreement between the Issuer and ART dated as of the Closing Date (the "Surveillance Agent Agreement"). Pursuant to the terms of the Surveillance Agent Agreement, the Surveillance Agent will (i) monitor the Collateral Assets and provide certain information with respect to the Collateral Assets to the Trustee, (ii) direct the disposition of the Collateral Assets under the limited circumstances described herein, (iii) direct the reinvestment of the proceeds therefrom in Eligible Investments, (iv) monitor all Hedge Agreements and determine whether and when the Issuer should exercise any rights available under any Hedge Agreement and (v) direct the reinvestment of Default Swap Collateral with the consent of the Synthetic Security Counterparty. The Surveillance Agent will perform its duties in accordance with the requirements set forth in the Indenture and in accordance with the provisions of the Surveillance Agent Agreement. In addition, the Issuer will retain ART to prepare certain reports with respect to the Collateral Assets. The Surveillance Agent is also subject to certain other conflicts of interest. See "Risk Factors—Other Considerations—Certain Conflicts of Interest—The Surveillance Agent."

Allianz Risk Transfer, Inc.

Allianz Risk Transfer Inc. ("ART") was incorporated in April 1998 as a wholly-owned subsidiary of Allianz Risk Transfer, a Swiss (re)insurance company incorporated in Zurich, which is a wholly owned subsidiary of Allianz AG. ART is a New York State authorized reinsurance intermediary. ART frequently operates together with its parent and affiliated companies located in Bermuda, London and Amsterdam (the "ART Group"). In addition to reinsurance intermediary services, the ART Group provides the following services and activities, inclusive of workout management for purposes of risk mitigation:

- ABS and structured finance credit analyses,
- financial transaction structuring,
- structured finance transaction surveillance and monitoring,
- collateral, servicer and manager due diligence and evaluation, and
- ABS asset management for segregated accounts.

The ART Group conducts Allianz AG's alternative risk transfer business. ART's direct parent is rated (AA-/Negative/A-1+) by S&P.

Key Personnel

Set forth below is information regarding the background, principal responsibilities and other affiliations of certain of the principal officers and other employees of the Surveillance Agent, including those personnel who will be primarily responsible for managing the Collateral Assets and for performing the advisory and administrative functions related thereto. Although these individuals are currently employed by the Surveillance Agent and hold the offices indicated below with the Surveillance Agent, such persons may not necessarily continue to be so employed during the entire term of the Surveillance Agent Agreement and if so employed, may not necessarily be responsible for performing any of the functions of the Surveillance Agent related to the Issuer's portfolio.

The ART team consists of five investment professionals, two portfolio managers, two analysts, and one administrator. Together with the underwriting staff and legal counsel, it is anticipated that eight ART employees will be involved in the credit process. On average, the portfolio managers have 15 years of asset-backed securities investment experience, and the team members have in excess 100 years of total experience.

Key members involved in the ABS CDO Team include:

Michael A. Driscoll – Principal, Portfolio Manager

Dr. Driscoll, as Head of Risk Management and a member of ART Group's Risk and Investment Management Committees, oversees the overall risk and investment management of the ART Group's portfolios. Prior to joining ART in 2003, he served for two years as a Director for Financial Security Assurance, establishing the platform for a new asset management business and managing USD 5 billion dollars of asset-backed securities and CDO's. Prior thereto, Dr. Driscoll served as the Risk and Investment Manager for Centre Solutions, a subsidiary of Zurich Financial Services, where he directed the management of fixed income and public equities portfolios, and oversaw the liability portfolio of alternative investments consisting of financial guarantee contracts, credit default and total rate of return swaps. He also has significant capital markets experience in structuring and proprietary trading of corporate debt, asset- and mortgage-backed securities, and interest rate swaps, options and futures from over ten years of institutional service to Banco Santander, American International Group Financial

Products, Lehman Brothers, and Merrill Lynch Capital Markets. Dr. Driscoll began his career as a principal scientist at AT&T Bell Laboratories and holds a Ph.D., M.S., M.S.M.E. and B.S. in applied mathematics and statistics from SUNY Stony Brook.

William S. Seery Jr. – Principal, Portfolio Manager

Mr. Seery helped open ART in 1998. He has worked extensively on CDO's, asset-backed securities, film finance, credit related risk transfer, and other asset based lending and structured finance transactions for the ART Group since that time. Mr. Seery's experience in the capital markets started with Citigroup in 1984 where he worked on treasury management products and online trading. He subsequently joined Capital Markets Assurance Corporation where he worked on financial guaranty transactions primarily for new and complex types of structured financings. Mr. Seery has an MBA in Finance from New York University and an undergraduate degree in Computer Science, also from New York University.

Thomas D. Lamb – Principal, Underwriter

Mr. Lamb joined ART in 1998 focusing on capital markets and securitization related transactions. From 1990 to 1998, Mr. Lamb was employed by Capital Markets Assurance Corporation where he oversaw secondary market credit enhancement, packaged products, arbitrage and commercial paper trading activities. Prior to 1990, Mr. Lamb held positions at Bond Investors Guaranty and two boutique broker/dealers. Mr. Lamb is a graduate of the University of Michigan.

Joseph T. Flynn – Analyst

Mr. Flynn joined ART in 1998, with responsibilities divided among quantitative analysis of new transactions, surveillance of structured finance transactions and accounting. Prior to joining ART, he worked at Capital Markets Assurance Corporation in the accounting department, and American International Group in the accounting and internal audit departments. He is a graduate of SUNY Binghamton.

Malcolm Shieh – Analyst

Mr. Shieh joined ART in 2005, with responsibilities centering on credit analysis and surveillance. Prior to joining ART, he oversaw product development at PEsource, a venture-backed private equity start-up which he co-founded. Prior to that, he held positions at Mitsui & Co. in their alternative investments group and at Donaldson, Lufkin and Jenrette, where he was a mortgage-backed securities research analyst. He is a graduate of the University of Pennsylvania and a Chartered Financial Analyst.

Jon Betancourt – Administrator

Mr. Betancourt joined ART in 2004, with responsibilities centering on transaction compliance and surveillance. Prior to joining ART, he worked at ACE Capital Re as its Surveillance Officer for five years, and at Centre Solutions where he worked as its Compliance Manager for more than six years. Mr. Betancourt is a former Marine and a graduate of Queens College.

William Scaldaferri – President

Mr. Scaldaferri runs the portion of the ART Group located in New York and Bermuda and coordinates the global underwriting process for the ART Group. Since joining ART in 1999, he has worked on a variety of (re)insurance and structured finance transactions. Prior to joining ART, he was a Vice President of Centre Solutions where he underwrote structured/finite (re)insurance transactions as well as structured finance transactions for seven years. Mr. Scaldaferri is a graduate of Hofstra University.

Michael E. Zipper – North American General Counsel

Mr. Zipper is responsible for the corporate and transactional legal affairs of ART and also has certain global responsibilities for the ART Group. He has over 12 years of legal experience in the insurance and financial services industry. Prior to joining ART, he served for almost two years as counsel for Capital Re and ACE Capital Re. In that capacity, he was responsible for corporate and regulatory affairs of the monoline financial guaranty group. He started his career at Travelers Insurance/Citigroup as corporate and regulatory counsel in their specialty insurance division. He also held the title of Compliance Officer for Gulf Insurance Group, a division of the Travelers Insurance Companies. In that capacity he was responsible for the orderly administration and legal/regulatory compliance of all group operations. Mr. Zipper is a graduate of the University of Michigan and holds a JD degree from the Benjamin N. Cardozo School of Law of Yeshiva University.

THE SURVEILLANCE AGENT AGREEMENT

General

The Surveillance Agent will perform certain investment management and administrative functions on behalf of the Issuer in accordance with the applicable provisions of the Indenture and the Surveillance Agent Agreement.

The Surveillance Agent and its directors, officers, stockholders and employees (collectively, the "Surveillance Agent Affiliates") will not be liable to the Issuer, the Trustee, the holders of the Notes or any other person, for any loss incurred as a result of the actions taken or recommended or for any omissions by the Surveillance Agent, its directors, officers, stockholders or employees under the Surveillance Agent Agreement or the Indenture or for any decrease in the value of the Collateral Assets, except by reason of acts constituting bad faith, willful misconduct or gross negligence in the performance of, or reckless disregard of, its duties thereunder.

The Surveillance Agent Agreement may not be amended or modified (other than an amendment or modification of the type that may be made to the Indenture without the consent of the holders of the Notes).

The Surveillance Agent may be removed for cause under clauses (i), (ii), (iii) and (v) below by a Majority of each Class of Notes and the Preferred Shares and may be removed for cause under clause (iv) below by at least 66-2/3% of each Class of Notes and the Preferred Shares; *provided, however*, that any such vote will exclude any Securities held by the Surveillance Agent and its affiliates. For purposes of the Surveillance Agent Agreement, "cause" will mean (i) willful violation by the Surveillance Agent of any material provision of the Surveillance Agent Agreement or the Indenture applicable to it, (ii) breach in any material respect by the Surveillance Agent of any provision of the Surveillance Agent Agreement or the Indenture applicable to it and failure to cure such violation within forty-five (45) days of becoming aware of, or receiving written notice from the Trustee of, such violation, (iii) certain events of bankruptcy or insolvency in respect of the Surveillance Agent, (iv) the occurrence and continuation of certain Events of Default and (v) the occurrence of an act by the Surveillance Agent or its affiliates that constitutes fraud or criminal activity in the performance of its obligations under the Surveillance Agent Agreement or the indictment of the Surveillance Agent or any of its officers or directors for a criminal offense involving an investment or investment-related business, fraud, false statements or omissions, wrongful taking of property, bribery, forgery, counterfeiting or extortion.

The Surveillance Agent and its affiliates and each of their respective employees, agents, accountants and attorneys will be entitled to indemnification by the Issuer for all expenses, losses, damages, liabilities, charges and claims (including attorneys' fees) arising from its acts or omissions in the

performance of the Surveillance Agent's duties except for losses resulting from its bad faith, willful misconduct or gross negligence in the performance of, or reckless disregard with respect to, its obligations.

The Surveillance Agent may resign upon 90 days' written notice to the Issuer, the Trustee, the Hedge Counterparty and the Rating Agencies.

In the event that the Surveillance Agent resigns or is removed, the holders of at least a Majority of the Preferred Shares shall have the right to appoint as a successor Surveillance Agent, any established institution if such institution (a) has demonstrated an ability to professionally and competently perform duties similar to those imposed upon the Surveillance Agent under the Surveillance Agent Agreement, (b) such institution is legally qualified and has the capacity to act as Surveillance Agent under the Surveillance Agent Agreement, and to assume all of the responsibilities, duties and obligations of the Surveillance Agent under the Surveillance Agent Agreement and under the applicable terms of the Indenture, (c) the appointment of such institution shall not cause the Issuer or the Co-Issuer or the Collateral Assets to become required to register under the provisions of the Investment Company Act, (d) such institution has accepted its appointment in writing and (e) the appointment of such institution satisfies the Rating Agency Condition. Notwithstanding the foregoing, no successor Surveillance Agent may assume the duties of the Surveillance Agent under the Surveillance Agent Agreement if the Holders of a Majority of each Class of Notes vote to reject such proposed successor within 30 days of notice of such appointment.

In the event the Surveillance Agent resigns or is removed and a successor Surveillance Agent has not been appointed prior to the day following the termination date specified in the notice of resignation or removal delivered to or by the Surveillance Agent, the Surveillance Agent will be entitled to appoint a successor Surveillance Agent within 45 days thereafter which meets the requirements set forth above. In the event such proposed successor Surveillance Agent is not approved by the Holders of a Majority of each Class of Notes and the Holders of a Majority of the Preferred Shares within 30 days of notice of such appointment, the resigning or removed Surveillance Agent shall petition any court of competent jurisdiction for the appointment of a successor Surveillance Agent, which appointment shall not require the consent of, nor be subject to the disapproval of, the Issuer or any Holders of the Notes or any Holders of the Preferred Shares.

The Surveillance Agent may only assign its rights or responsibilities under the Surveillance Agent Agreement in accordance with the terms of the Surveillance Agent Agreement.

Upon expiration of the applicable notice period with respect to termination specified in the Surveillance Agent Agreement, all authority and power of the Surveillance Agent under the Surveillance Agent Agreement, whether with respect to the Collateral Assets or otherwise, will automatically and without further action by any person or entity pass to and be vested in the successor Surveillance Agent.

Compensation

As compensation for the performance of its obligations under the Surveillance Agent Agreement, the Surveillance Agent will be entitled to receive a fee (the "Senior Surveillance Agent Fee"), payable in arrears on each Payment Date, of 0.25% per annum times the Aggregate Principal Amount measured as of the beginning of the related Due Period (after giving effect to the application of Principal Proceeds on the Payment Date related to the prior Due Period).The Surveillance Agent will also be entitled to receive an incentive fee (the "Surveillance Agent Incentive Fee" and, together with the Senior Surveillance Agent Fee, the "Surveillance Agent Fees") subject to the Priority of Payments. The Surveillance Agent Incentive Fee will be equal to 20% of the amount otherwise allocable to the Preferred Shares after the balance of the Preferred Share Make-Whole Amount has been reduced to zero.

If amounts distributable on any Payment Date in accordance with the Priority of Payments are insufficient to pay the Senior Surveillance Agent Fee in full, then the shortfall will be deferred and will be payable on subsequent Payment Dates on which funds are available therefor according to the Priority of Payments. Any interest due on the amounts so deferred will be payable in the same order of priority as the Senior Surveillance Agent Fee.

The Senior Surveillance Agent Fee will be calculated on the basis of a 360 day year consisting of twelve 30-day months. Any fee payable to the Surveillance Agent on a Payment Date is subject to payment only in accordance with the Priority of Payments.

THE ISSUERS

General

The Issuer was incorporated on December 21, 2004 in the Cayman Islands with the registered number 143262. The registered office of the Issuer is at the offices of Maples Finance Limited, P.O. Box 1093 GT, Queensgate House, South Church Street, George Town, Grand Cayman, Cayman Islands. The Issuer has no prior operating history. The Issuer's Memorandum and Articles of Association sets out the objects of the Issuer, which include the business to be carried out by the Issuer in connection with the Securities.

The Co-Issuer was incorporated on January 11, 2005 under the laws of the State of Delaware with the registered number 391086. The registered office of the Co-Issuer is at Donald J. Puglisi, Puglisi & Associates, 850 Library Avenue, Suite 204, Newark, Delaware, 19711. The Co-Issuer has no prior operating history. Article 3 of the Co-Issuer's Certificate of Incorporation sets out the purposes of the Co-Issuer, which include the business to be carried out by the Co-Issuer in connection with the issuance of the Notes (other than the Class E Notes).

The Notes (except for the Class E Notes which are obligations only of the Issuer) are obligations only of the Issuers and not of the Trustee, the Surveillance Agent, the Initial Purchasers, the Issuer Administrator, the Holders of the Preferred Shares, the Agents, the Share Trustee or any directors, managers or officers of the Issuers or any of their respective affiliates. The Preferred Shares are equity interests only in the Issuer.

The issued share capital of the Issuer consists of 16,400 Preferred Shares, par value U.S.$0.01 per share and 250 ordinary shares, U.S.$1.00 par value per share (the "Issuer Ordinary Shares"). All of the Issuer Ordinary Shares will be issued on or prior to the Closing Date. All of the outstanding Issuer Ordinary Shares will be held by the Share Trustee under the terms of a charitable trust. All of the outstanding common equity of the Co-Issuer will be held by the Share Trustee under the terms of the charitable trust which holds the Issuer Ordinary Shares. For so long as any of the Notes are outstanding, no beneficial interest in the common stock of the Issuer or of the common equity of the Co-Issuer shall be registered to a U.S. Person.

Capitalization of the Issuer

The initial proposed capitalization of the Issuer as of the Closing Date after giving effect to the issuance of the Securities and the Issuer Ordinary Shares and entry into the Hedge Agreement before deducting expenses of the offering of the Securities) is as set forth below.

	Amount
Class A-1 Notes	$274,700,000
Class A-2 Notes	$45,100,000
Class B Notes	$37,515,000
Class C Notes	$10,660,000
Class D Notes	$25,625,000
Class E Notes	$0

Initial Hedge Agreements	$7,800,000
Total Debt	$401,400,000
Preferred Shares	$16,400,000
Issuer Ordinary Shares	250
Total Equity	$16,400,250
Total Capitalization	$417,800,250

Capitalization of the Co-Issuer

The Co-Issuer will be capitalized only to the extent of its common equity of U.S.$10, will have no assets other than its equity capital and will have no debt other than as Co-Issuer of the Notes. The Co-Issuer has agreed to co-issue the Notes as an accommodation to the Issuer, and the Co-Issuer is receiving no remuneration for so acting. Because the Co-Issuer has no assets, and is not permitted to have any assets, Holders of Securities will not be able to exercise their rights with respect to the Notes against any assets of the Co-Issuer. Holders of Notes must rely on the Collateral held by the Issuer and pledged to the Trustee for payment on their respective Notes, in accordance with the Priority of Payments.

Flow of funds

The approximate flow of funds of the Issuer from the gross proceeds of the offering of the Securities on the Closing Date is as set forth below:

Gross Proceeds	
Class A-1 Notes	$274,700,000
Class A-2 Notes	$45,100,000
Class B Notes	$37,515,000
Class C Notes	$10,660,000
Class D Notes	$25,625,000
Preferred Shares	$16,400,000
Upfront Payments from Initial Hedge Agreements	$7,800,000
Total:	$417,800,000
Expenses	
Third Party Expenses	$1,300,000
Goldman, Sachs & Co.	$5,725,000
Maxim Group LLC	$150,000
Expense Reserve	$200,000
Total:	$7,375,000
Collateral Assets	
Net Proceeds	$410,425,000
Par Value of Collateral Assets	$410,000,000
Clean Price of Collateral Assets	$408,825,000
Purchase Accrued Interest on Collateral Assets	$1,600,000
Total Clean Price: (Approximately 99.7%)	

Business

The Issuers will not undertake any business other than the issuance of the Notes and, in the case of the Issuer, the issuance of the Preferred Shares, the acquisition and management of the Collateral and, in each case, other related transactions. Neither of the Issuers will have any subsidiaries.

The Issuer Administrator will act as the administrator of the Issuer. The office of the Issuer Administrator will serve as the general business office of the Issuer. Through this office and pursuant to the terms of an agreement to be dated on or about June 22, 2005 by and between the Issuer Administrator and the Issuer (the "Administration Agreement"), the Issuer Administrator will perform various management functions on behalf of the Issuer, including communications with shareholders and the general public, and the provision of certain clerical, administrative and other services until termination of the Administration Agreement. In consideration of the foregoing, the Issuer Administrator will receive various fees and other charges payable by the Issuer at rates agreed upon from time to time *plus* expenses. The directors of the Issuer listed below are also officers and/or employees of the Issuer Administrator and may be contacted at the address of the Issuer Administrator.

The activities of the Issuer Administrator under the Administration Agreement will be subject to the overview of the Issuer's Board of Directors. The Administration Agreement may be terminated by either the Issuer or the Issuer Administrator upon 3 months written notice, or in certain circumstances, 14 days' written notice.

The Issuer Administrator's principal office is: Maples Finance Limited, P.O. Box 1093 GT, Queensgate House, South Church Street, George Town, Grand Cayman, Cayman Islands.

Directors

The directors of the Issuer are Phillipa White, Wendy Ebanks and Guy Major.

The director of the Co-Issuer is Donald Puglisi who may be contacted at the address of the Co-Issuer.

INCOME TAX CONSIDERATIONS

United States Tax Considerations

The following is a summary of certain of the United States federal income tax consequences of an investment in the Notes and Preferred Shares (the "Securities") by purchasers that acquire their Notes or Preferred Shares in their initial offering. The discussion and the opinions referenced below are based upon laws, regulations, rulings and decisions currently in effect, all of which are subject to change, possibly with retroactive effect. Prospective investors should note that no rulings have been or are expected to be sought from the Internal Revenue Service (the "IRS") with respect to any of the United States federal income tax consequences discussed below, and no assurance can be given that the IRS will not take contrary positions. Further, the following summary does not deal with all United States federal income tax consequences applicable to all categories of investors, some of which may be subject to special rules, such as Non-U.S. Holders (defined below), banks, RICs, REITs, insurance companies, tax-exempt organizations, dealers in securities or currencies, electing large partnerships, natural persons, cash method taxpayers, S corporations, estates and trusts, investors that hold the Securities as part of a hedge, straddle, or an integrated or conversion transaction, or investors whose "functional currency" is not the United States dollar. Furthermore, it does not address alternative minimum tax consequences or the indirect effects on the investors of equity interests in either a U.S. Holder (defined below) or a Non U.S. Holder. In addition, this summary is generally limited to investors that will hold the Securities as "capital assets" within the meaning of Section 1221 of the Internal Revenue Code 1986 (the "Code"). Investors should consult their own tax advisors to determine the United States federal, state, local and other tax consequences of the purchase, ownership and disposition of the Securities.

As used herein, "U.S. Holder" means a beneficial holder of a Security that is an individual citizen or resident of the United States for U.S. federal income tax purposes, a corporation or partnership or other entity treated as a corporation or partnership for U.S. federal income tax purposes created or organized in or under the laws of the United States or any state thereof (including the District of Columbia), an estate the income of which is subject to U.S. federal income taxation regardless of its source or a trust for which a court within the United States is able to exercise primary supervision over its administration and for which one or more U.S. persons (as defined in the Code) have the authority to control all of its substantial decisions or a trust that has made a valid election under U.S. Treasury Regulations to be treated as a domestic trust. If a partnership holds the Securities , the tax treatment of a partner will generally depend upon the status of the partner and upon the activities of the partnership. Partners of partnerships holding the Securities should consult their own tax advisors. "Non-U.S. Holder" means any holder (or beneficial holder) of a Security that is not a U.S. Holder.

Circular 230

Under 31 C.F.R. part 10, the regulations governing practice before the Internal Revenue Service (Circular 230), the Co-Issuers and their tax advisors are (or may be) required to inform prospective purchasers that:

(a) Any advice contained herein, including any opinion of counsel referred to herein, is not intended or written to be used, and cannot be used, by any taxpayer for the purpose of avoiding penalties that may be imposed on the taxpayer;

(b) Any such advice is written to support the promotion or marketing of the Securities and the transactions described herein (or in such opinion or other advice); and

(c) Each taxpayer should seek advice based on the taxpayer's particular circumstances from an independent tax advisor.

U.S. Federal Income Tax Consequences to the Issuer

Upon the issuance of the Securities, Orrick, Herrington & Sutcliffe LLP, special U.S. tax counsel to the Issuer, will deliver an opinion generally to the effect that under current law, and assuming compliance with the Indenture (and certain other documents) and based on certain factual representations made by the Issuer and the Surveillance Agent, although the matter is not free from doubt, the Issuer will not be engaged in the conduct of a trade or business in the United States. Accordingly, the Issuer does not expect to be subject to net income taxation in the United States. Prospective investors should be aware that opinions of counsel are not binding on the IRS and there can be no absolute assurance that the IRS will not seek to treat the Issuer as engaged in a U.S. trade or business. If the IRS were to successfully characterize the Issuer as engaged in such a business, among other consequences, the Issuer would be subject to net income taxation in the United States (as well as the branch profits tax) on its income. The levying of such taxes would materially affect the Issuer's financial ability to pay principal and interest on the Securities.

The Issuer intends to acquire Collateral Assets the interest on which, and any gain from the sale or disposition thereof, is expected not to be subject to United States federal withholding tax or withholding tax imposed by other countries (unless subject to being "grossed up"). The Issuer will not, however, make any independent investigation of the circumstances surrounding the issuance of the individual assets comprising the Collateral Assets and thus there can be no absolute assurance that in every case payments will be received free of withholding tax. If the Issuer is a CFC (defined below), the Issuer would incur U.S. withholding tax on interest received from a related United States person. Under current law, payments received on the Hedge Agreements are not subject to U.S. federal withholding tax.

In addition, it is not expected that the Issuer will derive material amounts of any other items of income that would be subject to United States withholding taxes.

If withholding or deduction of any taxes from payments is required by law in any jurisdiction, the Issuer shall be under no obligation to make any additional payments to the holders of any Securities in respect of such withholding or deduction.

Notwithstanding the foregoing, any commitment or facility fee (or other similar fee) that the Issuer earns may be subject to a 30% withholding tax.

Classification of the Notes. The Issuer has agreed and, by its acceptance of a Note, each Noteholder will be deemed to have agreed, to treat each of the Notes (other than the Class E Notes) as debt of the Issuer for U.S. federal income tax purposes except to the extent a Noteholder makes a protective QEF election (described below). For United States federal income tax purposes, the Class E Notes will be considered to be issued when they acquire a principal balance upon the exercise of the Class E Principal Increase Option. By its acceptance of the Class E Note, such Class E Noteholder will agree to treat such Class E Note in accordance with the treatment accorded to it by the Issuer (as debt or equity as the case may be) upon the exercise of the Class E Principal Increase Option (except, to the extent that the Issuer intends to treat it as debt, the Class E Noteholder makes a protective QEF election). The Issuer will indicate in the form of Note whether it intends to treat the Class E Notes as debt or equity for United States federal income tax purposes. In the event that the Class E Notes are intended to be treated as debt, they will be taxed in the manner indicated under "—Classification of the Notes," herein and "—Alternative Characterization of the Notes," herein. In the event that the Class E Notes are intended to be treated as equity, they will be taxed (unless recharacterized by appropriate taxing authorities) in the manner indicated under "United States Tax Treatment of Holders of Preferred Shares." Upon the issuance of the Notes, Orrick, Herrington & Sutcliffe LLP will deliver an opinion generally to the effect that assuming compliance with the Indenture (and certain other documents) and based on certain factual representations made by the Issuer and the Surveillance Agent, the Class A Notes and the Class B Notes will and the Class C Notes and the Class D Notes should be characterized as debt of the Issuer for U.S. federal income tax purposes. Prospective investors should be aware that opinions of counsel are not binding on the IRS and there can be no assurance that the IRS will not seek to characterize any Class of Notes as other than indebtedness. Except as provided under "—Alternative Characterization of the Notes," below, the balance of this discussion assumes that the Notes will be characterized as debt of the Issuer for federal income tax purposes.

For U.S. federal income tax purposes, the Issuer of the Notes, and not the Co-Issuer, will be treated as the issuer of the Notes.

Original Issue Discount. While not absolutely certain, it appears that the Class C Notes and the Class D Notes will be issued with original issue discount and a U.S. Holder of a Class C Note and a Class D Note will be required to include original issue discount ("OID") in gross income as it accrues under a constant yield method, based on the original yield to maturity of the Note. Thus, the Holder of a Class C Note and a Class D Note will be required to include original issue discount in income as it accrues, prior to the receipt of the cash attributable to such income. U.S. Holders, however, would be entitled to claim a loss upon maturity or other disposition of a Class C Note and a Class D Note with respect to interest amounts accrued and included in gross income for which cash is not received. Such a loss generally would be a capital loss. In the event the Issuer intends to treat the Class E Notes as debt, the form of Note will indicate whether the Issuer is treating the debt as having been issued with OID.

Although there can be no assurance, the Notes should not be "contingent payment debt instruments" ("CPDIs") within the meaning of Treasury Regulation section 1.1275-4, effective for debt instruments issued after August 12, 1996. If any Class of Notes were considered such instruments, among other consequences, gain on the sale of such Notes that might otherwise be capital gain would be ordinary income. Prospective investors should consult their own tax advisors regarding the possible characterization of the Notes as CPDIs.

The Notes may be debt instruments described in section 1272(a)(6) of the Code (debt instruments that may be accelerated by reason of the prepayment of other debt obligations securing such debt instruments). Special tax rules principally relating to the accrual of original issue discount, market

discount and bond premium apply to debt instruments described in section 1272(a)(6). Further, those debt instruments may not be part of an integrated transaction with a related hedge under Treasury Regulation § 1.1275-6. Prospective investors should consult with their own tax advisors regarding the effects of section 1272(a)(6).

Alternative Characterization of the Notes. Notwithstanding such tax counsel's opinion, or the Issuer's intended treatment of the Notes, U.S. Holders should recognize that there is some uncertainty regarding the appropriate classification of instruments such as the Notes. It is possible, for example, that the IRS may contend that the Class D Notes and possibly any other Class of Notes should be treated as equity interests (or as part debt, part equity) in the Issuer. Such a recharacterization might result in material adverse tax consequences to U.S. Holders.

If U.S. Holders of a Class of Notes were treated as owning equity interests in the Issuer, interest payments would be treated as dividends (to the extent of current and accumulated earnings). Further, while not certain, interest on the Notes might accrue (as dividends) prior to payment in a manner akin to the accrual of original issue discount. No dividends received deduction would apply to any of those dividends.

Further, the Issuer is a passive foreign investment company, or PFIC. If U.S. Holders were treated as owning equity interests in the Issuer, U.S. Holders generally will be considered United States shareholders in a PFIC. Under the rules relating to PFICs, a United States shareholder of a PFIC that receives an "excess distribution" must allocate the excess distribution ratably to each day in the taxpayer's holding period for such equity, and must pay a deemed deferred tax amount with respect to each prior year in the taxpayer's holding period. The total excess distribution for any taxable year is the excess of (a) the total distributions for the year over (b) 125 percent of the average amount received in respect of such stock by the taxpayer during the three preceding years (or, if shorter, the U.S. Holder's holding period for such equity). In addition, any gain on the disposition such equity in a PFIC would be treated as though it were an excess distribution. The deferred tax amount is equal to the sum of (a) the aggregate increases in taxes (computed at the maximum marginal rate) for each year in the taxpayer's holding period before the current year that would result from allocating the excess distributions back over the taxpayer's holding period ratably and (b) interest on those increases.

In order to avoid the application of the PFIC rules, each U.S. Holder of a Note should consider making a qualified electing fund election (the "QEF election") provided in Section 1295 of the Code on a "protective" basis (although such protective election may not be respected by the IRS because current regulations do not specifically authorize that particular protective election). In general, a QEF election should be made on or before the due date for filing a United States shareholders' federal income tax return for the first taxable year for which it held a Note. In lieu of the PFIC rules discussed above, a Holder that makes a valid QEF election with respect to a Note that is recharacterized as an equity interest in the Issuer will, in very general terms, be required to include its *pro rata* share of the Issuer's ordinary income and net capital gains (a "QEF inclusion") (unreduced by any prior year losses) in income as ordinary income and long-term capital gain, respectively, for each taxable year and pay tax thereon (even if the amount of that income is not the same as the interest payment, if any, made or OID, if any accruing, on the Note during that period). In general, however, payments of interest on the Note that reflect income on which the Holder has already paid taxes under the QEF election, will not be further taxable to the Holder. While there can be no assurance that the IRS would respect the following allocation, the Issuer intends to allocate such ordinary income and net capital gains in a manner designed to cause any Class of Notes that is recharacterized as equity in the Issuer to have approximately the same amount of income as would have accrued on that Class had it been respected as debt.

In the event that any Class of Notes is recharacterized as voting equity in the Issuer and certain other conditions are met, the Issuer may be classified as a controlled foreign corporation (a "CFC") with respect to U.S. Holders that own at least 10% of the Issuer's voting equity. In either event, Noteholders would, in general, be taxed in a similar manner as if they had made the QEF election described above (although some income that would otherwise be capital, may be ordinary).

Information Reporting Requirements. Under United States federal income tax law and regulations, certain categories of U.S. Holders must file information returns with respect to their investment in, or involvement in, a foreign corporation. These reporting requirements apply to both taxable and tax-exempt United States Holders. Penalties for failure to file certain of these information returns are severe. Purchasers of the Notes should consult with their own tax advisors regarding the necessity of filing information returns.

If requested by the Issuer, each holder of a Note will be required to provide the Issuer with the name and status of each beneficial owner of a Note that is a U.S. Holder.

Non-U.S. Holders

Assuming that (i) the Notes are respected as debt or (ii) if the Notes are treated as equity in a Non-U.S. corporation, that such corporation is not engaged in a U.S. trade or business, a Non-U.S. Holder of a Note that has no connection with the United States , will not be subject to U.S. withholding tax on interest payments, *provided* that the Non-U.S. Holder complies with applicable identification requirements. Non-U.S. Holders may be required to make certain tax representations regarding the identity of the beneficial owner of the Notes in order to receive payments free of withholding.

United States Tax Treatment of Holders of Preferred Shares

General. Prospective investors of the Preferred Shares should not rely on this summary and should consult their own tax advisors regarding alternative characterizations of the Preferred Shares and the consequences of their acquiring, holding, and disposing of the Preferred Shares, including the possibility that the Preferred Shares will be treated as contingent payment debt instruments. For purposes of this Section "Income Tax Considerations–United States Tax Treatment of Holders of Preferred Shares," a U.S. Holder is defined to be U.S. Holder of a Preferred Share. Subject to the anti-deferral rules discussed below, dividends on Preferred Shares distributed by the Issuer to a U.S. holder that is subject to United States federal income tax will be taxable to such U.S. holder as a dividend to the extent of the current and accumulated earnings and profits of the Issuer. Dividends will not be eligible for the dividends received deduction allowable to Corporations. Distributions in excess of earnings and profits will be non-taxable to the extent of, and will be applied against and reduce, the U.S. holder's adjusted tax basis in the Preferred Shares. Distributions in excess of earnings and profits and basis will be taxable as gain from the sale or exchange of property.

Prospective investors should be aware that certain of the procedural rules for PFICs and QEF elections (described below) are complex and should consult their own tax advisors regarding such rules.

The tax consequences discussed in the second preceding paragraph are likely to be materially modified by the anti-deferral rules discussed below. In general, each U.S. holder's investment in the Issuer will be taxed as an investment in a "passive foreign investment company" ("PFIC") or as an investment in a CFC depending (in part) upon the percentage of the Issuer's equity that is acquired and held by certain U.S. holders. If applicable, the rules pertaining to CFCs generally override those pertaining to PFICs (although, in certain circumstances, more than one set of rules may be applicable simultaneously).

Prospective investors should be aware that in determining what percentage of the equity of the Issuer is held by various categories of investors (for example, for purposes of the CFC and information reporting rules described below), the Surveillance Agent's interest in certain portions of its fee and certain classes of Notes may be considered equity (and might be considered voting equity).

Status of the Issuer as a PFIC. The Issuer will be treated as a "passive foreign investment company" or "PFIC" for U.S. federal income tax purposes. U.S. holders in PFICs, other than U.S. holders that make the "qualified electing fund" or "QEF" election described below, are subject to special rules for the taxation of "excess distributions" (which include both certain distributions by a PFIC and any gain

recognized on a disposition of PFIC stock). In general, Section 1291 of the Code provides that the amount of any "excess distribution" will be allocated to each day of the U.S. holder's holding period for its PFIC stock. The amount allocated to the current year will be included in the U.S. holder's gross income for the current year as ordinary income. With respect to amounts allocated to prior years, the tax imposed for the current year will be increased by the "deferred tax amount" (an amount calculated with respect to each prior year by multiplying the amount allocated to such year by the highest rate of tax in effect for such year, together with an interest charge, as though the amounts of tax were overdue).

An excess distribution is the amount by which distributions for a taxable year exceed 125 percent of the average distribution in respect of the Preferred Shares during the three preceding taxable years (or, if shorter, the investor's holding period for the Preferred Shares). As indicated above, any gain recognized upon disposition (or deemed disposition) of the Preferred Shares will be treated as an excess distribution and taxed as described above (i.e., not be taxable as capital gain). For this purpose, a U.S. holder that uses a Preferred Share as security for an obligation may be treated as having disposed of the Preferred Share.

Special rules apply to certain regulated investment companies that own interests in PFICs and any such investor should consult with its own tax advisors regarding the consequences to it of acquiring Preferred Shares.

QEF Election. If a U.S. holder (including certain U.S. holders indirectly owning Preferred Shares) makes the qualified electing fund election (the "QEF election") provided in Section 1295 of the Code, the U.S. holder will be required to include its *pro rata* share of the Issuer's ordinary income and net capital gains (unreduced by any prior year losses) in income (as ordinary income and long-term capital gain, respectively) for each taxable year and pay tax thereon even if such income and gain is not distributed to the U.S. holder by the Issuer. In addition, any losses of the Issuer will not be deductible by such U.S. holder. A U.S. holder that makes the QEF election, may, however (in general) elect to defer the payment of tax on undistributed income (until such income is distributed), *provided* it agrees to pay interest on such deferred tax liability. If the Issuer later distributes the income or gain on which the U.S. holder has already paid taxes, amounts so distributed to the U.S. holder will not be further taxable to the U.S. holder. A U.S. holder's tax basis in the Preferred Shares will be increased by the amount so included and decreased by the amount of nontaxable distributions. In general, a U.S. holder making the QEF Election will recognize, on the disposition of the Preferred Shares, capital gain or loss equal to the difference, if any, between the amount realized upon such disposition (including redemption or retirement) and his tax basis in such Preferred Shares. In general, a QEF election should be made on or before the due date for filing a U.S. holder's federal income tax return for the first taxable year for which it held a Preferred Share.

The QEF election is effective only if certain required information is made available by the Issuer to the IRS. The Issuer will undertake to comply with the IRS information requirements necessary to be a QEF, which will permit U.S. holders to make the QEF election. Nonetheless, there can be no absolute assurance that such information will always be available or presented.

Where a QEF election is not timely made by a U.S. holder for the year in which it acquired its Preferred Shares, but is made for a later year, the excess distribution rules can be avoided by making an election to recognize gain from a deemed sale of the Preferred Shares at the time when the QEF election becomes effective.

A U.S. holder should consult its own tax advisors regarding whether it should make a QEF election (and, if it failed to make an initial election, whether it should make an election in a subsequent taxable year).

Prospective investors should be aware that the Issuer's income that is allocated to holders (under the QEF rules as well as under the CFC rules discussed below) will not necessarily bear any particular relationship in any year to the amount of cash that is distributed on the Preferred Shares and in any given year may be substantially greater. Such an excess will arise, among other circumstances, when

Collateral Assets are purchased at a discount, or interest or other income on the Collateral Assets (which is included in gross income) is used to acquire other Collateral Assets or to repay principal on the Notes (which does not give rise to a deduction).

Status of the Issuer as a CFC. U.S. tax law also contains special provisions dealing with CFCs. A U.S. holder (or any other holder of an interest treated as voting equity in the Issuer that would meet the definition of U.S. Holders but for the fact that such holder does not hold Preferred Shares) that owns (directly or indirectly) at least 10 percent of the voting stock of a foreign corporation, the U.S. holder is considered a "U.S. Shareholder" with respect to the foreign corporation. If U.S. Shareholders in the aggregate own (directly or indirectly) more than 50% of the voting power or value of the stock of such corporation, the foreign corporation will be classified as a CFC. Complex attribution rules apply for purposes of determining ownership of stock in a foreign corporation such as the Issuer.

If the Issuer is classified as a CFC, a U.S. Shareholder (and possibly any U.S. Holder that is a direct or indirect holder of a grantor trust that is considered to be a U.S. Shareholder) that is a shareholder of the Issuer as of the end of the Issuer's taxable year generally would be subject to current U.S. tax on the income of the Issuer, regardless of cash distributions from the Issuer. Earnings subject to tax generally as income of the U.S. Holder generally will not be taxed again when they are distributed to the U.S. Holder. In addition, income that would otherwise be characterized as capital gain and gain on the sale of the CFC's stock by a U.S. Shareholder (during the period that the corporation is a CFC and thereafter for a five-year period) would be classified in whole or in part as dividend income.

Certain income generated by a corporation conducting a banking, financing, insurance, or other similar business would not be includible in a holder's income under the CFC rules. However, each holder of a Preferred Share will agree not to take the position that the Issuer is engaged in such a business. Accordingly, if the CFC rules apply, a U.S. Shareholder would generally be subject to tax on its share of all of the Issuer's income.

Information Reporting Requirements. In general, U.S. Holders who acquire any Preferred Shares for cash may be required to file a Form 926 with the IRS and to supply certain additional information to the IRS if (i) such U.S. Holder owns (directly or indirectly) immediately after the transfer, at least 10% by vote or value of the Issuer or (ii) the transfer when aggregated with all related transfers under applicable regulations, exceeds $100,000. In the event a U.S. Holder that is required to file such form, fails to file such form, the U.S. Holder could be subject to a penalty of up to $100,000 (computed as 10% of the gross amount paid for the Preferred Shares) or more if the failure to file was due to intentional disregard of its obligation). Other important information reporting requirements apply to persons that acquire 10% or more of a foreign corporation's equity.

Tax-Exempt Investors. Special considerations apply to pension plans and other investors ("Tax-Exempt Investors") that are subject to tax only on their "unrelated business taxable income" ("UBTI"). A Tax-Exempt Investor's income from an investment in the Issuer generally should not be treated as resulting in UBTI under current law, so long as such investor's acquisition of stock in the Issuer is not debt-financed.

Tax-Exempt Investors should consult their own tax advisors regarding an investment in the Issuer.

Taxation of Non-U.S. holders. Assuming that the Issuer at no time is engaged in a U.S. trade or business, dividends on, and gain from the sale, exchange or redemption of, Preferred Shares generally should not be subject to U.S. federal income tax in the hands of a non-U.S. holder that has no connection with the United States other than the holding of the Preferred Shares.

Cayman Islands Tax Considerations

The following discussion of certain Cayman Islands income tax consequences of an investment in the Notes is based on the advice of Maples and Calder as to Cayman Islands law. The discussion is a general summary of present law, which is subject to prospective and retroactive change. It assumes that

the Issuer will conduct its affairs in accordance with assumptions made by, and representations made to, counsel. It is not intended as tax advice, does not consider any investor's particular circumstances, and does not consider tax consequences other than those arising under Cayman Islands law.

Under existing Cayman Islands laws:

(i) payments of principal and interest in respect of the Notes will not be subject to taxation in the Cayman Islands and no withholding will be required on such payments to any Holder of a Note and gains derived from the sale of Notes will not be subject to Cayman Islands income or corporation tax. The Cayman Islands currently have no income, corporation or capital gains tax and no estate duty, inheritance tax or gift tax; and

(ii) the Holder of any Note (or the legal personal representative of such Holder) whose Note is brought into the Cayman Islands may in certain circumstances be liable to pay stamp duty imposed under the laws of the Cayman Islands in respect of such Note. In addition, an instrument transferring title to a Note, if bought or executed in the Cayman Islands, would be subject to Cayman Islands stamp duty.

The Issuer has been incorporated under the laws of the Cayman Islands as an exempted company and, as such, has applied for and obtained an undertaking from the Governor In Cabinet of the Cayman Islands in the following form:

"THE TAX CONCESSIONS LAW
(1999 REVISION)
UNDERTAKING AS TO TAX CONCESSIONS

In accordance with Section 6 of the Tax Concessions Law (1999 Revision) the Governor in Cabinet undertakes with Coolidge Funding, Ltd. (the "Company"):

(a) that no law which is hereafter enacted in the Islands imposing any tax to be levied on profits, income, gains or appreciations shall apply to the Company or its operations; and

(b) in addition, that no tax to be levied on profits, income, gains or appreciations or which is in the nature of estate duty or inheritance tax shall be payable

(i) on or in respect of the shares, debentures or other obligations of the Company; or

(ii) by way of the withholding in whole or in part of any relevant payment as defined in Section 6(3) of the Tax Concessions Law (1999 Revision).

These concessions shall be for a period of twenty years from the 20th day of May, 2005.

GOVERNOR IN CABINET."

ERISA CONSIDERATIONS

The U.S. Employee Retirement Income Security Act of 1974, as amended ("ERISA"), imposes certain requirements on "employee benefit plans" (as defined in Section 3(3) of ERISA) subject to ERISA, including entities such as collective investment funds and separate accounts whose underlying assets include the assets of such plans (collectively, "ERISA Plans"), and on those persons who are fiduciaries with respect to ERISA Plans. Investments by ERISA Plans are subject to ERISA's general fiduciary requirements, including the requirement of investment prudence and diversification and the requirement that an ERISA Plan's investments be made in accordance with the documents governing the Plan. The prudence of a particular investment must be determined by the responsible fiduciary of an ERISA Plan by taking into account the ERISA Plan's particular circumstances and all of the facts and circumstances of

the investment including, but not limited to, the matters discussed above under "Risk Factors" and the fact that in the future there may be no market in which such fiduciary will be able to sell or otherwise dispose of the Securities.

Section 406 of ERISA and Section 4975 of the Code prohibit certain transactions involving the assets of an ERISA Plan (as well as those plans that are not subject to ERISA but which are subject to Section 4975 of the Code, such as individual retirement accounts (together with ERISA Plans, "Plans")) and certain persons (referred to as "parties in interest" under ERISA or "disqualified persons" under the Code (collectively, "Parties in Interest")) having certain relationships to such Plans, unless a statutory, regulatory or administrative exemption is applicable to the transaction. A Party in Interest who engages in a prohibited transaction may be subject to excise taxes and other penalties and liabilities under ERISA and Section 4975 of the Code.

The U.S. Department of Labor ("DOL") has promulgated a regulation, 29 C.F.R. Section 2510.3-101 (the "Plan Asset Regulation"), describing what constitutes the assets of a Plan ("Plan Assets") with respect to the Plan's investment in an entity for purposes of applying ERISA and Section 4975 of the Code. Under the Plan Asset Regulation, if a Plan invests in an "equity interest" of an entity that is neither a "publicly offered security" nor a security issued by an investment company registered under the Investment Company Act, the Plan's assets include both the equity interest and an undivided interest in each of the entity's underlying assets, unless it is established that the entity is an "operating company" or that equity participation in the entity by Benefit Plan Investors is not "significant."

Prohibited transactions may arise under Section 406 of ERISA or Section 4975 of the Code if Securities are acquired with Plan Assets with respect to which the Issuer, the Initial Purchasers, the Surveillance Agent, or any of their respective affiliates, is a Party in Interest. Certain exemptions from the prohibited transaction provisions of Section 406 of ERISA and Section 4975 of the Code may be applicable, however, depending in part on the type of Plan fiduciary making the decision to acquire a Security and the circumstances under which such decision is made. Included among these exemptions are: DOL Prohibited Transaction Class Exemption ("PTCE") 96-23, regarding transactions effected by "in-house asset managers"; PTCE 95-60, regarding investments by insurance company general accounts; PTCE 91-38, regarding investments by bank collective investment funds; PTCE 90-1, regarding investments by insurance company pooled separate accounts; and PTCE 84-14, regarding transactions effected by "qualified professional asset managers." There can be no assurance that any class or other exemption will be available with respect to any particular transaction involving the Securities, or that, if available, the exemption would cover all possible prohibited transactions.

Governmental plans and certain church and other plans, while not necessarily subject to the fiduciary responsibility provisions of ERISA or the provisions of Section 4975 of the Code, may nevertheless be subject to state or other federal laws that are substantially similar to the foregoing provisions of ERISA and the Code. Fiduciaries of any such plans should consult with their counsel before purchasing any Securities.

Any insurance company proposing to invest assets of its general account in the Securities should consider the extent to which such investment would be subject to the requirements of ERISA in light of the U.S. Supreme Court's decision in *John Hancock Mutual Life Insurance Co. v. Harris Trust and Savings Bank*, 510 U.S. 86 (1993), and the enactment of Section 401(c) of ERISA. In particular, such an insurance company should consider the retroactive and prospective exemptive relief granted by the DOL for transactions involving insurance company general accounts in PTCE 95-60 and the regulations issued by the DOL, 29 C.F.R. Section 2550.401c-1 (January 5, 2000). Certain additional information regarding general accounts is set forth below.

Any Plan fiduciary or other person who proposes to use Plan Assets to purchase any Securities should consult with its counsel regarding the applicability of the fiduciary responsibility and prohibited transaction provisions of ERISA and Section 4975 of the Code to such an investment, and to confirm that such investment will not constitute or result in a non-exempt prohibited transaction or any other violation of an applicable requirement of ERISA.

The sale of any Security to a Plan, or to a person using Plan Assets to effect its purchase of any Security, is in no respect a representation by the Issuers, the Initial Purchasers or the Surveillance Agent that such an investment meets all relevant legal requirements with respect to investments by Plans generally or any particular Plan, or that such an investment is appropriate for Plans generally or any particular Plan.

Class A Notes, Class B Notes, Class C Notes and Class D Notes

For purposes of the Plan Asset Regulation, an equity interest includes any interest in an entity other than an instrument that is treated as indebtedness under applicable local law and which has no substantial equity features. Because the Notes (other than the Class E Notes) (a) are expected to be treated as indebtedness under local law and for federal tax purposes (see "Income Tax Considerations" herein), and (b) should not be deemed to have any "substantial equity features," purchases of such Notes with Plan Assets should not be treated as equity investments and, therefore, the Collateral Assets should not be deemed to be Plan Assets of the investing Plans. Those conclusions are based, in part, upon the traditional debt features of such Notes, including the reasonable expectation of purchasers of such Notes that such Notes will be repaid when due, as well as the absence of conversion rights, warrants and other typical equity features. However, if such Notes were nevertheless treated as equity interests for purposes of the Plan Asset Regulation and if the assets of the Issuer were deemed to constitute Plan Assets of an investing Plan, (i) transactions involving the assets of the Issuer could be subject to the fiduciary responsibility and prohibited transaction provisions of ERISA and Section 4975 of the Code, (ii) the assets of the Issuer could be subject to ERISA's reporting and disclosure requirements, and (iii) the fiduciary causing the Plan to make an investment in such Notes could be deemed to have delegated its responsibility to manage Plan Assets.

By its purchase of any Class A Note, Class B Note, Class C Note or Class D Note, the purchaser thereof will be deemed to have represented and warranted either that (i) it is not and will not be Plan or an entity whose underlying assets include Plan Assets by reason of any Plan's investment in the entity, or an employee benefit plan which is subject to any federal, state, local or foreign law ("Similar Law") that is substantially similar to the provisions of Section 406 of ERISA or Section 4975 of the Code; or (ii) its purchase and holding of a Class A Note, Class B Note, Class C Note or Class D Note are eligible for the exemptive relief available under PTCE 84-14, 90-1, 91-38, 95-60, 96-23 or a similar exemption or, in the case of a plan subject to Similar Law, do not and will not constitute or result in a prohibited transaction under Similar Law for which an exemption is not available.

Class E Notes and Preferred Shares

Equity participation in an entity by Benefit Plan Investors is "significant" under the Plan Asset Regulation (see above) if 25% or more of the value of any class of equity interest in the entity is held by Benefit Plan Investors. If equity participation in the Issuer by Benefit Plan Investors is "significant," the assets of the Issuer could be deemed to be Plan Assets of Plans investing in the equity. If the assets of the Issuer were deemed to constitute Plan Assets of an investing Plan, (i) transactions involving the assets of the Issuer could be subject to the fiduciary responsibility and prohibited transaction provisions of ERISA and Section 4975 of the Code, (ii) the assets of the Issuer could be subject to ERISA's reporting and disclosure requirements, and (iii) the fiduciary causing the Plan to make an equity investment in the Issuer could be deemed to have delegated its responsibility to manage Plan Assets. The term "Benefit Plan Investor" includes (i) an employee benefit plan (as defined in Section 3(3) of ERISA) whether or not it is subject to the provisions of Title I of ERISA, (ii) a plan described in Section 4975(e)(1) of the Code and (iii) any entity whose underlying assets include Plan Assets by reason of any such plan's investment in the entity. For purposes of making the 25% determination, the value of any equity interests in the Issuer held by a person (other than a Benefit Plan Investor) who has discretionary authority or control with respect to the assets of the Issuer, any person who provides investment advice for a fee (direct or indirect) with respect to such assets, or any affiliate of such a person (any of the foregoing, a "Controlling Person"), are disregarded. Under the Plan Asset Regulation, 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, and "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.

The Preferred Shares are not indebtedness under applicable local law and will be equity interests for purposes of applying ERISA and Section 4975 of the Code. Because the Class E Notes may be deemed to have "substantial equity features," the Class E Notes may be deemed to constitute equity interests for such purposes. Accordingly, purchases and transfers of Class E Notes and Preferred Shares will be limited, so that less than 25% of both the value of the Class E Notes and the value of the Preferred Shares will (subject to the exceptions described above) be held by Benefit Plan Investors, by requiring each purchaser or transferee of a Class E Note or Preferred Share to make certain representations and agree to additional transfer restrictions described under "Notice to Investors." No purchase of a Class E Note or Preferred Share by, or proposed transfer to, a person that has represented that it is a Benefit Plan Investor or a Controlling Person will be permitted to the extent that such purchase or transfer would result in persons that have represented that they are Benefit Plan Investors owning 25% or more of the outstanding Class E Notes or Preferred Shares immediately after such purchase or proposed transfer (determined in accordance with the Plan Asset Regulation and the Indenture and the Preferred Share Paying and Transfer Agency Agreement), based upon the representations made by investors. In addition, the Initial Purchasers, the Surveillance Agent and the Trustee agree that neither they nor any of their respective affiliates will acquire any Class E Notes or Preferred Shares unless such acquisition would not, as determined by the Trustee, result in persons that have acquired Class E Notes or Preferred Shares and represented that they are Benefit Plan Investors owning 25% or more of the outstanding Class E Notes or Preferred Shares immediately after such acquisition by the Initial Purchasers, the Surveillance Agent or the Trustee. Class E Notes and Preferred Shares held as principal by the Initial Purchasers, the Surveillance Agent, the Trustee, any of their respective affiliates and persons that have represented that they are Controlling Persons will be disregarded and will not be treated as outstanding for purposes of determining compliance with the 25% limitation to the extent that such a Controlling Person is not a Benefit Plan Investor. Any Benefit Plan Investor that acquires Class E Notes or Preferred Shares will be required to represent and agree that the acquisition and holding of the Class E Notes or Preferred Shares do not and will not constitute a prohibited transaction under ERISA or Section 4975 of the Code, or under any Similar Law, for which an exemption is not available.

The U.S. Supreme Court, in *John Hancock* (noted above), held that those funds allocated to the general account of an insurance company pursuant to a contract with an employee benefit plan which vary with the investment experience of the insurance company are "plan assets." In the preamble to PTCE 95-60 (also noted above), the DOL noted that, for purposes of calculating the 25% threshold under the significant participation test of the Plan Asset Regulation, only the proportion of an insurance company general account's equity investment in the entity that represents Plan Assets should be taken into account in calculating that portion of the general account that is a Benefit Plan Investor. Any insurance company using general account assets to purchase Class E Notes or Preferred Shares will be asked (i) to identify the maximum percentage of the assets of the general account that may be or become Plan Assets, (ii) whether it is a "Controlling Person" (defined above), and (iii) without limiting the remedies that may be available in the event that the maximum percentage is thereafter exceeded, to agree to notify the Issuer, and dispose of Class E Notes or Preferred Shares as instructed by the Issuer, before the specified maximum percentage is exceeded.

CERTAIN LEGAL INVESTMENT CONSIDERATIONS

Institutions whose investment activities are subject to legal investment laws and regulations or to review by certain regulatory authorities may be subject to restrictions on investments in the Notes and the Preferred Shares. Any such institution should consult its legal advisors in determining whether and to what extent there may be restrictions on its ability to invest in the Notes and the Preferred Shares. Without limiting the foregoing, any financial institution that is subject to the jurisdiction of the Comptroller of Currency, the Board of Governors of the Federal Reserve System, the Federal Deposit Insurance

Corporation, the Office of Thrift Supervision, the National Credit Union Administration, any state insurance commission, or any other federal or state agencies with similar authority should review any applicable rules, guidelines and regulations prior to purchasing the Notes and the Preferred Shares. Depository institutions should review and consider the applicability of the Federal Financial Institutions Examination Council Supervisory Policy Statement on Securities Activities, which has been adopted by the respective federal regulators.

None of the Issuers or the Initial Purchasers make any representation as to the proper characterization of the Notes or Preferred Shares for legal investment or other purposes, or as to the ability of particular investors to purchase the Notes or Preferred Shares for legal investment or other purposes, or as to the ability of particular investors to purchase the Notes or Preferred Shares under applicable investment restrictions. The Issuers understand that certain state insurance regulators, in response to a request for guidance, may be considering the characterization (as U.S. domestic or foreign (non-U.S.)) of certain collateralized debt obligation securities co-issued by a non-U.S. issuer and a U.S. co-issuer. There can be no assurance as to the nature of any guidance or other action that may result from such consideration. The uncertainties described above (and any unfavorable future determinations concerning legal investment or financial institution regulatory characteristics of the Notes or Preferred Shares) may affect the liquidity of the Notes or Preferred Shares. Accordingly, all institutions whose activities are subject to legal investment laws and regulations, regulatory capital requirements or review by regulatory authorities should consult their own legal advisors in determining whether and to what extent the Notes or Preferred Shares are subject to investment, capital or other restrictions.

LISTING AND GENERAL INFORMATION

(1) Application may be made to admit some or all of the Securities on a stock exchange of the Issuer's choice, if practicable. There can be no assurance that such admission will be sought, granted or maintained. Copies of this offering circular, the Memorandum and Articles of Association of the Issuer and the organization documents of the Co-Issuer, the Indenture, the Surveillance Agent Agreement, the Preferred Share Paying and Transfer Agency Agreement and any Hedge Agreements will be deposited with the Note Paying Agents, the Listing and Paying Agent and at the registered office of the Issuer, where copies thereof may be obtained, free of charge, upon request within fourteen days of the date of the Listing Particulars.

(2) Copies of the Memorandum and Articles of Association of the Issuer, the organizational documents of the Co-Issuer, the resolutions of the Board of Directors of the Issuer authorizing the issuance of the Securities, and the execution of the Indenture, the Preferred Share Paying and Transfer Agency Agreement, the Surveillance Agent Agreement and the Hedge Agreements and the resolutions of the sole member of the Co-Issuer authorizing the issuance of the Notes, and the execution of the Indenture may be obtained free of charge upon request within thirty days of the date of this offering circular at the office of a Paying Agent on behalf of the Issuer.

(3) Each of the Issuers represents that there has been no material adverse change in its financial position since its date of creation.

(4) The Issuer is not required by Cayman Islands law, and the Issuer does not intend, to publish annual reports and accounts. The Co-Issuer is not required by Delaware law, and the Co-Issuer does not intend, to publish annual reports and accounts. The Indenture, however, requires the Issuer to deliver to the Trustee a Director's Certificate stating, as to each signatory thereof, that (a) a review of the activities of the Issuer during the prior year and of the Issuer's performance under the Indenture has been made under his supervision; and (b) to the best of his knowledge, based on such review, the Issuer has fulfilled all of its obligations under the Indenture throughout the prior year, or, if there has been a default in the fulfillment of any such obligation, specifying each such default known to him and the nature and status thereof.

(5) The Issuers are not, and have not since incorporation or formation, as applicable, been, involved in any litigation or arbitration proceedings relating to claims in amounts which may have or have had a material effect on the Issuers in the context of the issue of the Notes nor, so far as each of the Issuers is aware, is any such litigation or arbitration involving it pending or threatened.

(6) The issuance of the Securities will be authorized by the Board of Directors of the Issuer by resolutions passed on or about the Closing Date. The issuance of the Notes will be authorized by the sole member of the Co-Issuer by action by written consent of the sole member passed on or about the Closing Date. Since incorporation or formation, as applicable, neither the Issuer nor the Co-Issuer has commenced trading or established any accounts, except as disclosed herein or accounts used to hold amounts received with respect to share capital and fees.

(7) The Notes (other than the Class E Notes) sold in offshore transactions in reliance on Regulation S and represented by the Regulation S Notes have been accepted for clearance through Clearstream and Euroclear under the Common Codes indicated below. The CUSIP Numbers and International Securities Identification Numbers ("ISIN") for the Notes represented by Regulation S Notes and Rule 144A Notes are as indicated below:

	Regulation S Notes			Rule 144A Notes	
	Common Code	CUSIP	ISIN	CUSIP	ISIN
Class A-1 Notes	022207750	G24188AA5	USG24188AA53	216444AA7	US216444AA79
Class A-2 Notes	022207806	G24188AB3	USG24188AB37	216444AB5	US216444AB52
Class B Notes	022207873	G24188AC1	USG24188AC10	216444AC3	US216444AC36
Class C Notes	022208195	G24188AD9	USG24188AD92	216444AD1	US216444AD19
Class D Notes	022208322	G24188AE7	USG24188AE75	216444AE9	US216444AE91
Class E Notes	022208438	G24187AA7	USG24187AA70	216443AA9	US216443AA96

LEGAL MATTERS

Certain legal matters will be passed upon for the Surveillance Agent by Stroock & Stroock & Lavan LLP. Certain matters with respect to Cayman Islands law will be passed upon for the Issuer by Maples and Calder. Certain legal matters will be passed upon for the Issuer and Goldman, Sachs & Co. by Orrick, Herrington & Sutcliffe LLP, New York, New York.

UNDERWRITING AND PLACEMENT

The Offered Securities (other than the Class A-1 Notes) will be offered by Goldman, Sachs & Co. and the Class A-1 Notes will be offered by Maxim Group LLC (together with Goldman, Sachs & Co., the "Initial Purchasers"), from time to time at varying prices in negotiated transactions subject to prior sale, when, as and if issued. Subject to the terms and conditions set forth in the Purchase Agreement (the "Purchase Agreement") dated as of June 22, 2005 among Goldman, Sachs & Co., Maxim Group LLC and the Issuers, the Issuers have agreed to sell to Goldman, Sachs & Co. and Goldman, Sachs & Co. has agreed to purchase all of the Notes (other than the Class A-1 Notes) and the Preferred Shares and the Issuers have agreed to sell to Maxim Group LLC and Maxim Group LLC has agreed to purchase all of the Class A-1 Notes *provided* that Maxim Group LLC is able to procure a suitable end purchaser for such Class A-1 Notes.

Under the terms and conditions of the Purchase Agreement, Goldman, Sachs & Co. is committed to take and pay for all the Offered Securities (other than the Class A-1 Notes), if any are taken, and Maxim Group LLC is committed to take and pay for all of the Class A-1 Notes, if any are taken. Furthermore, under the terms and conditions of the Purchase Agreement, Goldman, Sachs & Co. will be entitled to an underwriting discount on the Offered Securities (other than the Class A-1 Notes) purchased

by it and a fixed structuring fee based upon the aggregate principal amount of the Offered Notes (other than the Class A-1 Notes) and aggregate Initial Stated Amount of the Preferred Shares. Under the terms and conditions of the Purchase Agreement, Maxim Group LLC will be entitled to an underwriting discount on the Class A-1 Notes purchased by it and a fixed structuring fee based upon the aggregate principal amount of the Class A-1 Notes.

The Offered Securities purchased from the Issuers by the Initial Purchasers will be offered by it from time to time for sale in negotiated transactions or otherwise at varying prices to be determined at the time of sale *plus* accrued interest, if any, from the Closing Date.

The Securities have not been and will not be registered under the Securities Act for offer or sale as part of their distribution and may not be offered or sold within the United States or to, or for the account or benefit of, a U.S. Person or a U.S. resident (as determined for purposes of the Investment Company Act, a "U.S. Resident") except in certain transactions exempt from, or not subject to, the registration requirements of the Securities Act.

The Issuers have been advised by each Initial Purchaser that (a) it proposes to resell the Offered Securities purchased by it outside the United States (in part, by Goldman, Sachs & Co., through its agent, Goldman Sachs International) in offshore transactions in reliance on Regulation S and in accordance with applicable law and (b) it proposes to resell such Offered Securities in the United States only to (1) Qualified Institutional Buyers in reliance on Rule 144A purchasing for their own accounts or for the accounts of Qualified Institutional Buyers or (2) in the case of the Preferred Shares only, Accredited Investors, which have a net worth of not less than U.S.$10 million, and each of which purchasers or accounts is a Qualified Purchaser. Each Initial Purchaser's discount will be the same for the Regulation S Notes and the Rule 144A Notes offered hereby and for the Preferred Shares within each Class of Securities.

Each Initial Purchaser has acknowledged and agreed that it will not offer, sell or deliver any Regulation S Notes or Regulation S Preferred Shares purchased by it to, or for the account or benefit of, any U.S. Person or U.S. Resident (as determined for purposes of the Investment Company Act) as part of its distribution at any time and that it will send to each distributor, dealer or person receiving a selling concession, fee or other remuneration to which it sells Regulation S Notes or Regulation S Preferred Shares purchased by it a confirmation or other notice setting forth the prohibition on offers and sales of the Regulation S Notes or Regulation S Preferred Shares within the United States or to, or for the account or benefit of, any U.S. Person or U.S. Resident.

With respect to the Securities initially sold pursuant to Regulation S, until the expiration of (x) 40 days after the commencement of the distribution of the offering of the Notes by the Initial Purchasers, with respect to offers or sales of the Notes and (y) one year after the commencement of the distribution of the Preferred Shares, with respect to offers or sales of the Preferred Shares purchased by Goldman, Sachs & Co., an offer or sale of Securities within the United States by a dealer that is not participating in the offering may violate the registration requirements of the Securities Act if such offer or sale is made otherwise than in accordance with Rule 144A or pursuant to another exemption from registration under the Securities Act.

Each Initial Purchaser has represented, warranted and agreed that: (i) it has not offered or sold and, prior to the expiry of a period of six months from the Closing Date, will not offer or sell any Securities to persons in the United Kingdom except to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of their businesses or otherwise in circumstances which have not resulted and will not result in an offer to the public in the United Kingdom within the meaning of the Public Offers of Securities Regulations 1995; (ii) it has only communicated or caused to be communicated and will only communicate or cause to be communicated any invitation or inducement to engage in investment activity (within the meaning of section 21 of the Financial Services and Markets Act 2000 ("FSMA")) received by it in connection with the issue or sale of

any Securities in circumstances in which section 21(1) of the FSMA does not apply to the Issuer; and (iii) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to the Securities in, from or otherwise involving the United Kingdom.

Each Initial Purchaser has represented and agreed that it has not, directly or indirectly, offered or sold and will not, directly or indirectly, offer or sell in the Netherlands any Securities with a denomination of less than EUR50,000 (or its foreign currency equivalent) other than to persons who trade or invest in securities in the conduct of a profession or business (which include banks, stockbrokers, insurance companies, pension funds, other institutional investors and finance companies and treasury departments of large enterprises) unless one of the other exemptions from or exceptions to the prohibition contained in article 3 of the Dutch Securities Transactions Supervision Act 1995 (Wet toezicht effectenverkeer 1995) is applicable and the conditions attached to such exemption or exception are complied with.

The Securities may not be offered or sold by means of any document other than to persons whose ordinary business is to buy or sell shares or debentures, whether as principal or agent, or in circumstances which do not constitute an offer to the public within the meaning of the Companies Ordinance (Cap. 32) of Hong Kong, and no advertisement, invitation or document relating to the Securities has been issued, whether in Hong Kong or elsewhere, which is directed at, or the contents of which are likely to be accessed or read by, the public in Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to Securities which are or are intended to be disposed of only to persons outside Hong Kong or only to "professional investors" within the meaning of the Securities and Futures Ordinance (Cap. 571) of Hong Kong and any rules made thereunder.

This offering circular has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, this offering circular and any other document or material in connection with the offer or sale, or invitation or subscription or purchase, of the Securities may not be circulated or distributed, nor may the Securities be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore other than under circumstances in which such offer, sale or invitation does not constitute an offer or sale, or invitation for subscription or purchase, of the Securities to the public in Singapore.

The Securities have not been and will not be registered under the Securities and Exchange Law of Japan (the Securities and Exchange Law) and each Initial Purchaser has agreed that it will not offer or sell any Securities, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan (which term as used herein means any person resident in Japan, including any corporation or other entity organized under the laws of Japan), or to others for re-offering or resale, directly or indirectly, in Japan or to a resident of Japan, except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the Securities and Exchange Law and any other applicable laws, regulations and ministerial guidelines of Japan.

Each Initial Purchaser has agreed that it has not made and will not make any invitation to the public in the Cayman Islands to purchase any of the Offered Securities.

Buyers of Regulation S Securities sold by Goldman Sachs International, as the agent of Goldman, Sachs & Co., may be required to pay stamp taxes and other charges in accordance with the laws and practice of the country of purchase in addition to the purchase price.

No action has been or will be taken in any jurisdiction that would permit a public offering of the Securities, or the possession, circulation or distribution of this Offering Circular or any other material relating to the Issuers or the Securities, in any jurisdiction where action for such purpose is required. Accordingly, the Securities may not be offered or sold, directly or indirectly, and neither this Offering Circular nor any other offering material or advertisements in connection with the Securities may be distributed or published, in or from any country or jurisdiction except under circumstances that will result in compliance with any applicable rules and regulations of any such country or jurisdiction.

The Securities are a new issue of securities with no established trading market. The Issuers have been advised by each Initial Purchaser that it may make a market in the Securities it is offering but is not obligated to do so and may discontinue market making at any time without notice. No assurance can be given as to the liquidity of the trading market for the Securities. There can be no assurance that any secondary market for any of the Securities will develop, or, if a secondary market does develop, that it will provide the Holders of the Securities with liquidity of investment or that it will continue for the life of the Securities.

Application may be made to admit some or all of the Securities on a stock exchange of the Issuer's choice, if practicable. There can be no assurance that such admission will be sought, granted or maintained.

The Issuers have agreed to indemnify each Initial Purchaser, the Surveillance Agent, the Issuer Administrator and the Trustee against certain liabilities, including in the case of each Initial Purchaser, liabilities under the Securities Act, or to contribute to payments they may be required to make in respect thereof. In addition, the Issuers have made certain representations and warranties to the Initial Purchasers and have agreed to reimburse the Initial Purchasers for certain of their expenses.

Each Initial Purchaser may, from time to time as principal or through one or more investment funds that it manages, make investments in the equity securities of one or more of the issuers of Collateral Assets with the result that one or more of such issuers may be or may become controlled by such Initial Purchaser.

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APPENDIX A

Certain Definitions

"ABS Credit Card Securities" means Asset-Backed Securities that entitle the holders thereof to receive payments that depend (except for rights or other assets designed to assure the servicing or timely distribution of proceeds to holders of such Asset-Backed Securities) on the cash flow from balances outstanding under revolving consumer credit card accounts, generally having the following characteristics: (i) the accounts have standardized payment terms and require minimum monthly payments; (ii) the balances are obligations of numerous borrowers and accordingly represent a very diversified pool of obligor credit risk; and (iii) the repayment stream on such balances does not depend upon a contractual payment schedule, with early repayment depending primarily on interest rates, availability of credit against a maximum credit limit and general economic matters.

"ABS Student Loan Securities" means Asset-Backed Securities that entitle the holders thereof to receive payments that depend (except for rights or other assets designed to assure the servicing or timely distribution of proceeds to holders of the Asset-Backed Securities) on the cash flow from loans made to students (or their parents) to finance educational needs.

"Accounts" means collectively, the Collection Account, the Payment Account, the Expense Reserve Account, the Hedge Termination Receipts Account, the Hedge Replacement Account, the Hedge Collateral Account, the Default Swap Collateral Account, the Synthetic Security Collateral Account and the Collateral Account.

"Actual Rating" means with respect to any Collateral Asset or Eligible Investment, the actual expressly monitored outstanding public rating assigned by a Rating Agency without reference to any other rating by another Rating Agency, and which rating by its terms addresses the full scope of the payment promise of the obligor on such Collateral Asset or Eligible Investment, after taking into account any applicable guarantee or insurance policy or if no such rating is available from a Rating Agency, any "credit estimate" or "shadow rating" assigned by such Rating Agency. For purposes of this definition, (i) the rating of "Aaa" assigned by Moody's to a Collateral Asset or an Eligible Investment placed on watch for possible downgrade by Moody's will be deemed to have been downgraded by Moody's by one subcategory and any other rating assigned by Moody's to a Collateral Asset or an Eligible Investment placed on watch for possible downgrade or upgrade by Moody's will be deemed to have been downgraded or upgraded, respectively, by Moody's by two subcategories, (ii) the rating assigned by S&P to a Collateral Asset or an Eligible Investment placed on watch for possible downgrade by S&P will be deemed to have been downgraded by S&P by one subcategory, and (iii) the rating assigned by Moody's or S&P to a Collateral Asset or Eligible Investment placed on watch for possible upgrade by such Rating Agency will be deemed to have been upgraded by such Rating Agency by one subcategory.

"Adjusted Net Outstanding Portfolio Collateral Balance" means, on any Determination Date, the Net Outstanding Portfolio Collateral Balance (for purposes of such calculation, the Net Outstanding Portfolio Collateral Balance will not include Principal Proceeds held as cash and Eligible Investments purchased with Principal Proceeds) reduced by the excess, if any, of (i) the product of (a) the Statistical Loss Amount and (b) the lesser of 1 and a fraction the numerator of which is $410,000,000 and the denominator of which is the Net Outstanding Portfolio Collateral Balance as of such Determination Date over (ii) the product of (a) U.S.$6,080,000 and (b) the lesser of 1 and a fraction the numerator of which is the Net Outstanding Portfolio Collateral Balance as of such Determination Date and denominator of which is $410,000,000.

"Administrative Expenses" means amounts (including indemnities) due or accrued with respect to any Payment Date and payable by the Issuer and/or the Co-Issuer to (i) the Trustee pursuant to the Indenture or any co-trustee appointed pursuant to the Indenture; (ii) the Issuer Administrator pursuant to the Administration Agreement; (iii) the independent accountants, agents (including the Note Agents under the Indenture, the Preferred Share Agents as defined under the Preferred Share Paying and Transfer Agency Agreement and the Collateral Administrator under the Collateral Administration Agreement) and

counsel of the Issuer for fees and expenses (including amounts payable in connection with the preparation of tax forms on behalf of the Issuers); (iv) the Surveillance Agent pursuant to the Surveillance Agent Agreement (other than the Surveillance Agent Fees); (v) the Rating Agencies for fees and expenses in connection with any rating or credit estimate (including the fees payable to the Rating Agencies for the monitoring of any rating or credit estimate) of the Notes, including fees and expenses, if any, due or accrued in connection with any rating of the Collateral Assets; (vi) any other person in respect of any governmental fee, charge or tax in relation to the Issuer or the Co-Issuer; (vii) to the liquidator(s) of the Issuer for the fees and expenses of liquidating the Issuer following the redemption of all of the Notes; (viii) any stock exchange in connection with the listing of any Securities at the request of the Issuer; and (ix) any other person in respect of any other fees or expenses (including indemnities and fees relating to the provision of the Issuer's registered office) permitted under the Transaction Documents; *provided* that Administrative Expenses shall not include (a) any amounts due or accrued with respect to the actions taken on or in connection with the Closing Date, (b) amounts payable in respect of the Notes, (c) amounts payable under any Hedge Agreement and (d) any Surveillance Agent Fees payable pursuant to the Surveillance Agent Agreement.

"Aggregate Calculation Amount of Defaulted Obligations and Deferred Interest PIK Bonds" means the least of (a) the Aggregate Moody's Recovery Value of all Defaulted Obligations and Deferred Interest PIK Bonds, (b) the Aggregate S&P Recovery Value of all Defaulted Obligations and Deferred Interest PIK Bonds, and (c) the aggregate of the market values of all Defaulted Obligations and Deferred Interest PIK Bonds.

"Aggregate Moody's Recovery Value" means, with respect to Defaulted Obligations and Deferred Interest PIK Bonds, the aggregate of (a) the Moody's Recovery Rate for each such asset multiplied by (b) the Principal Balance of such asset.

"Aggregate Principal Amount" means the aggregate of the Principal Balances of all Collateral Assets and Eligible Investments purchased with Principal Proceeds and the amount of any cash which constitutes Principal Proceeds.

"Aggregate S&P Recovery Value" means, with respect to Defaulted Obligations and Deferred Interest PIK Bonds, the aggregate of (a) the S&P Recovery Rate for each such asset multiplied by (b) the Principal Balance of such asset.

"Applicable Rating Agency Condition" means with respect to actions relating to Hedge Agreements and Hedge Counterparties, the Rating Agency Condition after giving effect to any waiver by a Majority of the Class D Notes and the Class E Notes (voting as a single class) of the Rating Agency Condition with respect to their Classes of Notes; *provided* that (i) such waiver shall be consented to in writing and (ii) Holders of the Class D Notes and the Class E Notes shall have been given notice at least five Business Days prior to the effective date of such waiver (unless a Majority of the Class D Notes and the Class E Notes (voting as a single class) consent to a shorter notification period and such Holders consent to the waiver) whether the action would, if immediately taken, result in a downgrade of the then current ratings on the Class D Notes and the Class E Notes.

"Applicable Recovery Rate" means, with respect to any Collateral Asset, including Defaulted Obligations and Deferred Interest PIK Bonds, on any Determination Date, the lesser of the Moody's Recovery Rate and the S&P Recovery Rate.

"Asset-Backed Securities" or "ABS Securities" means ABS Credit Card Securities and ABS Student Loan Securities.

"Calculation Amount" means, with respect to any Defaulted Obligation or Deferred Interest PIK Bond at any time, the lesser of (a) the Market Value (as defined in the Indenture) of such Defaulted Obligation or Deferred Interest PIK Bond or (b) the Applicable Recovery Rate multiplied by the outstanding principal amount of such Defaulted Obligation or Deferred Interest PIK Bond. For purposes

of determining the Calculation Amount, the Principal Balance of a Defaulted Obligation shall be deemed to be its outstanding principal amount and the Principal Balance of a Deferred Interest PIK Bond shall be deemed to be its outstanding principal amount without regard to any deferred or capitalized interest.

"CDO Securities" means collateralized debt obligations, collateralized bond obligations or collateralized loan obligations (including, without limitation, any synthetic collateralized debt obligations or collateralized loan obligations) which may be categorized as CDO Structured Product Securities, Collateralized Loan Obligations, and CDO Trust Preferred Securities.

"CDO Structured Product Securities" means CDO Securities that entitle the holders thereof to receive payments that depend (except for rights or other assets designed to assure the servicing or timely distribution of proceeds to holders of such CDO Securities) on the cash flow from a portfolio diversified among categories of REIT Debt Securities, Asset-Backed Securities, Residential Mortgage-Backed Securities, Commercial Mortgage-Backed Securities and CDO Securities or any combination of more than one of the foregoing or solely of CDO Securities (and which may include limited amounts of corporate securities), generally having the following characteristics: (i) repayment thereof can vary substantially from the contractual payment schedule (if any), with early prepayment of individual debt securities depending on numerous factors specific to the particular issuers or obligors and upon whether, in the case of loans or securities bearing interest at a fixed rate, such loans or securities include an effective prepayment premium, and (ii) proceeds from such repayments can for a limited period and subject to compliance with certain eligibility criteria be reinvested in additional loans and/or debt securities.

"CDO Trust Preferred Securities" means CDO Securities that entitle the holder thereof to receive payments that depend (except for rights or other assets designed to assure the servicing or timely distribution of proceeds to holders of such CDO Securities) on the cash flow from a portfolio of trust preferred securities issued by bank, thrift, other depository institutions or trust subsidiaries.

"Class" means each class of Notes having the same Stated Maturity and same priority, and the Preferred Shares as a single class.

"Class A Adjusted Overcollateralization" means, with respect to any Determination Date, the Adjusted Net Outstanding Portfolio Collateral Balance less the aggregate outstanding principal amount of the Class A Notes after giving effect to payments on the succeeding Payment Date made in accordance with the Priority of Payments.

"Class A Adjusted Overcollateralization Ratio" means, with respect to any Determination Date, the Adjusted Net Outstanding Portfolio Collateral Balance *divided* by the aggregate outstanding principal amount of the Class A Notes, after giving effect to payments on the succeeding Payment Date made in accordance with the Priority of Payments.

"Class A Note Redemption Price" shall equal the Class A-1 Note Redemption Price and the Class A-2 Note Redemption Price.

"Class A-1 Note Redemption Price" shall equal (i) the outstanding principal amount of the Class A-1 Notes *plus* (ii) accrued and unpaid interest thereon (including Defaulted Interest and interest on Defaulted Interest, if any) to but excluding the Redemption Date.

"Class A-2 Note Redemption Price" shall equal (i) the outstanding principal amount of the Class A-2 Notes *plus* (ii) accrued and unpaid interest thereon (including Defaulted Interest and interest on Defaulted Interest, if any) to but excluding the Redemption Date.

"Class B Adjusted Overcollateralization" means, with respect to any Determination Date, the Adjusted Net Outstanding Portfolio Collateral Balance less the aggregate outstanding principal amount of

the Class A Notes and the Class B Notes after giving effect to payments on the succeeding Payment Date made in accordance with the Priority of Payments.

"Class B Adjusted Overcollateralization Ratio" means, with respect to any Determination Date, the Adjusted Net Outstanding Portfolio Collateral Balance divided by the sum of the aggregate outstanding principal amount of the Class A Notes and the Class B Notes, after giving effect to payments on the succeeding Payment Date made in accordance with the Priority of Payments.

"Class B Note Redemption Price" shall equal (i) the outstanding principal amount of the Class B Notes, *plus* (ii) accrued interest thereon (including Defaulted Interest and interest on Defaulted Interest, if any) to, but excluding, the Redemption Date.

"Class C Adjusted Overcollateralization" means, with respect to any Determination Date, the Adjusted Net Outstanding Portfolio Collateral Balance *less* the aggregate outstanding principal amount of the Class A Notes, Class B Notes and Class C Notes (including Class C Deferred Interest) after giving effect to payments on the succeeding Payment Date made in accordance with the Priority of Payments.

"Class C Adjusted Overcollateralization Ratio" means, with respect to any Determination Date, the Adjusted Net Outstanding Portfolio Collateral Balance *divided by* the sum of the aggregate outstanding principal amount of the Class A Notes, Class B Notes and Class C Notes (including C Deferred Interest) after giving effect to payments on the succeeding Payment Date made in accordance with the Priority of Payments.

"Class C Note Redemption Price" shall equal the sum of (i) the outstanding principal amount of the Class C Notes (including any Class C Deferred Interest) *plus* (ii) accrued interest thereon (including any Defaulted Interest and any interest on Defaulted Interest, if any) to but excluding the Redemption Date.

"Class D Adjusted Overcollateralization" means, with respect to any Determination Date, the Adjusted Net Outstanding Portfolio Collateral Balance less the Aggregate Outstanding Amount of the Class A Notes, Class B Notes, Class C Notes and Class D Notes (including Class C Deferred Interest and Class D Deferred Interest) after giving effect to payments on the succeeding Payment Date made in accordance with the Priority of Payments.

"Class D Adjusted Overcollateralization Ratio" means, with respect to any Determination Date, the Adjusted Net Outstanding Portfolio Collateral Balance divided by the sum of the Aggregate Outstanding Amount of the Class A Notes, Class B Notes, Class C Notes and Class D Notes (including Class C Deferred Interest and Class D Deferred Interest) after giving effect to payments on the succeeding Payment Date made in accordance with the Priority of Payments.

"Class D Note Redemption Price" shall equal the sum of (i) the outstanding principal amount of the Class D Notes (including any Class D Deferred Interest) *plus* (ii) accrued interest thereon (including any Defaulted Interest and any interest on Defaulted Interest, if any) to but excluding the Redemption Date.

"Class E Note Redemption Price" shall equal the sum of (i) the outstanding principal amount of the Class E Notes (including any Class E Deferred Interest) *plus* (ii) accrued interest thereon (including any Defaulted Interest and any interest on Defaulted Interest, if any) to but excluding the Redemption Date.

"Collateral Account" means a segregated non-interest bearing trust account, including all sub-accounts thereof, held in the name of the Trustee into which Collateral will be deposited from time to time.

"Collateral Administration Agreement" means the Collateral Administration Agreement, dated as of the Closing Date, among the Issuer, the Collateral Administrator and the Surveillance Agent, as the same may be amended, supplemented or otherwise modified from time to time in accordance with its terms.

"Collateral Administrator" means LaSalle Bank National Association, or any successor Collateral Administrator under the Collateral Administration Agreement.

"Collateralized Loan Obligation" means CDO Security that entitles the holders thereof to receive payments that depend (except for rights or other assets designed to assure the servicing or timely distribution of proceeds to holders of such securities) on the cash flow from (and not the market value of) a portfolio of at least 80% by principal balance of commercial loans.

"Commercial Mortgage-Backed Securities" or "CMBS" means securities backed by obligations (including certificates of participation in obligations) that are principally secured by mortgages on real property or interests therein having a multifamily or commercial use, such as regional malls, other retail space, office buildings, industrial or warehouse properties, hotels, nursing homes and senior living centers and shall include, without limitation, CMBS Conduit Securities, CMBS Large Loan Securities and CMBS Repackaging Securities.

"CMBS Conduit Securities" means Commercial Mortgage-Backed Securities that entitle the holders thereof to receive payments that depend (except for rights or other assets designed to assure the servicing or timely distribution of proceeds to holders of such Commercial Mortgage-Backed Securities) on the cash flow from a pool of commercial mortgage loans.

"CMBS Large Loan Securities" means Commercial Mortgage-Backed Securities (other than CMBS Conduit Securities) that entitle the holders thereof to receive payments that depend (except for rights or other assets designed to assure the servicing or timely distribution of proceeds to holders of such Commercial Mortgage-Backed Securities) on the cash flow from a commercial mortgage loan or a pool of commercial mortgage loans made to finance the acquisition, construction and improvement of properties. Generally, five or fewer commercial mortgage loans shall account for more than 20% of the aggregate principal balance of the entire pool of commercial mortgage loans supporting payments on the securities.

"CMBS Repackaging Securities" means a security that entitles the holders thereof to receive payments that depend on the cash flow from a portfolio of all (100%) CMBS Securities, REIT Debt Securities and other interests in commercial mortgage loans or similar commercial real estate interests.

"Collateralized Loan Obligation" means a CDO Security that entitles the holders thereof to receive payments that depend (except for rights or other assets designed to assure the servicing or timely distribution of proceeds to holders of such securities) on the cash flow from (and not the market value of) a portfolio of at least 80% by principal balance of commercial loans.

"Controlling Class" will be the Class A Notes, for so long as any Class A Notes are outstanding; if no Class A Notes are outstanding, then the Class B Notes, so long as any Class B Notes are outstanding; then, if no Class A Notes or Class B Notes are outstanding, the Class C Notes, so long as any Class C Notes are outstanding, then, if no Class A Notes, Class B Notes or Class C Notes are outstanding, the Class D Notes, so long as any Class D Notes are outstanding; then, if no Class A Notes, Class B Notes, Class C Notes or Class D Notes are outstanding, the Class E Notes, so long as any Class E Notes are outstanding.

"Defaulted Hedge Termination Payments" means any termination payment required to be made by the Issuer to the Hedge Counterparty pursuant to a Hedge Agreement in the event of a termination of such Hedge Agreement in respect of which such Hedge Counterparty is the sole Defaulting Party or the sole Affected Party (as defined in the Hedge Agreement), other than with respect to "Illegality" or "Tax Event".

"Defaulted Obligation" means any Collateral Asset with respect to which:

(i) there has occurred and is continuing for the lesser of 3 Business Days and any applicable grace period, a default with respect to the payment of interest or principal on such Collateral Asset in accordance with its terms; *provided* that, the Collateral Asset shall not constitute a Defaulted Obligation if and when such default has been cured through the payment of all past due interest and principal or waived; *provided, further, however*, that, notwithstanding the foregoing, any Collateral Asset that is in default with respect to the payment of interest or principal as of a Determination Date shall not be a Defaulted Obligation if such default is cured through the payment of all past due interest and principal within 3 Business Days after such Determination Date (and the Surveillance Agent shall determine whether a default has occurred and is continuing on or prior to the second Business Day prior to the Payment Date) or such Collateral Asset shall not be treated as a Defaulted Obligation if the Surveillance Agent believes the default on such Collateral Asset will be cured as of the next Determination Date, such Collateral Asset does not have an S&P Rating of "CC" or lower, "D" or "SD" and the Rating Agency Condition has been satisfied relative to such treatment;

(ii) pursuant to the underlying instruments of such Collateral Assets, there has occurred a default or event of default (other than a default in the payment of interest or principal) which entitles the holders thereof, with notice or the passage of time or both, to accelerate the maturity of all or a portion of the outstanding principal amount of such security, unless such default or event of default is no longer continuing or has been waived or otherwise cured;

(iii) the principal amount of such Collateral Asset has been written down;

(iv) any bankruptcy, insolvency or receivership proceeding has been initiated in connection with the issuer of such Collateral Asset and is unstayed and undismissed; *provided*, that, if such proceeding is an involuntary proceeding, the condition of this clause (iv) will not be satisfied until the earliest of the following: (I) the issuer consents to such proceeding, (II) an order for relief under the United States Bankruptcy Code, or any similar order under a proceeding not taking place under the United States Bankruptcy Code, has been entered, and (III) such proceeding remains unstayed and undismissed for 60 days;

(v) such Collateral Asset is pari passu with or subordinated to other material indebtedness for borrowed money owing by the issuer thereof ("Other Indebtedness") and such issuer has defaulted in the payment of principal or interest (beyond any applicable grace or notice period and without regard to any waiver of such default) on such Other Indebtedness, unless, in the case of a failure of such issuer to make required interest payments, such issuer has resumed current cash payments of interest and has paid in full any accrued interest due and payable thereon;

(vi) such Collateral Asset has an S&P Rating of "CC" or lower, "D" or "SD" or, if S&P withdraws its rating and the S&P Rating at the time of withdrawal is "CCC" or below or such Collateral Asset has a Moody's Rating of "C" or lower or "Ca"; or

(vii) the Surveillance Agent believes that such Collateral Asset will default on or before the next Determination Date.

"Deferred Interest PIK Bond" means a PIK Bond with respect to which interest thereon has been deferred and capitalized more than once in the last 12 monthly periods, but only until such time as payment of interest on such PIK Bond has resumed and all capitalized or deferred interest has been paid in full in accordance with its underlying documents.

"Distribution Compliance Period" with respect to the Notes ends 40 days after the later of (i) the commencement of the offering of the Notes and (ii) the Closing Date.

"Eligible Depositary" shall be a financial institution organized under the laws of the United States or any state thereof, authorized to accept deposits, having a combined capital and surplus of at least U.S.$200,000,000, and having (or if its obligations are guaranteed by its parent company, its parent having), a long term debt rating of at least "Baa1" by Moody's (and if rated "Baa1", such rating is not on watch for downgrade) and "BBB+" by S&P and a short term debt rating of "P-1" by Moody's (and not on watch for downgrade) and at least "A-1" by S&P.

"Eligible Investment" means any U.S. Dollar-denominated investment that, at the time it is delivered to the Trustee, is one or more of the following obligations or items of investment property:

(i) direct Registered obligations of, and Registered obligations fully guaranteed by, the United States or any agency or instrumentality of the United States the obligations of which are expressly backed by the full faith and credit of the United States;

(ii) demand and time deposits in, certificates of deposit of, or banker's acceptances issued by, any depository institution or trust company incorporated in the United States or any state thereof, which depository institution or trust company is subject to supervision and examination by federal or state authorities, with a maturity not in excess of 183 days; and with a credit rating by S&P of at least "A-1+" or at least "AA-", as applicable, a credit rating by Moody's of at least "P-1" or at least "Aa3" (and if rated "Aa3", not on watch for downgrade), as applicable, in the case of a maturity in excess of 30 days, or a credit rating by S&P of at least "A-1" and a credit rating by Moody's of at least "P-1" (and not on watch for downgrade) in the case of a maturity of less than 30 days;

(iii) repurchase obligations with respect to (a) any security described in clause (i) above or (b) any other security issued or guaranteed by an agency or instrumentality of the United States, entered into with a depository institution or trust company described in clause (ii) above or entered into with a corporation whose long-term senior unsecured rating is at least "A1" (and if rated "A1", not on watch for downgrade) by Moody's and "AA-" by S&P and whose short-term credit rating is "P-1" (and not on watch for downgrade) by Moody's and "A-1" by S&P at the time of such investment, with a term not in excess of 91 days;

(iv) Registered debt securities bearing interest or sold at a discount issued by any corporation incorporated under the laws of the United States or any state thereof that have a credit rating of at least "Aa3" (and if rated "Aa3", not on watch for downgrade) or "P-1" (and not on watch for downgrade) by Moody's and "AA-" or "A-1" by S&P;

(v) commercial paper or other short-term obligations of a corporation, partnership, limited liability company or trust, or any branch or agency thereof located in the United States or any of its territories, such commercial paper or other short-term obligations having a credit rating of "P-1" (and not on watch for downgrade) by Moody's and "A-1" by S&P, and that are Registered and either are interest bearing or are sold at a discount from the face amount thereof and have a maturity of not more than 91 days from their date of issuance;

(vi) offshore money market funds which have a credit rating of not less than "Aaa/MR1+" by Moody's and "AAA" or "AAAm" or "AAAm-G" by S&P; and

(vii) cash;

provided, however, that each rating in clauses (iii) through (vi) above by Moody's or S&P shall be an Actual Rating. Eligible Investments shall not include any RMBS, CMBS, any inverse floater, any security subject to withholding tax if owned by the Issuer, any security subject to an offer, any interest only security, any principal only security (other than treasury bills or commercial paper) or any security with a price in excess of 100% of par or any security the repayment of which is dependent on substantial non-credit related risk as determined by the Surveillance Agent. Each such Eligible Investment shall mature no later than the second Business Day immediately preceding the Payment Date next following

the Due Period in which the date of investment occurs, unless such Eligible Investment is issued by the institution acting as Securities Intermediary, in which event such Eligible Investment may mature on the Business Day preceding such Payment Date. Eligible Investments may include those investments with respect to which the Securities Intermediary, the Trustee, the Surveillance Agent or the Initial Purchasers or an affiliate of the Trustee, the Surveillance Agent or the Initial Purchasers provides services. As used in this definition, ratings may not include ratings with an "r", "p", "q", "pi" or "t" subscript. Notwithstanding the foregoing, Eligible Investments rated "A-1" by S&P with a maturity in excess of one (1) Business Day may not exceed 20% of the Aggregate Outstanding Amount of the Notes and any such investment purchased based on the short-term ratings by S&P of "A-1" must mature no later than thirty (30) days after the date of purchase.

"Final Payment Date" means a Payment Date with respect to an Optional Redemption, Tax Redemption, Auction or redemption due to an Event of Default resulting in acceleration of the Notes and liquidation of the Collateral.

"Fixed Rate Security" means any Collateral Asset which is not a Floating Rate Security.

"Floating Rate Security" means any Collateral Asset, the interest rate on which resets pursuant to an index after the date of purchase by the Issuer or is a Synthetic Security in a default swap contract.

"Hedge Collateral" means, any cash, securities or other collateral delivered and/or pledged by the Hedge Counterparty to or for the benefit of the Issuer, including, without limitation, any upfront payment of cash or delivery of securities made by the Hedge Counterparty to satisfy or secure its payment obligations pursuant to the terms of the related Hedge Agreement.

"Hedge Counterparty Ratings Requirement" means (i) with respect to the rating of a Hedge Counterparty or its guarantor (or any replacement pursuant to the relevant Hedge Agreement), as an issuer or with respect to (A) the long-term senior unsecured debt of such party, "Aa3" (and not on credit watch for possible downgrade) or better by Moody's, if such party has a long-term rating only or (B) the long-term senior unsecured debt of such party, as applicable, "A1" (and not on credit watch for possible downgrade) or better by Moody's; (ii) with respect to the short-term debt of a Hedge Counterparty or its guarantor (or any replacement pursuant to the relevant Hedge Agreement), "P-1" (and not on credit watch for possible downgrade) by Moody's, or, if no such rating is available, a rating of a guaranteed affiliate thereof from Moody's, if so rated by Moody's; and (iii) either, with respect to a Hedge Counterparty or its guarantor (or any replacement pursuant to the relevant Hedge Agreement) as an issuer or with respect to the short-term unsecured debt of such party, "A-1" by S&P or, if no such short-term rating is available, the long-term senior unsecured debt of such party, "A+" by S&P (so long as any of the Notes outstanding hereunder are rated by such Rating Agency); *provided,* that should a Rating Agency effect an overall downward adjustment of its rating requirements for hedge counterparties in collateralized debt obligation transactions, then the applicable Hedge Counterparty Ratings Requirement shall be adjusted downward accordingly; *provided further,* that any adjustment to the Hedge Counterparty Ratings Requirement will be subject to the satisfaction of the Rating Agency Condition with respect to the applicable Rating Agency.

"Hedge Receipt Amount" means with respect to a Hedge Agreement and any Payment Date, any hedge receipts payable to the Issuer by the Hedge Counterparty pursuant to such Hedge Agreement, including any other amounts so payable in respect of a termination of any Hedge Agreement.

"Holder" or "Noteholder" means with respect to any Note shall mean the person in whose name such Note is registered in the Note Register, or, for purposes of voting and determinations under the Indenture, as long as such Note is in global form, a beneficial owner thereof and "Holder" with respect to any Preferred Share shall mean the person in whose name such Preferred Share is registered in the share register of the Issuer.

"Implied Rating" means, in the case of a rating on a Collateral Asset, a rating that is determined by reference to any publicly available, fully monitored rating by another Rating Agency that, by its terms, addresses the full scope of the payment promise of the obligor.

"Initial Stated Amount" means, with respect to the Preferred Shares, a price on the Closing Date of U.S. $1,000 per share, or $16,400,000 in the aggregate.

"Internal Rate of Return" means, with respect to the Preferred Shares and each Payment Date, the rate of return that would result in a net present value of zero, assuming (i) an aggregate purchase price of U.S.$1,000 for each Preferred Share as the initial negative cash flow on the Closing Date and all deposits to the Preferred Share Payment Account in respect of payments to the Preferred Shares on such Payment Date and each preceding Payment Date as positive cash flows, (ii) the initial date of the calculation is the Closing Date and (iii) the number of days to each subsequent Payment Date from the Closing Date being calculated on a corporate bond equivalent basis.

"Issue" of a Collateral Asset means any such Collateral Asset issued by the same issuer, having the same terms and conditions (as to, among other things, coupon, maturity, security and subordination) and otherwise being fungible with one another.

"Liquidation Proceeds" means with respect to any Optional Redemption, Tax Redemption or the Final Payment Date, including, without duplication, (i) all Sale Proceeds from Collateral Assets sold in connection with such redemption, (ii) the aggregate amount received by the Issuer net of any amount required to be paid by the Issuer on or prior to the Business Day immediately preceding such Payment Date from the termination of any Hedge Agreement in connection with such redemption, and (iii) cash and Eligible Investments on deposit in the Accounts, to the extent available therefor, including any amounts designated by the Surveillance Agent as retained for reinvestment in Eligible Investments (and also including any payments received under any Hedge Agreements on or prior to the day preceding such Payment Date, but only to the extent that such payments are required to be paid as a result of an Optional Redemption or Tax Redemption), in each case as determined by the Surveillance Agent.

"Majority" means (a) with respect to any Class of Notes, the Holders of more than 50% of the aggregate outstanding principal amount of such Class of Notes and (b) with respect to the Preferred Shares, the Holders of more than 50% of the outstanding Preferred Shares.

"Minimum Bid Amount" is an amount equal to the sum of (a) the Note Redemption Price with respect to the Auction Payment Date, (b) any amount payable by the Issuer to the Hedge Counterparties upon termination of the Hedge Agreements less any amounts payable by the Hedge Counterparty to the Issuer upon the termination of the Hedge Agreements, (c) an amount such that the Holders of the Preferred Shares have received the Preferred Share Stated Amount (after giving effect to all prior distributions to the Holders of the Preferred Shares), (d) accrued and unpaid Senior Surveillance Agent Fees and (e) 101% of all unpaid expenses of the Issuer, less amounts on deposit in the Accounts which are available to redeem the Notes or pay amounts provided in clauses (b) through (d) above. See "Description of the Notes and the Preferred Shares—Auction."

"Minimum Class A Adjusted Overcollateralization" means that, as of any Determination Date, the Class A Adjusted Overcollateralization must be at least U.S.$50,000,000.

"Minimum Class B Adjusted Overcollateralization" means that, as of any Determination Date, the Class B Adjusted Overcollateralization must be at least U.S.$35,000,000.

"Minimum Class C Adjusted Overcollateralization" means that, as of any Determination Date, the Class C Adjusted Overcollateralization must be at least U.S.$10,000,000.

"Minimum Class D Adjusted Overcollateralization" means that, as of any Determination Date, the Class D Adjusted Overcollateralization must be at least U.S.$5,000,000.

"Moody's Rating" has the meaning set forth in the Indenture.

"Moody's Recovery Rate" means, with respect to a Collateral Asset, an amount equal to the percentage for such Collateral Asset set forth in the recovery rate assumptions for Moody's attached as a schedule to the Indenture, in (x) the table corresponding to the relevant classification of such Collateral Asset, (y) the column in such table setting forth the Moody's Rating of such Collateral Asset as of the date on which such Collateral Asset was originally issued and (z) the row in such table opposite the percentage of the issue of which such Collateral Asset is a part relative to the total capitalization of (including both debt and equity securities issued by) the relevant issuer of or obligor on such Collateral Asset determined on the date on which such Collateral Asset was originally issued; *provided, however*, that (A) Defaulted Obligations which exceed 2.5% of the Aggregate Principal Amount and have been defaulted for more than one year will be deemed to have a Moody's Recovery Rate of 0%, (B) Defaulted Obligations which exceed 1.00% of the Aggregate Principal Amount and have been defaulted for more than 2 years shall be deemed to have a Moody's Recovery Rate of 0%; and (C) Defaulted Obligations which have been defaulted for more than 3 years shall be deemed to have a Moody's Recovery Rate of 0%.

"Net Outstanding Portfolio Collateral Balance" means, on any Determination Date, an amount equal to (i) the aggregate Principal Balance on such Determination Date of all Collateral Assets, *plus* (ii) the aggregate Principal Balance of all Principal Proceeds held as cash and Eligible Investments purchased with Principal Proceeds, *minus* (iii) the aggregate Principal Balance on such Determination Date of all Collateral Assets that are (A) Defaulted Obligations and Deferred Interest PIK Bonds, (B) Single B Rated Assets and (C) Triple C Rated Assets, *plus* (iv) the Aggregate Calculation Amount of Defaulted Obligations and Deferred Interest PIK Bonds, the Single B Calculation Amount for the Single B Rated Assets and the Triple C Calculation Amount for the Triple C Rated Assets *minus* (v) the aggregate of the products of (a) the unpaid Principal Balance of each Collateral Asset other than Defaulted Obligations, Deferred Interest PIK Bonds, Single B Rated Assets or Triple C Rated Assets that are expected to be paid after the Stated Maturity of the Class D Notes and the Class E Notes and (b) one *minus* the Applicable Recovery Rate for such Collateral Asset, *minus* (vi) any appraisal reductions applicable to any class of CMBS or class of RMBS held by the Issuer to the extent such appraisal reduction is intended to reduce the interest payable to such Collateral Asset and only in proportion to such interest reduction.

"Note Redemption Price" is the Class A Note Redemption Price, the Class B Note Redemption Price, the Class C Note Redemption Price, the Class D Note Redemption Price and the Class E Note Redemption Price, as applicable.

"PIK Bond" means an ABS Security or a CDO Security on which the deferral of interest does not constitute an event of default pursuant to the terms of the related underlying instruments (while any other senior debt obligation is outstanding if so provided by the related indenture or other underlying instruments).

"Preferred Share Make-Whole Amount" is, with respect to any Payment Date or Auction Payment Date on or before the July 2015 Payment Date, the amount necessary for the Holders of the Preferred Shares to achieve a 20% Internal Rate of Return on the Initial Stated Amount of the Preferred Shares. With respect to any Auction Payment Date after the July 2015 Payment Date, the Preferred Share Make-Whole Amount will be zero.

"Preferred Share Stated Amount" means, as of any date of determination, the Initial Stated Amount of the Preferred Shares, as notionally reduced by all distributions or amounts paid to the Holders of the Preferred Shares.

"Principal Balance" means, with respect to any Collateral Asset or Eligible Investment, as of any date of determination, the outstanding principal amount of such Collateral Asset or Eligible Investment; subject to the following exceptions: (i) the Principal Balance of a Collateral Asset received upon acceptance of an offer to exchange a Collateral Asset for such Collateral Asset shall be deemed to be the percentage of the outstanding principal amount equal to the lesser of (a) the Moody's Recovery Rate and

(b) the S&P Recovery Rate for such Collateral Asset until such time as Proceeds are first received when due with respect to such Collateral Asset; (ii) the Principal Balance of each Defaulted Obligation shall be deemed to be zero, except (A) for purposes of the calculation of the Coverage Tests, in which case, the Principal Balance of Defaulted Obligations shall equal their respective outstanding principal amount (unless otherwise indicated in such tests), (B) for purposes of calculating the Senior Surveillance Agent Fee, the Principal Balance of each Defaulted Obligation shall equal the Calculation Amount for such Defaulted Obligations and (C) as otherwise expressly indicated; (iii) the Principal Balance of any cash shall be the amount of such cash; (iv) the Principal Balance of any Collateral Assets and any Eligible Investments in which the Trustee does not have a perfected security interest shall be deemed to be zero; (v) the Principal Balance of any Default Swap Collateral shall be deemed to be zero as long as the related Synthetic Security is outstanding; and (vi) the Principal Balance of any Collateral Asset that is an equity security shall be deemed to be zero.

"Principal Proceeds" means, with respect to any Due Period, the sum (without duplication) of: (i) all payments of principal on the Collateral Assets and Eligible Investments received in cash by the Issuer during such Due Period, including principal payments received on any Default Swap Collateral if the related Synthetic Security has terminated and the Issuer has no further payment obligations thereunder, prepayments, mandatory sinking fund payments, payments in respect of optional redemptions, exchange offers, tender offers (other than payments of principal of Eligible Investments acquired with Proceeds other than Principal Proceeds) and recoveries on Defaulted Obligations; (ii) Sale Proceeds received by the Issuer during such Due Period (excluding accrued interest on sold or disposed Collateral Assets or Eligible Investments); (iii) all amendment, waiver, late payment fees, restructuring and other fees and commissions collected during the related Due Period in respect of Defaulted Obligations; (iv) any proceeds resulting from the termination, replacement and liquidation of any Hedge Agreement to the extent such proceeds exceed the cost of entering into a replacement Hedge Agreement received during the period commencing on the day after the first Payment Date following the commencement of such Due Period (or the Closing Date, in the case of the first Due Period) and ending on and including the first Payment Date following the end of such Due Period; and (v) all payments received in cash by the Issuer during such Due Period that represent call, prepayment or redemption premiums but not in excess of the purchase premium paid thereon; *provided, however*, that Principal Proceeds shall not include any funds from the Excepted Property (as defined in the Indenture).

"Proceeds" means, with respect to any Due Period, without duplication, all amounts received by the Trustee with respect to the Collateral Assets, all amounts received as amendment, waiver, late payment fees and commissions collected during such Due Period on Collateral Assets other than Defaulted Obligations, all amounts received with respect to Eligible Investments, and all Hedge Receipt Amounts received during the period commencing on the day after the first Payment Date following the commencement of such Due Period (or the Closing Date, in the case of the first Due Period) and ending on and including the first Payment Date following the end of such Due Period, including Principal Proceeds.

"Quarterly Asset Amount" means, with respect to any Payment Date, the Aggregate Principal Amount on the first day of the related Due Period.

"Rating Agency Condition" means, with respect to any Class of Notes then rated by a Rating Agency, and with respect to any action taken or to be taken under the Transaction Documents, a condition that is satisfied when each Rating Agency then rating such Class of Notes has confirmed in writing to the Issuer and the Surveillance Agent that such action will not result in the immediate withdrawal, reduction or other adverse action with respect to any then-current rating of any such Class of Notes.

"Redemption Date" means any Tax Redemption Date or Optional Redemption Date.

"Reference Obligation" means a RMBS, CMBS or Asset-Backed Security upon which a Synthetic Security is based.

"Reference Obligor" means the obligor on a Reference Obligation.

"Registered" means, with respect to any debt obligation or debt security, a debt obligation or debt security that is issued after July 18, 1984, and that is in registered form within the meaning of Section 881(c)(2)(B)(i) of the Code and the Treasury regulations promulgated thereunder.

"REIT Debt Security" means an unsecured debt security issued by publicly held real estate investment trusts (as defined in Section 856 of the Code or any successor provision).

"Residential Mortgage-Backed Securities" or "RMBS" means securities that represent interests in pools of residential mortgage loans secured by 1- to 4-family residential mortgage loans and shall include, without limitation, RMBS Residential Alt-A Mortgage Securities, RMBS Residential A Mortgage Securities, RMBS Residential B/C Mortgage Securities, RMBS Manufactured Housing Loan Securities and RMBS Home Equity Loan Securities.

"RMBS Home Equity Loan Securities" means Residential Mortgage-Backed Securities (other than RMBS Residential Alt-A Mortgage Securities, RMBS Residential A Mortgage Securities and RMBS Residential B/C Mortgage Securities) that entitle the holders thereof to receive payments that depend (except for rights or other assets designed to assure the servicing or timely distribution of proceeds to holders of such Mortgage-Backed Securities) on the cash flow from balances (including revolving balances) outstanding under lines of credit or loans secured by a first and/or subordinate lien on residential real estate (1- to 4-family properties), the proceeds of which lines of credit or loans are not used to purchase such real estate or to purchase or construct dwellings thereon (or to refinance indebtedness previously so used), generally having the following characteristics: (i) the balances have standardized payment terms and require minimum monthly payments; (ii) the balances are obligations of numerous borrowers and accordingly represent a diversified pool of obligor credit risk; (iii) the repayment of such balances may be based on a fixed scheduled payment or, alternatively, may not depend upon a contractual payment schedule, with early repayment depending primarily on interest rates, availability of credit against a maximum line of credit and general economic matters; and (iv) the combined loan to value ratios are higher than customary in the primary mortgage markets.

"RMBS Manufactured Housing Loan Securities" means Residential Mortgage-Backed Securities that entitle the holders thereof to receive payments that depend (except for rights or other assets designed to assure the servicing or timely distribution of proceeds to holders of such Mortgage-Backed Securities) on the cash flow from manufactured housing (also known as mobile homes and prefabricated homes) installment sales contracts and installment loan agreements, generally having the following characteristics: (i) the contracts and loan agreements have varying, but typically lengthy contractual maturities; (ii) the contracts and loan agreements are secured by the manufactured homes and, in certain cases, by mortgages and/or deeds of trust on the real estate to which the manufactured homes are deemed permanently affixed; (iii) the contracts and/or loans are obligations of a large number of obligors and accordingly represent a relatively diversified pool of obligor credit risk; (iv) repayment thereof can vary substantially from the contractual payment schedule, with early prepayment of individual loans depending on numerous factors specific to the particular obligors and upon whether, in the case of loans bearing interest at a fixed rate, such loans or securities include an effective prepayment premium; and (v) in some cases, obligations are fully or partially guaranteed by a governmental agency or instrumentality.

"RMBS Residential A Mortgage Securities" means Residential Mortgage-Backed Securities (other than RMBS Residential Alt-A Mortgage Securities, RMBS Residential B/C Mortgage Securities and RMBS Home Equity Loan Securities) that entitle the holders thereof to receive payments that depend (except for rights or other assets designed to assure the servicing or timely distribution of proceeds to holders of such Mortgage-Backed Securities) on the cash flow from residential mortgage loans secured (on a first priority basis, subject to permitted liens, easements and other encumbrances) by residential real estate (1- to 4-family properties) the proceeds of which are used to purchase real estate and purchase or construct dwellings thereon (or to refinance indebtedness previously so used), generally having the following characteristics: (i) the mortgage loans have generally been underwritten to the

standards of the Federal National Mortgage Association, the Federal Home Loan Mortgage Corporation or the Government National Mortgage Association (without regard to the size of the loan); (ii) the mortgage loans have standardized payment terms and require minimum monthly payments; (iii) the mortgage loans are obligations of numerous borrowers and accordingly represent a very diversified pool of obligor credit risk; and (iv) the repayment of such mortgage loans is subject to a contractual payment schedule, with early repayment depending primarily on interest rates and the sale of the mortgaged real estate and related dwelling.

"RMBS Residential Alt-A Mortgage Securities" Residential Mortgage-Backed Securities (other than RMBS Residential A Mortgage Securities, RMBS Residential B/C Mortgage Securities and RMBS Home Equity Loan Securities) that entitle the holders thereof to receive payments that depend (except for rights or other assets designed to assure the servicing or timely distribution of proceeds to holders of such Mortgage-Backed Securities) on the cash flow from residential mortgage loans secured (on a first priority basis, subject to permitted liens, easements and other encumbrances) by 1- to 4-family residential real estate, the proceeds of which are used to purchase real estate and purchase or construct dwellings thereon (or to refinance indebtedness previously so used) and that were originated in connection with "Alt-A" underwriting criteria.

"RMBS Residential B/C Mortgage Securities" means Residential Mortgage-Backed Securities (other than RMBS Residential Alt-A Mortgage Securities, RMBS Residential A Mortgage Securities and RMBS Home Equity Loan Securities) that entitle the holders thereof to receive payments that depend (except for rights or other assets designed to assure the servicing or timely distribution of proceeds to holders of such Mortgage-Backed Securities) on the cash flow from subprime residential mortgage loans secured (on a first priority basis, subject to permitted liens, easements and other encumbrances) by residential real estate (1- to 4-family properties) the proceeds of which are used to purchase real estate and purchase or construct dwellings thereon (or to refinance indebtedness previously so used), generally having the following characteristics: (i) the mortgage loans have generally not been underwritten to the standards of the Federal National Mortgage Association, the Federal Home Loan Mortgage Corporation or the Government National Mortgage Association (without regard to the size of the loan); (ii) the mortgage loans have standardized payment terms and require minimum monthly payments; (iii) the mortgage loans are obligations of numerous borrowers and accordingly represent a very diversified pool of obligor credit risk; and (iv) the repayment of such mortgage loans is subject to a contractual payment schedule, with early repayment depending primarily on interest rates and the sale of the mortgaged real estate and related dwelling.

"S&P Rating" has the meaning set forth in the Indenture.

"S&P Recovery Rate" means, with respect to a Collateral Asset on any Determination Date, an amount equal to the percentage for such Collateral Asset set forth in the S&P Recovery Rate Matrix attached as a Schedule to the Indenture, in (x) the applicable table set forth therein, (y) the column in such table setting forth the S&P Rating of such Collateral Asset as of the date on which such Collateral Asset was originally issued and (z) the row in such table opposite the S&P Rating (determined in accordance with procedures prescribed by S&P for such Collateral Asset on the date of its purchase by the Issuer or, in the case of a Defaulted Obligation, the S&P Rating immediately prior to default).

"Sale Proceeds" means all amounts representing Proceeds from the sale or other disposition of any Collateral Asset or Eligible Investment received during such Due Period, net of any reasonable amounts expended by the Surveillance Agent or the Trustee in connection with such sale or other disposition.

"Servicer" means, with respect to any Issue of Collateral Assets, the entity that, absent any default, event of default or similar condition (however described), is primarily responsible for monitoring and otherwise administering the cash flows from which payments to investors in such Collateral Assets are made.

"Single B Calculation Amount" means the sum of the products of (i) the Principal Balance of each Single B Rated Asset and (ii) 70%.

"Single B Rated Asset" means any Collateral Asset, that is not a Triple C Rated Asset, with an Actual Rating from S&P less than "BB-" or with an Actual Rating from Moody's less than "Ba3".

"Statistical Loss Amount" means the sum of the product of (a) the Principal Balance of each of the Collateral Assets and (b) the applicable Moody's "Idealized" Cumulative Expected Loss Rate as set forth in the Indenture. For purposes of calculating the Statistical Loss Amount, Deferred Interest PIK Bonds, Single B Rated Assets, Triple C Rated Assets, Defaulted Obligations and the principal amount of any Collateral Assets expected to be paid after the July 2040 Payment Date will be excluded.

"Synthetic Security" means the U.S. dollar denominated credit default swaps entered into by the Issuer and the Synthetic Security Counterparty, evidenced by an ISDA Master Agreement (Multicurrency Cross Border) and the related confirmations.

"Synthetic Security Counterparty" means Goldman Sachs International and, if Goldman Sachs International or one or more of its affiliates is no longer the Synthetic Security Counterparty, any entity required to make payments on a Synthetic Security pursuant to the terms of such Synthetic Security or any guarantee thereof.

"Tax Event" means (i) the adoption of, or a change in, any tax statute (including the Code), treaty, regulation (whether temporary or final), rule, ruling, practice, procedure or judicial decision or interpretation which results or will result in deduction or withholding from any payment under a Collateral Asset for or on account of any tax representing in the aggregate in excess of 3% of the aggregate interest due and payable on the Collateral Assets during the Due Period in which such event occurs with respect to which the obligors are not required to make gross-up payments that cover the full amount of such withholding taxes on an after-tax basis or (ii) the adoption of, or change in, any tax statute (including the Code), treaty, regulation (whether temporary or final), rule, ruling, practice, procedure or judicial decision or interpretation which results or will result in taxation of the Issuer's net income in an amount equal to 3% or more of the net income of the Issuer during any Due Period in which such event occurs.

"Total Redemption Amount" means the sum of (a) all amounts due as of the Redemption Date pursuant to clauses (i), (ii), (iii), (iv), (v), (xviii) and (xix) of the Priority of Payments, (b) the Note Redemption Price and (c) the Preferred Share Stated Amount.

"Treasury" means the United States Department of the Treasury.

"Triple C Calculation Amount" means the sum of the products of (i) the Principal Balance of each Triple C Rated Asset and (ii) 50%.

"Triple C Rated Asset" means any Collateral Asset with an Actual Rating from S&P of less than "B-" or with an Actual Rating from Moody's of less than "B3".

APPENDIX B

Collateral Asset Descriptions and Transaction Summaries

RMBS Assets

CUSIP	Name	Asset Type	Original Face	Factor	Current Face	Moody's	Moodys Notch	S&P	S&P Notch	Fitch	Coupon Index	Coupon/ Margin/ Premium	Avg Life
68619ABC0	ORGN 2004-B A4	RMBS MH	2,000,000	1.000	2,000,000	Aaa	Aaa	AAA	AAA	-	fixed	5.46%	9.17
68619ABD8	ORGN 2004-B M1	RMBS MH	1,750,000	1.000	1,750,000	Aa2	Aa2	AA	AA	-	fixed	5.73%	7.57
542514JB1	LBMLT 2004-4 M9	RMBS HEL	2,250,000	1.000	2,250,000	Baa3	Baa3	A-	A-	BBB	LIBOR01M	3.00%	4.24
32027NLD1	FFML 2004-FF7 M4	RMBS HEL	5,631,000	1.000	5,631,000	-	A3	A+	A+	A+	LIBOR01M	1.20%	4.35
004375CH2	ACCR 2004-4 M2	RMBS HEL	3,500,000	1.000	3,500,000	A2	A2	A+	A+	-	LIBOR01M	1.05%	5.23
004375CL3	ACCR 2004-4 M5	RMBS HEL	1,500,000	1.000	1,500,000	Baa2	Baa2	BBB+	BBB+	-	LIBOR01M	1.80%	4.96
29445FCF3	EMLT 2004-3 M9	RMBS HEL	575,000	1.000	575,000	Baa2	Baa2	BBB-	BBB-	BBB	LIBOR01M	2.60%	4.36
29445FCE6	EMLT 2004-3 M8	RMBS HEL	1,930,000	1.000	1,930,000	Baa1	Baa1	BBB	BBB	BBB	LIBOR01M	1.75%	4.41
29445FCS5	EMLT 2005-1 M5	RMBS HEL	1,000,000	1.000	1,000,000	A2	A2	A	A	A	LIBOR01M	0.67%	3.97
29445FCW6	EMLT 2005-1 M9	RMBS HEL	1,000,000	1.000	1,000,000	Baa3	Baa3	BBB-	BBB-	-	LIBOR01M	1.90%	3.88
07384YKP0	BSABS 2003-SD1 B	RMBS HEL	5,185,000	1.000	5,185,000	Baa2	Baa2	BBB	BBB	BBB	LIBOR01M	3.50%	3.91
43739EAM9	HMBT 2004-2 M2	RMBS HEL	4,000,000	0.924	3,694,489	A2	A2	A	A	-	LIBOR01M	1.15%	3.34
64352VJC6	NCHET 2004-3 M8	RMBS HEL	5,000,000	1.000	5,000,000	Baa2	Baa2	BBB	BBB	BBB	synthetic sprd	1.80%	4.98
17307GJS8	CMLTI 2004-OPT1 M10	RMBS B/C	5,000,000	1.000	5,000,000	Baa3	Baa3	BBB	BBB	BBB+	LIBOR01M	3.35%	4.32
70069FBE6	PPSI 2004-WCW2 M8	RMBS B/C	5,500,000	1.000	5,500,000	Baa2	Baa2	BBB	BBB	BBB	LIBOR01M	2.05%	4.83
152314LV0	CXHE 2004-D MV6	RMBS B/C	1,000,000	1.000	1,000,000	Baa1	Baa1	BBB+	BBB+	BBB+	LIBOR01M	1.65%	5.03
70069FCN5	PPSI 2004-MCW1 M7	RMBS B/C	2,000,000	1.000	2,000,000	Baa1	Baa1	A-	A-	BBB+	LIBOR01M	1.85%	4.15
126673FB3	CWL 2004-8 M7	RMBS B/C	3,000,000	1.000	3,000,000	-	A2	AA-	AA-	BBB+	LIBOR01M	2.25%	4.09
68389FFW9	OOMLT 2004-3 M4	RMBS B/C	2,000,000	1.000	2,000,000	A1	A1	AA-	AA-	AA-	LIBOR01M	0.95%	3.92
68389FFZ2	OOMLT 2004-3 M7	RMBS B/C	2,000,000	1.000	2,000,000	Baa1	Baa1	A	A	A-	LIBOR01M	1.65%	3.89
68389FGB4	OOMLT 2004-3 M9	RMBS B/C	3,000,000	1.000	3,000,000	Baa3	Baa3	A-	A-	BBB	LIBOR01M	3.15%	3.88
456606FF4	INHEL 2004-B M6	RMBS B/C	5,000,000	1.000	5,000,000	A3	A3	AA-	AA-	A	LIBOR01M	1.45%	4.61
456606FJ6	INHEL 2004-B M9	RMBS B/C	5,000,000	1.000	5,000,000	Baa3	Baa3	BBB+	BBB+	BBB-	LIBOR01M	3.50%	4.39
68389FGC2	OOMLT 2004-3 M10	RMBS B/C	3,500,000	1.000	3,500,000	-	Baa3	BBB+	BBB+	BBB-	LIBOR01M	3.50%	4.00
073879KD9	BSABS 2004-HE9 M2	RMBS B/C	2,000,000	1.000	2,000,000	A2	A2	AA	AA	-	LIBOR01M	1.20%	4.68
073879KE7	BSABS 2004-HE9 M3	RMBS B/C	2,360,000	1.000	2,360,000	A3	A3	A+	A+	-	LIBOR01M	1.40%	4.59
073879KF4	BSABS 2004-HE9 M4	RMBS B/C	2,000,000	1.000	2,000,000	Baa1	Baa1	A	A	-	LIBOR01M	1.75%	4.54
76110WG59	RASC 2004-KS10 M3	RMBS B/C	4,000,000	1.000	4,000,000	A3	A3	A	A	-	LIBOR01M	1.30%	3.90
76110WG67	RASC 2004-KS10 M4	RMBS B/C	2,500,000	1.000	2,500,000	Baa1	Baa1	A-	A-	-	LIBOR01M	1.65%	3.82
00764MDJ3	AABST 2004-5 M3	RMBS B/C	3,100,000	1.000	3,100,000	A3	A3	A-	A-	A-	LIBOR01M	1.40%	4.88
00764MDK0	AABST 2004-5 B1	RMBS B/C	3,050,000	1.000	3,050,000	Baa1	Baa1	BBB+	BBB+	BBB+	LIBOR01M	1.75%	4.81
66987WBZ9	NHEL 2004-4 B1	RMBS B/C	2,500,000	1.000	2,500,000	Baa1	Baa1	A	A	A	LIBOR01M	1.70%	4.72
66987WCB1	NHEL 2004-4 B3	RMBS B/C	2,000,000	1.000	2,000,000	Baa3	Baa3	BBB	BBB	BBB	LIBOR01M	3.10%	4.43
268668ED8	EMCM 2004-C M1	RMBS B/C	5,000,000	1.000	5,000,000	-	A1	AA	AA	AA	LIBOR01M	1.00%	6.72
268668EE6	EMCM 2004-C M2	RMBS B/C	4,518,000	1.000	4,518,000	-	Baa1	A	A	A	LIBOR01M	2.00%	6.61
36242DDX8	GSAMP 2004-AR2 B3	RMBS B/C	6,759,000	1.000	6,759,000	Baa3	Baa3	-	BB	BBB-	LIBOR01M	3.75%	4.23
04542BGA4	ABFC 2004-OPT2 M5	RMBS B/C	5,000,000	1.000	5,000,000	Baa2	Baa2	BBB+	BBB+	BBB+	synthetic sprd	1.75%	3.07
35729PGK0	FHLT 2004-D M8	RMBS B/C	5,000,000	1.000	5,000,000	Baa2	Baa2	BBB	BBB	-	synthetic sprd	1.80%	4.05
317350BN5	FINA 2004-2 B1	RMBS B/C	2,817,000	1.000	2,817,000	Ba1	Ba1	BB+	BB+	-	LIBOR01M	3.35%	2.83
152314NG1	CXHE 2005-B M6	RMBS B/C	2,000,000	1.000	2,000,000	A3	A3	A-	A-	A-	LIBOR01M	0.75%	4.31
152314NJ5	CXHE 2005-B B	RMBS B/C	3,000,000	1.000	3,000,000	Baa2	Baa2	BBB	BBB	BBB	LIBOR01M	1.35%	3.07
36242DGK3	GSRPM 2004-1 M2	RMBS B/C	2,955,000	1.000	2,955,000	A2	A2	A	A	-	LIBOR01M	1.60%	6.49
36242DGM9	GSRPM 2004-1 B2	RMBS B/C	2,000,000	1.000	2,000,000	-	Ba1	BBB	BBB	-	LIBOR01M	3.50%	6.49
35729PKD1	FHLT 2005-B M9	RMBS B/C	2,500,000	1.000	2,500,000	Baa2	Baa2	BBB	BBB	-	LIBOR01M	1.32%	4.29
59020URU1	MLMI 2005-NC1 B3	RMBS B/C	1,000,000	1.000	1,000,000	Baa3	Baa3	BBB+	BBB+	-	LIBOR01M	2.05%	3.76
126673HJ4	CWL 2004-AB1 M2	RMBS Alt-A	3,000,000	1.000	3,000,000	A1	A1	AA	AA	-	LIBOR01M	1.05%	4.07
126673HK1	CWL 2004-AB1 M3	RMBS Alt-A	2,000,000	1.000	2,000,000	A2	A2	AA	AA	-	LIBOR01M	1.15%	4.07
74951PDJ4	RESIF 2004-C B6	RMBS Alt-A	1,500,000	0.990	1,485,057	Baa3	Baa3	BBB-	BBB-	BBB	LIBOR01M	1.75%	9.40

CUSIP	Name	Asset Type	Original Face	Factor	Current Face	Moody's	Moodys Notch	S&P	S&P Notch	Fitch	Coupon Index	Coupon/ Margin/ Premium	Avg Life
07386HMH1	BALTA 2004-10 B2	RMBS Alt-A	2,664,000	1.000	2,664,000	Baa3	Baa3	BBB	BBB	-	LIBOR01M	1.80%	4.94
07325NAF9	BAYV 2004-D M4	RMBS Alt-A	2,000,000	1.000	2,000,000	A3	A3	A-	A-	A-	LIBOR01M	1.25%	6.01
07325NAG7	BAYV 2004-D B1	RMBS Alt-A	2,000,000	1.000	2,000,000	Baa2	Baa2	BBB	BBB	BBB	LIBOR01M	1.90%	6.01
07325NAH5	BAYV 2004-D B2	RMBS Alt-A	1,795,000	1.000	1,795,000	Baa3	Baa3	-	BB	BBB-	LIBOR01M	3.50%	6.01
36242DQL0	GSAA 2004-11 B1	RMBS Alt-A	1,600,000	1.000	1,600,000	Baa2	Baa2	BBB	BBB	-	LIBOR01M	1.65%	3.91
12667FD51	CWALT 2004-J13 B	RMBS Alt-A	1,000,000	1.000	1,000,000	Baa2	Baa2	BBB	BBB	-	LIBOR01M	1.75%	4.36
45254TQV9	IMSA 2004-4 M4	RMBS Alt-A	2,000,000	1.000	2,000,000	A1	A1	AA-	AA-	-	LIBOR01M	0.95%	4.34
45254TQW7	IMSA 2004-4 M5	RMBS Alt-A	4,000,000	1.000	4,000,000	A3	A3	A	A	-	LIBOR01M	1.10%	4.14
02660TCM3	AHM 2004-4 6M2	RMBS Alt-A	5,000,000	0.946	4,730,816	A2	A2	A	A	-	LIBOR01M	0.98%	3.05
02660TCP6	AHM 2004-4 6B1	RMBS Alt-A	5,000,000	0.946	4,730,816	Baa1	Baa1	BBB+	BBB+	-	LIBOR01M	1.67%	3.05
36242DTU7	GSAA 2005-2 B1	RMBS Alt-A	1,000,000	1.000	1,000,000	Baa1	Baa1	A	A	-	LIBOR01M	1.30%	4.32
36242DTW3	GSAA 2005-2 B3	RMBS Alt-A	1,000,000	1.000	1,000,000	Baa3	Baa3	BBB	BBB	-	LIBOR01M	2.30%	4.30
07386HQJ3	BALTA 2005-1 M2	RMBS Alt-A	5,000,000	1.000	5,000,000	A2	A2	A	A	-	LIBOR01M	0.75%	3.57
83611MAM0	SVHE 2003-2 B	RMBS Alt-A	2,000,000	1.000	2,000,000	Ba3	Ba3	BB	BB	-	fixed	5.50%	2.21
76112BKH2	RAMP 2005-RS2 M7	RMBS Alt-A	2,000,000	1.000	2,000,000	Baa1	Baa1	-	BBB-	BBB+	LIBOR01M	1.45%	4.09
43739EAT4	HMBT 2005-1 B1	RMBS Alt-A	2,500,000	0.963	2,408,508	Baa1	Baa1	BBB+	BBB+	-	LIBOR01M	1.25%	2.73
45254TQF4	IMSA 2004-3 M5	RMBS Alt-A	2,000,000	1.000	2,000,000	A2	A2	AA	AA	-	LIBOR01M	1.25%	3.71
437690CS7	HMAC 2004-6 M8	RMBS Alt-A	1,773,000	1.000	1,773,000	Baa3	Baa3	BBB-	BBB-	-	LIBOR01M	3.50%	3.91
45254NNG8	IMM 2005-2 1M6	RMBS Alt-A	1,500,000	0.975	1,462,491	A3	A3	A	A	-	LIBOR01M	0.78%	2.25
45254NNH6	IMM 2005-2 1B	RMBS Alt-A	3,500,000	0.975	3,412,479	Baa2	Baa2	BBB+	BBB+	-	LIBOR01M	1.30%	2.25
07386HQV6	BALTA 2005-2 1B2	RMBS Alt-A	2,115,000	1.000	2,115,000	Baa3	Baa3	BBB-	BBB-	-	LIBOR01M	2.00%	3.58
36242DZR7	GSAA 2005-4 M2	RMBS Alt-A	2,000,000	1.000	2,000,000	A2	A2	A	A	-	LIBOR01M	0.70%	4.21
36242DZT3	GSAA 2005-4 B2	RMBS Alt-A	1,725,000	1.000	1,725,000	Baa2	Baa2	BBB	BBB	-	LIBOR01M	1.25%	4.08
32027NPN5	FFML 2004-FFH4 M11	RMBS Alt-A	3,122,000	1.000	3,122,000	Baa3	Baa3	-	BB	BBB-	LIBOR01M	3.25%	4.13
36242DLJ0	GSR 2004-12 1B3	RMBS A	2,770,000	0.999	2,766,366	Baa2	Baa2	-	BB+	-	LIBOR01M	1.60%	6.38
36242DPR8	GSR 2004-14 1B2	RMBS A	2,060,000	1.000	2,059,822	A2	A2	A	A	-	LIBOR01M	0.90%	5.47
36242DPS6	GSR 2004-14 1B3	RMBS A	2,472,000	1.000	2,471,786	Baa2	Baa2	BBB	BBB	-	LIBOR01M	1.60%	5.47
23332UCR3	DSLA 2005-AR1 B2	RMBS A	1,000,000	1.000	999,583	A2	A2	A	A	-	LIBOR01M	0.78%	6.63
23332UCS1	DSLA 2005-AR1 B3	RMBS A	1,376,000	1.000	1,375,426	Baa2	Baa2	BBB	BBB	-	LIBOR01M	1.70%	6.63
12669GSM4	CWHL 2005-2 M8	RMBS A	4,973,000	0.998	4,963,075	Baa2	Baa2	A	A	-	LIBOR01M	1.30%	4.92
12669GKL4	CWHL 2004-25 3A1	RMBS A	5,350,000	0.868	4,642,099	Aaa	Aaa	AAA	AAA	-	LIBOR01M	1.39%	2.84
45660LGK9	INDX 2005-AR6 B2	RMBS A	1,000,000	0.998	998,031	A2	A2	AA-	AA-	-	LIBOR01M	0.80%	6.14
45660LGL7	INDX 2005-AR6 B3	RMBS A	4,000,000	0.998	3,992,126	Baa3	Baa3	BBB	BBB	-	LIBOR01M	1.50%	6.14
92922FK23	WAMU 2005-AR6 B4	RMBS A	5,000,000	1.000	4,999,941	-	A3	A+	A+	-	LIBOR01M	0.80%	5.32
39538RAM1	GPMF 2005-AR1 M7A	RMBS A	500,000	1.000	499,945	Baa1	Baa1	A	A	-	LIBOR01M	1.15%	5.38
39538RAP4	GPMF 2005-AR1 B2	RMBS A	4,501,000	1.000	4,500,508	Baa3	Baa3	BBB+	BBB+	-	LIBOR01M	1.65%	5.38

RMBS Assets

CUSIP	Name	Asset Type	Tranche Par	Total Deal Par	Issue Date	Maturity	Issuer	Primary Servicer
68619ABC0	ORGN 2004-B A4	RMBS MH	21,600,000	169,000,000	9/29/2004	11/15/2035	ORGN 2004-B	Origen Servicing, Inc.
68619ABD8	ORGN 2004-B M1	RMBS MH	19,000,000	169,000,000	9/29/2004	11/15/2035	ORGN 2004-B	Origen Servicing, Inc.
542514JB1	LBMLT 2004-4 M9	RMBS HEL	23,110,000	2,719,328,087	9/8/2004	10/25/2034	LBMLT 2004-4	Long Beach Mortgage Company
32027NLD1	FFML 2004-FF7 M4	RMBS HEL	15,631,000	1,563,132,327	8/27/2004	9/25/2034	FFML 2004-FF7	Aurora Loan Services
004375CH2	ACCR 2004-4 M2	RMBS HEL	50,788,000	1,047,176,083	11/22/2004	1/25/2035	ACCR 2004-4	Accredited Home Lenders, Inc.
004375CL3	ACCR 2004-4 M5	RMBS HEL	10,471,000	1,047,176,083	11/22/2004	1/25/2035	ACCR 2004-4	Accredited Home Lenders, Inc.
29445FCF3	EMLT 2004-3 M9	RMBS HEL	7,038,000	469,191,024	11/30/2004	12/25/2034	EMLT 2004-3	Ocwen Federal Bank FSB
29445FCE6	EMLT 2004-3 M8	RMBS HEL	8,211,000	469,191,024	11/30/2004	12/25/2034	EMLT 2004-3	Ocwen Federal Bank FSB
29445FCS5	EMLT 2005-1 M5	RMBS HEL	14,583,000	767,546,571	3/17/2005	4/25/2035	EMLT 2005-1	Saxon Mortgage Services, Inc.
29445FCW6	EMLT 2005-1 M9	RMBS HEL	7,675,000	767,546,571	3/17/2005	4/25/2035	EMLT 2005-1	Saxon Mortgage Services, Inc.
07384YKP0	BSABS 2003-SD1 B	RMBS HEL	5,185,000	207,337,404	8/29/2003	12/25/2033	BSABS 2003-SD1	EMC Mortgage Corporation
43739EAM9	HMBT 2004-2 M2	RMBS HEL	35,017,800	897,891,120	10/29/2004	12/25/2034	HMBT 2004-2	HomeBanc Corp.
64352VJC6	NCHET 2004-3 M8	RMBS HEL	24,858,000	2,485,718,753	9/29/2004	11/25/2034	NCHET 2004-3	New Century Mortgage Corporation
17307GJS8	CMLTI 2004-OPT1 M10	RMBS B/C	12,292,000	1,638,919,032	9/2/2004	10/25/2034	CMLTI 2004-OPT1	Option One Mortgage Corporation
70069FBE6	PPSI 2004-WCW2 M8	RMBS B/C	33,000,000	2,999,999,971	9/3/2004	10/25/2034	PPSI 2004-WCW2	Countrywide Home Loans Servicing LP
152314LV0	CXHE 2004-D MV6	RMBS B/C	8,370,000	540,000,000	9/23/2004	9/25/2034	CXHE 2004-D	Centex Home Equity Company, LLC
70069FCN5	PPSI 2004-MCW1 M7	RMBS B/C	18,000,000	1,799,999,496	9/14/2004	10/25/2034	PPSI 2004-MCW1	Countrywide Home Loans Servicing LP
126673FB3	CWL 2004-8 M7	RMBS B/C	8,625,000	749,593,282	9/28/2004	7/25/2034	CWL 2004-8	Countrywide Home Loans Servicing LP
68389FFW9	OOMLT 2004-3 M4	RMBS B/C	15,500,000	999,852,449	10/5/2004	11/25/2034	OOMLT 2004-3	Option One Mortgage Corporation
68389FFZ2	OOMLT 2004-3 M7	RMBS B/C	12,500,000	999,852,449	10/5/2004	11/25/2034	OOMLT 2004-3	Option One Mortgage Corporation
68389FGB4	OOMLT 2004-3 M9	RMBS B/C	10,000,000	999,852,449	10/5/2004	11/25/2034	OOMLT 2004-3	Option One Mortgage Corporation
456606FF4	INHEL 2004-B M6	RMBS B/C	15,000,000	1,000,000,000	9/30/2004	11/25/2034	INHEL 2004-B	IndyMac Bank F.S.B.
456606FJ6	INHEL 2004-B M9	RMBS B/C	10,000,000	1,000,000,000	9/30/2004	11/25/2034	INHEL 2004-B	IndyMac Bank F.S.B.
68389FGC2	OOMLT 2004-3 M10	RMBS B/C	10,500,000	999,852,449	10/5/2004	11/25/2034	OOMLT 2004-3	Option One Mortgage Corporation
073879KD9	BSABS 2004-HE9 M2	RMBS B/C	37,086,000	726,979,371	10/29/2004	11/25/2034	BSABS 2004-HE9	EMC Mortgage Corporation
073879KE7	BSABS 2004-HE9 M3	RMBS B/C	10,181,000	726,979,371	10/29/2004	11/25/2034	BSABS 2004-HE9	EMC Mortgage Corporation
073879KF4	BSABS 2004-HE9 M4	RMBS B/C	10,908,000	726,979,371	10/29/2004	11/25/2034	BSABS 2004-HE9	EMC Mortgage Corporation
76110WG59	RASC 2004-KS10 M3	RMBS B/C	15,000,000	1,000,000,254	10/28/2004	11/25/2034	RASC 2004-KS10	HomeComings Financial Network, Inc.
76110WG67	RASC 2004-KS10 M4	RMBS B/C	10,000,000	1,000,000,254	10/28/2004	11/25/2034	RASC 2004-KS10	HomeComings Financial Network, Inc.
00764MDJ3	AABST 2004-5 M3	RMBS B/C	11,900,000	850,000,311	10/27/2004	12/25/2034	AABST 2004-5	Ocwen Federal Bank
00764MDK0	AABST 2004-5 B1	RMBS B/C	11,050,000	850,000,311	10/27/2004	12/25/2034	AABST 2004-5	Ocwen Federal Bank
66987WBZ9	NHEL 2004-4 B1	RMBS B/C	25,000,000	2,500,000,000	11/18/2004	3/25/2035	NHEL 2004-4	NovaStar Mortgage, Inc.
66987WCB1	NHEL 2004-4 B3	RMBS B/C	25,000,000	2,500,000,000	11/18/2004	3/25/2035	NHEL 2004-4	NovaStar Mortgage, Inc.
268668ED8	EMCM 2004-C M1	RMBS B/C	8,032,000	100,401,670	11/5/2004	11/25/2030	EMCM 2004-C	EMC Mortgage Corporation
268668EE6	EMCM 2004-C M2	RMBS B/C	4,518,000	100,401,670	11/5/2004	11/25/2030	EMCM 2004-C	EMC Mortgage Corporation
36242DDX8	GSAMP 2004-AR2 B3	RMBS B/C	9,759,000	975,852,070	8/31/2004	8/25/2034	GSAMP 2004-AR2	Countrywide Home Loans Servicing LP
04542BGA4	ABFC 2004-OPT2 M5	RMBS B/C	4,168,000	490,360,742	3/30/2004	12/25/2032	ABFC 2004-OPT2	Option One Mortgage Corporation
35729PGK0	FHLT 2004-D M8	RMBS B/C	7,928,000	790,191,460	11/23/2004	11/25/2034	FHLT 2004-D	Fremont Investment & Loan
317350BN5	FINA 2004-2 B1	RMBS B/C	8,817,000	705,388,300	8/6/2004	8/25/2034	FINA 2004-2	HomEq Servicing Corporation
152314NG1	CXHE 2005-B M6	RMBS B/C	18,000,000	1,000,159,488	3/24/2005	3/25/2035	CXHE 2005-B	Centex Home Equity Company, LLC
152314NJ5	CXHE 2005-B B	RMBS B/C	17,500,000	1,000,159,488	3/24/2005	3/25/2035	CXHE 2005-B	Centex Home Equity Company, LLC
36242DGK3	GSRPM 2004-1 M2	RMBS B/C	9,955,000	147,484,565	8/31/2004	9/25/2042	GSRPM 2004-1	Ocwen Federal Bank FSB
36242DGM9	GSRPM 2004-1 B2	RMBS B/C	11,061,000	147,484,565	8/31/2004	9/25/2042	GSRPM 2004-1	Ocwen Federal Bank FSB
35729PKD1	FHLT 2005-B M9	RMBS B/C	12,286,000	982,866,992	5/6/2005	4/25/2035	FHLT 2005-B	Fremont Investment & Loan
59020URU1	MLMI 2005-NC1 B3	RMBS B/C	9,097,000	978,512,100	1/31/2005	10/25/2035	MLMI 2005-NC1	Wilshire Credit Corporation
126673HJ4	CWL 2004-AB1 M2	RMBS Alt-A	22,780,000	1,339,347,950	9/29/2004	8/25/2034	CWL 2004-AB1	Countrywide Home Loans Servicing LP
126673HK1	CWL 2004-AB1 M3	RMBS Alt-A	13,400,000	1,339,347,950	9/29/2004	5/25/2034	CWL 2004-AB1	Countrywide Home Loans Servicing LP
74951PDJ4	RESIF 2004-C B6	RMBS Alt-A	10,073,000	12,591,025,675	9/30/2004	9/10/2036	RESIF 2004-C	Wells Fargo Bank, National Association

CUSIP	Name	Asset Type	Tranche Par	Total Deal Par	Issue Date	Maturity	Issuer	Primary Servicer
07386HMH1	BALTA 2004-10 B2	RMBS Alt-A	8,664,000	1,083,005,679	8/31/2004	9/25/2034	BALTA 2004-10	EMC Mortgage Corporation
07325NAF9	BAYV 2004-D M4	RMBS Alt-A	9,677,000	552,748,525	12/14/2004	8/28/2044	BAYV 2004-D	M & T Mortgage Corporation
07325NAG7	BAYV 2004-D B1	RMBS Alt-A	12,442,000	552,748,525	12/14/2004	8/28/2044	BAYV 2004-D	M & T Mortgage Corporation
07325NAH5	BAYV 2004-D B2	RMBS Alt-A	8,295,000	552,748,525	12/14/2004	8/28/2044	BAYV 2004-D	M & T Mortgage Corporation
36242DQL0	GSAA 2004-11 B1	RMBS Alt-A	8,379,000	478,793,928	12/30/2004	12/25/2034	GSAA 2004-11	Greenpoint Mortgage Funding, Inc.
12667FD51	CWALT 2004-J13 B	RMBS Alt-A	16,146,000	672,768,853	12/30/2004	2/25/2035	CWALT 2004-J13	Countrywide Home Loans Servicing LP
45254TQV9	IMSA 2004-4 M4	RMBS Alt-A	10,000,000	1,000,032,810	12/31/2004	2/25/2035	IMSA 2004-4	GMAC Mortgage Corporation
45254TQW7	IMSA 2004-4 M5	RMBS Alt-A	15,001,000	1,000,032,810	12/31/2004	2/25/2035	IMSA 2004-4	GMAC Mortgage Corporation
02660TCM3	AHM 2004-4 6M2	RMBS Alt-A	14,146,000	392,936,694	12/21/2004	2/25/2045	AHM 2004-4	American Home Mortgage Servicing, Inc.
02660TCP6	AHM 2004-4 6B1	RMBS Alt-A	9,824,000	392,936,694	12/21/2004	2/25/2045	AHM 2004-4	American Home Mortgage Servicing, Inc.
36242DTU7	GSAA 2005-2 B1	RMBS Alt-A	6,140,000	491,165,811	1/28/2005	12/25/2034	GSAA 2005-2	Countrywide Home Loans Servicing LP
36242DTW3	GSAA 2005-2 B3	RMBS Alt-A	4,912,000	491,165,811	1/28/2005	12/25/2034	GSAA 2005-2	Countrywide Home Loans Servicing LP
07386HQJ3	BALTA 2005-1 M2	RMBS Alt-A	18,294,000	813,079,506	1/31/2005	1/25/2035	BALTA 2005-1	Greenpoint Mortgage Funding, Inc.
83611MAM0	SVHE 2003-2 B	RMBS Alt-A	3,148,000	370,383,147	12/30/2003	11/25/2033	SVHE 2003-2	Impac Funding Corporation
76112BKH2	RAMP 2005-RS2 M7	RMBS Alt-A	12,688,000	725,000,026	2/25/2005	2/25/2035	RAMP 2005-RS2	Residential Funding Corporation
43739EAT4	HMBT 2005-1 B1	RMBS Alt-A	12,076,000	1,097,833,204	2/23/2005	3/25/2035	HMBT 2005-1	HomeBanc Corp.
45254TQF4	IMSA 2004-3 M5	RMBS Alt-A	23,000,000	2,300,000,000	8/31/2004	11/25/2034	IMSA 2004-3	Countrywide Home Loans Servicing LP
437690CS7	HMAC 2004-6 M8	RMBS Alt-A	4,946,000	761,026,680	11/19/2004	1/25/2035	HMAC 2004-6	Opteum Financial Services, LLC.
45254NNG8	IMM 2005-2 1M6	RMBS Alt-A	12,000,000	1,200,000,570	3/3/2005	4/25/2035	IMM 2005-2	GMAC Mortgage Corporation
45254NNH6	IMM 2005-2 1B	RMBS Alt-A	15,000,000	1,200,000,570	3/3/2005	4/25/2035	IMM 2005-2	GMAC Mortgage Corporation
07386HQV6	BALTA 2005-2 1B2	RMBS Alt-A	4,229,000	528,676,117	2/28/2005	3/25/2035	BALTA 2005-2	Bank of America, N.A.
36242DZR7	GSAA 2005-4 M2	RMBS Alt-A	11,306,000	595,027,622	3/30/2005	3/25/2035	GSAA 2005-4	GreenPoint Mortgage Funding
36242DZT3	GSAA 2005-4 B2	RMBS Alt-A	2,975,000	595,027,622	3/30/2005	3/25/2035	GSAA 2005-4	GreenPoint Mortgage Funding
32027NPN5	FFML 2004-FFH4 M11	RMBS Alt-A	5,122,000	731,700,000	12/29/2004	1/25/2035	FFML 2004-FFH4	Select Portfolio Servicing, Inc.
36242DLJ0	GSR 2004-12 1B3	RMBS A	2,770,000	325,922,829	10/29/2004	12/25/2034	GSR 2004-12	Countrywide Home Loans Servicing LP
36242DPR8	GSR 2004-14 1B2	RMBS A	4,120,000	329,658,957	11/26/2004	12/25/2034	GSR 2004-14	Countrywide Home Loans Servicing LP
36242DPS6	GSR 2004-14 1B3	RMBS A	2,472,000	329,658,957	11/26/2004	12/25/2034	GSR 2004-14	Countrywide Home Loans Servicing LP
23332UCR3	DSLA 2005-AR1 B2	RMBS A	23,473,000	1,091,820,652	2/28/2005	3/19/2045	DSLA 2005-AR1	Downey Savings & Loan Association
23332UCS1	DSLA 2005-AR1 B3	RMBS A	16,376,000	1,091,820,652	2/28/2005	3/19/2045	DSLA 2005-AR1	Downey Savings & Loan Association
12669GSM4	CWHL 2005-2 M8	RMBS A	4,973,000	1,243,271,916	1/31/2005	3/25/2035	CWHL 2005-2	Countrywide Home Loans Servicing LP
12669GKL4	CWHL 2004-25 3A1	RMBS A	66,528,000	71,805,230	12/30/2004	2/25/2035	CWHL 2004-25	Countrywide Home Loans Servicing LP
45660LGK9	INDX 2005-AR6 B2	RMBS A	17,048,000	1,002,809,755	3/18/2005	4/25/2035	INDX 2005-AR6	IndyMac Bank F.S.B.
45660LGL7	INDX 2005-AR6 B3	RMBS A	15,043,000	1,002,809,755	3/18/2005	4/25/2035	INDX 2005-AR6	IndyMac Bank F.S.B.
92922FK23	WAMU 2005-AR6 B4	RMBS A	19,003,000	3,167,184,178	4/26/2005	4/25/2045	WAMU 2005-AR6	Washington Mutual Bank, FA
39538RAM1	GPMF 2005-AR1 M7A	RMBS A	500,000	1,500,302,869	4/29/2005	6/25/2045	GPMF 2005-AR1	EMC Mortgage Corporation
39538RAP4	GPMF 2005-AR1 B2	RMBS A	4,501,000	1,500,302,869	4/29/2005	6/25/2045	GPMF 2005-AR1	EMC Mortgage Corporation

RMBS Assets

CUSIP	Name	Asset Type	FICO	Avg LTV	% IO	% Fixed	% 2nd Lien	% Hybrid	Avg Loan Balance	% Subordination	% Occupancy	% Refinanced	% Cash Out	% Purchase	Net WAC	Top 5 States %
68619ABC0	ORGN 2004-B A4	RMBS MH	718	85.3%	0.0%	100.0%	N/A	0.0%	45,187	39.0%	NA	8.6%	0.0%	91.4%		8.4% CA-28%, TX-13%, MI-6%, NY-5%, OK-4%
68619ABD8	ORGN 2004-B M1	RMBS MH	718	85.3%	0.0%	100.0%	N/A	0.0%	45,187	28.7%	NA	8.6%	0.0%	91.4%		8.4% CA-28%, TX-13%, MI-6%, NY-5%, OK-4%
542514JB1	LBMLT 2004-4 M9	RMBS HEL	641	80.0%	43.4%	14.4%	0.0%	85.6%	258,192	4.9%	93.4%	6.8%	38.7%	54.4%		6.2% CA-49%, TX-6%, FL-6%, CO-5%, WA-4%
32027NLD1	FFML 2004-FF7 M4	RMBS HEL	657	83.1%	58.0%	11.2%	0.0%	88.8%	217,097	4.3%	96.5%	6.4%	34.6%	59.0%		5.5% CA-48%, FL-6%, TX-4%, IL-4%, WA-3%
004375CH2	ACCR 2004-4 M2	RMBS HEL	625	78.0%	11.0%	30.3%	0.0%	69.7%	160,946	7.2%	97.6%	2.6%	61.7%	35.7%		6.4% CA-29%, FL-7%, TX-6%, IL-4%, NV-4%
004375CL3	ACCR 2004-4 M5	RMBS HEL	625	78.0%	11.0%	30.3%	0.0%	69.7%	160,946	3.6%	97.6%	2.6%	61.7%	35.7%		6.4% CA-29%, FL-7%, TX-6%, IL-4%, NV-4%
29445FCF3	EMLT 2004-3 M9	RMBS HEL	641	90.3%	6.1%	19.7%	1.8%	80.3%	144,366	6.1%	98.1%	5.1%	59.3%	35.6%		6.6% CA-10%, VA-7%, FL-6%, PA-6%, MD-5%
29445FCE6	EMLT 2004-3 M8	RMBS HEL	641	90.3%	6.1%	19.7%	1.8%	80.3%	144,366	7.7%	98.1%	5.1%	59.3%	35.6%		6.6% CA-10%, VA-7%, FL-6%, PA-6%, MD-5%
29445FCS5	EMLT 2005-1 M5	RMBS HEL	639	89.1%	17.5%	18.1%	2.0%	82.0%	156,132	11.6%	98.0%	4.4%	64.6%	31.0%		6.5% CA-9%, VA-8%, MD-6%, FL-6%, PA-5%
29445FCW6	EMLT 2005-1 M9	RMBS HEL	639	89.1%	17.5%	18.1%	2.0%	82.0%	156,132	5.3%	98.0%	4.4%	64.6%	31.0%		6.5% CA-9%, VA-8%, MD-6%, FL-6%, PA-5%
07384YKP0	BSABS 2003-SD1 B	RMBS HEL	664	76.4%	0.0%	100.0%	0.0%	0.0%	157,074	3.9%	91.7%	26.2%	27.5%	46.3%		6.3% NJ-13%, CA-12%, NY-11%, -0%, -0%
43739EAM9	HMBT 2004-2 M2	RMBS HEL	726	78.2%	100.0%	0.0%	0.0%	100.0%	208,274	2.4%	81.3%	11.0%	7.8%	81.1%		4.3% GA-51%, FL-43%, NC-4%, SC-1%, AL-0%
64352VJC6	NCHET 2004-3 M8	RMBS HEL	635	81.5%	29.7%	13.1%	2.1%	86.9%	187,771	5.1%	92.5%	3.7%	53.0%	43.3%		6.5% CA-44%, NY-6%, FL-5%, NJ-4%, TX-3%
17307GJS8	CMLTI 2004-OPT1 M10	RMBS B/C	607	80.2%	3.9%	25.0%	0.9%	75.0%	168,147	3.8%	91.9%	8.8%	65.4%	25.8%		6.6% CA-20%, NY-14%, MA-9%, FL-7%, NJ-7%
70069FBE6	PPSI 2004-WCW2 M8	RMBS B/C	622	83.9%	0.0%	28.2%	0.6%	71.8%	164,047	7.6%	84.9%	6.3%	59.4%	34.2%		7.0% CA-26%, FL-10%, NY-8%, IL-8%, AZ-4%
152314LV0	CXHE 2004-D MV6	RMBS B/C	593	81.0%	5.5%	0.0%	0.0%	100.0%	146,923	4.5%	98.8%	22.4%	63.0%	14.6%		6.5% CA-21%, FL-8%, TX-6%, VA-4%, OH-4%
70069FCN5	PPSI 2004-MCW1 M7	RMBS B/C	602	79.3%	0.0%	17.8%	0.5%	82.2%	164,024	6.4%	95.3%	4.7%	79.7%	15.5%		7.0% CA-26%, FL-11%, NY-8%, IL-6%, TX-5%
126673FB3	CWL 2004-8 M7	RMBS B/C	611	78.7%	20.3%	15.0%	0.0%	85.0%	209,213	3.9%	96.5%	3.2%	74.1%	22.8%		6.5% CA-51%, FL-5%, TX-4%, NY-4%, IL-3%
68389FFW9	OOMLT 2004-3 M4	RMBS B/C	609	77.0%	3.9%	27.5%	0.7%	72.5%	177,295	11.3%	94.1%	11.1%	62.8%	26.1%		7.1% CA-24%, NY-12%, MA-8%, NJ-6%, FL-6%
68389FFZ2	OOMLT 2004-3 M7	RMBS B/C	609	77.0%	3.9%	27.5%	0.7%	72.5%	177,295	6.7%	94.1%	11.1%	62.8%	26.1%		7.1% CA-24%, NY-12%, MA-8%, NJ-6%, FL-6%
68389FGB4	OOMLT 2004-3 M9	RMBS B/C	609	77.0%	3.9%	27.5%	0.7%	72.5%	177,295	4.5%	94.1%	11.1%	62.8%	26.1%		7.1% CA-24%, NY-12%, MA-8%, NJ-6%, FL-6%
456606FF4	INHEL 2004-B M6	RMBS B/C	607	76.8%	15.0%	0.0%	0.0%	100.0%	200,601	8.1%	95.4%	7.9%	65.8%	26.4%		6.7% CA-28%, NY-11%, NJ-8%, FL-7%, MA-5%
456606FJ6	INHEL 2004-B M9	RMBS B/C	607	76.8%	15.0%	0.0%	0.0%	100.0%	200,601	4.0%	95.4%	7.9%	65.8%	26.4%		6.7% CA-28%, NY-11%, NJ-8%, FL-7%, MA-5%
68389FGC2	OOMLT 2004-3 M10	RMBS B/C	609	77.0%	3.9%	27.5%	0.7%	72.5%	177,295	3.3%	94.1%	11.1%	62.8%	26.1%		7.1% CA-24%, NY-12%, MA-8%, NJ-6%, FL-6%
073879KD9	BSABS 2004-HE9 M2	RMBS B/C	622	82.3%	15.1%	21.2%	2.8%	78.8%	155,294	11.6%	92.4%	8.8%	52.2%	39.0%		6.9% CA-34%, FL-8%, IL-7%, GA-6%, NY-5%
073879KE7	BSABS 2004-HE9 M3	RMBS B/C	622	82.3%	15.1%	21.2%	2.8%	78.8%	155,294	9.8%	92.4%	8.8%	52.2%	39.0%		6.9% CA-34%, FL-8%, IL-7%, GA-6%, NY-5%
073879KF4	BSABS 2004-HE9 M4	RMBS B/C	622	82.3%	15.1%	21.2%	2.8%	78.8%	155,294	7.9%	92.4%	8.8%	52.2%	39.0%		6.9% CA-34%, FL-8%, IL-7%, GA-6%, NY-5%
76110WG59	RASC 2004-KS10 M3	RMBS B/C	613	81.1%	5.1%	12.5%	0.3%	87.5%	135,197	6.0%	94.9%	6.4%	62.6%	31.0%		6.7% CA-11%, FL-7%, IL-6%, MI-5%, TX-5%
76110WG67	RASC 2004-KS10 M4	RMBS B/C	613	81.1%	5.1%	12.5%	0.3%	87.5%	135,197	4.9%	94.9%	6.4%	62.6%	31.0%		6.7% CA-11%, FL-7%, IL-6%, MI-5%, TX-5%
00764MDJ3	AABST 2004-5 M3	RMBS B/C	620	80.0%	11.3%	21.4%	6.7%	78.6%	122,975	6.7%	96.2%	1.9%	66.8%	31.3%		7.2% CA-14%, NY-7%, OH-6%, TX-6%, FL-4%
00764MDK0	AABST 2004-5 B1	RMBS B/C	620	80.0%	11.3%	21.4%	6.7%	78.6%	122,975	5.3%	96.2%	1.9%	66.8%	31.3%		7.2% CA-14%, NY-7%, OH-6%, TX-6%, FL-4%
66987WBZ9	NHEL 2004-4 B1	RMBS B/C	621	82.1%	2.4%	15.6%	1.9%	84.4%	161,178	4.4%	94.1%	3.4%	61.6%	35.0%		6.5% CA-30%, FL-12%, VA-6%, MD-4%, MI-3%
66987WCB1	NHEL 2004-4 B3	RMBS B/C	621	82.1%	2.4%	15.6%	1.9%	84.4%	161,178	2.2%	94.1%	3.4%	61.6%	35.0%		6.5% CA-30%, FL-12%, VA-6%, MD-4%, MI-3%
268668ED8	EMCM 2004-C M1	RMBS B/C	525	75.0%	0.0%	45.0%	0.8%	55.0%	108,563	11.3%	96.9%	19.2%	40.2%	40.6%		7.4% CA-16%, FL-7%, NY-5%, TX-5%, IL-5%
268668EE6	EMCM 2004-C M2	RMBS B/C	525	75.0%	0.0%	45.0%	0.8%	55.0%	108,563	6.2%	96.9%	19.2%	40.2%	40.6%		7.4% CA-16%, FL-7%, NY-5%, TX-5%, IL-5%
36242DDX8	GSAMP 2004-AR2 B3	RMBS B/C	616	88.5%	0.0%	19.1%	0.0%	80.9%	181,684	5.5%	88.5%	6.1%	61.2%	32.7%		6.5% CA-29%, FL-11%, NY-6%, IL-6%, AZ-4%
04542BGA4	ABFC 2004-OPT2 M5	RMBS B/C	613	77.7%	0.0%	38.9%	0.3%	61.1%	160,406	5.4%	93.8%	8.7%	65.1%	26.2%		6.6% CA-20%, MA-11%, FL-7%, IL-4%, CT-3%
35729PGK0	FHLT 2004-D M8	RMBS B/C	609	80.5%	10.4%	12.5%	0.0%	87.5%	213,935	4.0%	92.9%	1.6%	54.4%	44.0%		6.7% CA-29%, NY-12%, NJ-9%, IL-8%, FL-7%
317350BN5	FINA 2004-2 B1	RMBS B/C	618	82.4%	0.0%	18.8%	2.3%	81.2%	180,683	2.0%	89.7%	9.0%	52.8%	38.1%		6.5% CA-28%, IL-10%, NJ-7%, AZ-6%, FL-6%
152314NG1	CXHE 2005-B M6	RMBS B/C	591	79.5%	9.6%	17.4%	3.1%	82.6%	130,322	4.0%	98.5%	20.2%	69.5%	10.3%		7.0% CA-22%, TX-9%, FL-7%, NY-4%, VA-4%
152314NJ5	CXHE 2005-B B	RMBS B/C	591	79.5%	9.6%	17.4%	3.1%	82.6%	130,322	0.6%	98.5%	20.2%	69.5%	10.3%		7.0% CA-22%, TX-9%, FL-7%, NY-4%, VA-4%
36242DGK3	GSRPM 2004-1 M2	RMBS B/C	541	83.3%	0.0%	79.3%	6.7%	20.8%	110,012	23.7%	98.7%	15.0%	51.0%	34.0%		7.6% CA-14%, GA-7%, OH-7%, TX-6%, NC-6%
36242DGM9	GSRPM 2004-1 B2	RMBS B/C	541	83.3%	0.0%	79.3%	6.7%	20.8%	110,012	8.5%	98.7%	15.0%	51.0%	34.0%		7.6% CA-14%, GA-7%, OH-7%, TX-6%, NC-6%
35729PKD1	FHLT 2005-B M9	RMBS B/C	620	79.0%	25.9%	11.3%	3.2%	88.7%	212,197	4.0%	91.9%	1.3%	53.0%	45.7%		6.7% CA-32%, NY-11%, FL-8%, NJ-8%, IL-5%
59020URU1	MLMI 2005-NC1 B3	RMBS B/C	612	78.4%	18.2%	15.8%	2.1%	84.2%	168,309	4.5%	95.4%	4.4%	62.5%	33.1%		7.3% CA-41%, FL-6%, NY-5%, TX-5%, NJ-4%
126673HJ4	CWL 2004-AB1 M2	RMBS Alt-A	680	83.1%	88.3%	1.0%	0.0%	99.0%	226,355	3.9%	98.4%	2.9%	23.3%	73.8%		5.8% CA-55%, CO-4%, FL-4%, VA-4%, AZ-4%
126673HK1	CWL 2004-AB1 M3	RMBS Alt-A	680	83.1%	88.3%	1.0%	0.0%	99.0%	226,355	2.8%	98.4%	2.9%	23.3%	73.8%		5.8% CA-55%, CO-4%, FL-4%, VA-4%, AZ-4%
74951PDJ4	RESIF 2004-C B6	RMBS Alt-A	736	67.5%	0.0%	100.0%	0.0%	0.0%	490,038	0.6%	95.6%	41.5%	21.0%	37.5%		5.5% CA-45%, NY-8%, VA-5%, MD-4%, NJ-4%
07386HMH1	BALTA 2004-10 B2	RMBS Alt-A	707	77.6%	83.7%	0.0%	0.0%	100.0%	244,030	0.5%	89.2%	9.9%	20.3%	69.8%		5.6% CA-35%, FL-10%, GA-8%, AZ-7%, NV-4%
07325NAF9	BAYV 2004-D M4	RMBS Alt-A	664	76.3%	4.1%	46.8%	0.0%	53.2%	105,420	6.3%	74.8%	20.5%	21.4%	58.1%		6.8% CA-16%, TX-14%, FL-10%, NE-7%, NY-5%
07325NAG7	BAYV 2004-D B1	RMBS Alt-A	664	76.3%	4.1%	46.8%	0.0%	53.2%	105,420	3.6%	74.8%	20.5%	21.4%	58.1%		6.8% CA-16%, TX-14%, FL-10%, NE-7%, NY-5%
07325NAH5	BAYV 2004-D B2	RMBS Alt-A	664	76.3%	4.1%	46.8%	0.0%	53.2%	105,420	1.8%	74.8%	20.5%	21.4%	58.1%		6.8% CA-16%, TX-14%, FL-10%, NE-7%, NY-5%
36242DQL0	GSAA 2004-11 B1	RMBS Alt-A	707	77.9%	91.9%	0.0%	0.0%	100.0%	251,971	1.7%	60.7%	13.5%	17.8%	68.8%		5.7% CA-40%, NY-7%, FL-5%, NV-5%, WA-4%
12667FD51	CWALT 2004-J13 B	RMBS Alt-A	685	79.1%	34.2%	100.0%	0.0%	0.0%	186,828	0.7%	88.0%	10.3%	23.5%	66.2%		6.3% CA-26%, AZ-4%, WA-4%, IL-4%, MN-3%
45254TQV9	IMSA 2004-4 M4	RMBS Alt-A	688	75.2%	80.1%	0.0%	0.0%	100.0%	269,260	3.4%	81.7%	6.3%	33.5%	60.2%		5.3% CA-50%, FL-8%, AZ-5%, NV-4%, WA-4%
45254TQW7	IMSA 2004-4 M5	RMBS Alt-A	688	75.2%	80.1%	0.0%	0.0%	100.0%	269,260	1.8%	81.7%	6.3%	33.5%	60.2%		5.3% CA-50%, FL-8%, AZ-5%, NV-4%, WA-4%
02660TCM3	AHM 2004-4 6M2	RMBS Alt-A	674	76.4%	15.7%	100.0%	0.0%	0.0%	159,083	11.0%	79.6%	12.0%	42.4%	45.7%		5.3% CA-26%, IL-14%, MD-6%, VA-6%, AZ-5%

CUSIP	Name	Asset Type	FICO	Avg. LTV	% IO	% Fixed	% 2nd Lien	% Hybrid	Avg Loan Balance	% Subordination	% Occupancy	% Refinanced	% Cash Out	% Purchase	Net WAC	Top 5 States %
02660TCP6	AHM 2004-4 6B1	RMBS Alt-A	674	76.4%	15.7%	100.0%	0.0%	0.0%	159,083	6.0%	79.6%	12.0%	42.4%	45.7%	5.3%	CA-26%, IL-14%, MD-6%, VA-6%, AZ-5%
36242DTU7	GSAA 2005-2 B1	RMBS Alt-A	668	80.8%	100.0%	0.0%	0.0%	100.0%	238,885	5.8%	98.8%	3.8%	37.5%	58.7%	6.1%	CA-60%, NV-5%, WA-4%, FL-4%, AZ-3%
36242DTW3	GSAA 2005-2 B3	RMBS Alt-A	668	80.8%	100.0%	0.0%	0.0%	100.0%	238,885	3.3%	98.8%	3.8%	37.5%	58.7%	6.1%	CA-60%, NV-5%, WA-4%, FL-4%, AZ-3%
07388HQJ3	BALTA 2005-1 M2	RMBS Alt-A	705	78.4%	87.2%	0.0%	0.0%	100.0%	236,223	3.5%	59.8%	15.6%	21.0%	63.3%	5.6%	CA-38%, FL-5%, NE-5%, IL-5%, VA-4%
83611MAM0	SVHE 2003-2 B	RMBS Alt-A	672	72.8%	2.9%	65.9%	2.5%	34.1%	240,041	1.2%	91.7%	28.1%	43.7%	28.3%	5.7%	CA-85%, FL-3%, CO-3%, HI-1%, NY-1%
76112BKH2	RAMP 2005-RS2 M7	RMBS Alt-A	659	92.1%	14.0%	17.2%	0.0%	82.8%	162,661	2.5%	82.7%	6.2%	34.2%	59.6%	6.9%	FL-12%, CA-11%, IL-5%, TX-5%, MI-5%
43739EAT4	HMBT 2005-1 B1	RMBS Alt-A	725	77.5%	100.0%	0.0%	0.0%	100.0%	229,799	1.5%	77.5%	13.8%	13.0%	73.2%	4.7%	FL-57%, GA-39%, NC-4%, SC-0%, AL-0%
45254TQF4	IMSA 2004-3 M5	RMBS Alt-A	690	80.1%	52.3%	0.0%	0.0%	100.0%	251,751	1.9%	81.8%	9.9%	26.6%	63.6%	5.1%	CA-51%, FL-8%, NV-4%, AZ-3%, VA-3%
437690CS7	HMAC 2004-6 M8	RMBS Alt-A	692	80.7%	56.0%	29.8%	4.6%	70.3%	200,905	0.9%	84.1%	5.8%	33.0%	61.2%	6.0%	CA-41%, GA-12%, NJ-7%, FL-7%, NY-5%
45254NNG8	IMM 2005-2 1M6	RMBS Alt-A	693	75.1%	78.9%	28.6%	0.0%	71.4%	272,356	1.3%	77.5%	11.0%	37.3%	51.7%	5.4%	CA-59%, FL-7%, AZ-4%, VA-3%, NV-3%
45254NNH6	IMM 2005-2 1B	RMBS Alt-A	693	75.1%	78.9%	28.6%	0.0%	71.4%	272,356	0.0%	77.5%	11.0%	37.3%	51.7%	5.4%	CA-59%, FL-7%, AZ-4%, VA-3%, NV-3%
07388HQV6	BALTA 2005-2 1B2	RMBS Alt-A	734	70.3%	0.0%	0.0%	0.0%	100.0%	146,226	1.3%	44.9%	18.2%	35.8%	46.1%	5.4%	CA-32%, FL-11%, TX-8%, NC-8%, AZ-5%
36242DZR7	GSAA 2005-4 M2	RMBS Alt-A	702	77.2%	86.0%	0.0%	0.0%	100.0%	267,989	3.6%	71.1%	17.3%	23.7%	59.0%	5.5%	CA-41%, FL-7%, AZ-5%, NV-5%, IL-5%
36242DZT3	GSAA 2005-4 B2	RMBS Alt-A	702	77.2%	86.0%	0.0%	0.0%	100.0%	267,989	1.9%	71.1%	17.3%	23.7%	59.0%	5.5%	CA-41%, FL-7%, AZ-5%, NV-5%, IL-5%
32027NPN5	FFML 2004-FFH4 M11	RMBS Alt-A	665	99.7%	47.6%	14.4%	0.0%	85.7%	175,087	4.1%	100.0%	1.8%	13.8%	84.4%	7.0%	CA-25%, OH-7%, IL-6%, MI-6%, FL-6%
36242DLJ0	GSR 2004-12 1B3	RMBS A	717	70.8%	85.2%	0.0%	0.0%	100.0%	367,859	1.8%	93.9%	42.1%	9.3%	48.5%	4.5%	CA-49%, VA-6%, FL-5%, MD-5%, IL-3%
36242DPR8	GSR 2004-14 1B2	RMBS A	722	71.7%	99.0%	0.0%	0.0%	100.0%	349,956	2.8%	95.5%	53.7%	2.5%	43.8%	4.5%	CA-30%, AZ-6%, FL-6%, OH-5%, GA-4%
36242DPS6	GSR 2004-14 1B3	RMBS A	722	71.7%	99.0%	0.0%	0.0%	100.0%	349,956	1.9%	95.5%	53.7%	2.5%	43.8%	4.5%	CA-30%, AZ-6%, FL-6%, OH-5%, GA-4%
23332UCR3	DSLA 2005-AR1 B2	RMBS A	703	71.9%	0.0%	0.0%	0.0%	100.0%	323,311	3.8%	93.8%	22.9%	56.1%	21.0%	4.9%	CA-87%, AZ-3%
23332UCS1	DSLA 2005-AR1 B3	RMBS A	703	71.9%	0.0%	0.0%	0.0%	100.0%	323,311	2.3%	93.8%	22.9%	56.1%	21.0%	4.9%	CA-87%, AZ-3%
12669GSM4	CWHL 2005-2 M8	RMBS A	709	73.7%	7.2%	0.0%	0.0%	100.0%	330,745	2.5%	83.6%	17.8%	42.5%	39.7%	4.3%	CA-57%, FL-10%, NV-5%, CO-3%, WA-2%
12669GKL4	CWHL 2004-25 3A1	RMBS A	707	73.6%	0.0%	0.0%	0.0%	100.0%	323,447	7.8%	75.7%	10.7%	36.6%	49.7%	4.6%	CA-58%, FL-8%, NV-4%, WA-2%, CO-3%
45660LGK9	INDX 2005-AR6 B2	RMBS A	705	71.4%	0.0%	0.0%	0.0%	100.0%	291,527	3.2%	94.2%	17.2%	62.5%	20.3%	3.2%	CA-45%, FL-10%, NJ-7%, NY-5%, VA-3%
45660LGL7	INDX 2005-AR6 B3	RMBS A	705	71.4%	0.0%	0.0%	0.0%	100.0%	291,527	1.7%	94.2%	17.2%	62.5%	20.3%	3.2%	CA-45%, FL-10%, NJ-7%, NY-5%, VA-3%
92922FK23	WAMU 2005-AR6 B4	RMBS A	693	70.8%	0.0%	0.0%	0.0%	100.0%	549,678	3.4%	95.5%	14.4%	51.1%	34.5%	4.2%	CA-35%, FL-10%, GA-8%, AZ-7%, VA-5%
39538RAM1	GPMF 2005-AR1 M7A	RMBS A	731	76.3%	100.0%	0.0%	0.0%	100.0%	338,469	3.4%	63.9%	18.9%	32.7%	48.4%	3.1%	CA-61%, NV-4%, FL-4%, WA-4%, CO-3%
39538RAP4	GPMF 2005-AR1 B2	RMBS A	731	76.3%	100.0%	0.0%	0.0%	100.0%	338,469	2.6%	63.9%	18.9%	32.7%	48.4%	3.1%	CA-61%, NV-4%, FL-4%, WA-4%, CO-3%

CMBS Assets

CUSIP	Name	Asset Type	Original Face	Factor	Current Face	Moody's	Moodys Notch	S&P	S&P Notch	Fitch	Coupon Index	Coupon/ Margin/ Premium	Avg Life
36228CBG7	GSMS 1998-GLII F	CMBS Large Loan	3,000,000	1.000	3,000,000	Ba2	Ba2	-	B+	BB	fixed	6.97%	4.58
396789HC6	GCCFC 2004-FL2A L	CMBS Large Loan	5,673,279	1.000	5,673,279	Baa3	Baa3	BBB-	BBB-	BBB-	LIBOR01M	2.10%	2.38
396789HA0	GCCFC 2004-FL2A J	CMBS Large Loan	5,000,000	1.000	5,000,000	Baa2	Baa2	A-	A-	A-	LIBOR01M	1.00%	2.06
40166RAC07	GUGH 2005-1A C	CMBS Large Loan	5,000,000	1.000	5,000,000	A3	A3	BBB+	BBB+	A-	LIBOR01M	1.08%	5.44
589929UH9	MLMI 1999-C1 E	CMBS Conduit	5,000,000	1.000	5,000,000	-	Ba1	BBB	BBB	BBB	fixed	7.85%	4.25
52108HXC3	LBUBS 2003-C8 M	CMBS Conduit	2,000,000	1.000	2,000,000	Ba2	Ba2	BB	BB	-	synthetic sprd	2.85%	8.42
396789GC7	GCCFC 2004-GG1 K	CMBS Conduit	2,000,000	1.000	2,000,000	Ba2	Ba2	BB	BB	BB	synthetic sprd	2.85%	8.91
36828QEA0	GECMC 2004-C1 K	CMBS Conduit	2,000,000	1.000	2,000,000	Ba2	Ba2	BB	BB	-	synthetic sprd	2.85%	9.40
36228CSS3	GSMS 2004-C1 H	CMBS Conduit	5,000,000	1.000	5,000,000	Baa3	Baa3	-	BB	BBB-	synthetic sprd	1.35%	5.58
36228CSU8	GSMS 2004-C1 K	CMBS Conduit	5,000,000	1.000	5,000,000	Ba2	Ba2	-	B	BB	synthetic sprd	2.90%	5.58
20047GAL1	COMM 2004-LB3A H	CMBS Conduit	5,000,000	1.000	5,000,000	Baa3	Baa3	BBB-	BBB-	-	synthetic sprd	1.40%	8.94
07383FB80	BSCMS 2004-T14 H	CMBS Conduit	5,000,000	1.000	5,000,000	Baa3	Baa3	BBB-	BBB-	-	synthetic sprd	1.40%	10.73
52108HB37	LBUBS 2004-C2 M	CMBS Conduit	5,000,000	1.000	5,000,000	Ba2	Ba2	BB	BB	-	synthetic sprd	2.90%	13.51
36228CTT0	GSMS 2004-GG2 H	CMBS Conduit	3,000,000	1.000	3,000,000	Baa3	Baa3	BBB-	BBB-	-	synthetic sprd	1.40%	9.23
36228CTV5	GSMS 2004-GG2 K	CMBS Conduit	3,000,000	1.000	3,000,000	Ba2	Ba2	BB	BB	-	synthetic sprd	2.90%	9.24
22541SBK3	CSFB 2004-C1 H	CMBS Conduit	5,000,000	1.000	5,000,000	Baa3	Baa3	BBB-	BBB-	-	synthetic sprd	1.40%	8.67
07383FR67	BSCMS 2004-PWR5 H	CMBS Conduit	5,000,000	1.000	5,000,000	Baa3	Baa3	-	BB	BBB-	synthetic sprd	1.30%	13.66
07383FV88	BSCMS 2004-T16 H	CMBS Conduit	5,000,000	1.000	5,000,000	-	Ba2	BBB-	BBB-	BBB-	synthetic sprd	1.30%	12.17
61745MZG1	MSC 2004-IQ7 G	CMBS Conduit	5,000,000	1.000	5,000,000	-	Ba2	BBB-	BBB-	BBB-	synthetic sprd	1.30%	13.36
61745MM42	MSC 2004-T15 G	CMBS Conduit	5,000,000	1.000	5,000,000	Baa3	Baa3	BBB-	BBB-	-	synthetic sprd	1.30%	13.40
07324SBL5	BAYC 2005-1A B3	CMBS Conduit	3,000,000	0.985	2,954,699	-	Ba2	BBB-	BBB-	-	LIBOR01M	4.50%	6.08
45254NNM5	IMM 2005-2 2M2	CMBS Conduit	2,000,000	0.997	1,993,054	A2	A2	-	BBB+	-	LIBOR01M	0.75%	3.77
45254NNN3	IMM 2005-2 2B	CMBS Conduit	3,000,000	0.997	2,989,581	Baa2	Baa2	-	BB+	-	LIBOR01M	1.65%	3.77
86359DAE7	LBSBC 2005-1A M2	CMBS Conduit	1,500,000	1.000	1,500,000	A2	A2	A+	A+	A+	LIBOR01M	0.55%	6.62
86359DAF4	LBSBC 2005-1A B	CMBS Conduit	500,000	1.000	500,000	Baa1	Baa1	A-	A-	A	LIBOR01M	0.95%	6.62
03702WAE4	AHR 2004-1A EFL	CMBS Repackaging	3,600,000	1.000	3,600,000	Baa3	Baa3	BBB	BBB	BBB	LIBOR01M	2.00%	9.51

CMBS Assets

CUSIP	Name	Asset Type	Tranche Par	Total Deal Par	Issue Date	Maturity	Issuer	Special Servicer
36228CBG7	GSMS 1998-GLII F	CMBS Large Loan	63,411,000	1,409,152,997	5/21/1998	4/13/2031	GSMS 1998-GLII	GMAC Mortgage Corporation
396789HC6	GCCFC 2004-FL2A L	CMBS Large Loan	15,673,279	921,693,557	11/23/2004	11/5/2019	GCCFC 2004-FL2A	Wachovia Bank, N.A
396789HA0	GCCFC 2004-FL2A J	CMBS Large Loan	23,090,000	921,693,557	11/23/2004	11/5/2019	GCCFC 2004-FL2A	Wachovia Bank, N.A
40166RAC07	GUGH 2005-1A C	CMBS Large Loan	93,500,000	416,770,000	5/25/2005	5/25/2030	GUGH 2005-1A	NA
589929UH9	MLMI 1999-C1 E	CMBS Conduit	20,735,000	592,445,159	11/4/1999	11/15/2031	MLMI 1999-C1	ORIX Real Estate Capital Markets
52108HXC3	LBUBS 2003-C8 M	CMBS Conduit	6,999,000	1,399,717,369	11/25/2003	9/15/2037	LBUBS 2003-C8	Lennar Partners
396789GC7	GCCFC 2004-GG1 K	CMBS Conduit	13,011,000	2,627,155,095	5/13/2004	6/10/2036	GCCFC 2004-GG1	Lennar Partners
36828QEA0	GECMC 2004-C1 K	CMBS Conduit	9,559,000	1,292,461,217	1/29/2004	11/10/2038	GECMC 2004-C1	Lennar Partners
36228CSS3	GSMS 2004-C1 H	CMBS Conduit	7,807,000	892,264,316	4/15/2004	10/10/2028	GSMS 2004-C1	Allied Capital Corporation
36228CSU8	GSMS 2004-C1 K	CMBS Conduit	3,346,000	892,264,316	4/15/2004	10/10/2028	GSMS 2004-C1	Allied Capital Corporation
20047GAL1	COMM 2004-LB3A H	CMBS Conduit	11,685,000	2,031,855,340	6/28/2004	7/10/2037	COMM 2004-LB3A	Lennar Partners
07383FB80	BSCMS 2004-T14 H	CMBS Conduit	7,827,000	894,522,781	5/5/2004	1/12/2041	BSCMS 2004-T14	ARCap Special Servicing
52108HB37	LBUBS 2004-C2 M	CMBS Conduit	4,630,000	1,234,613,151	4/7/2004	3/15/2036	LBUBS 2004-C2	Midland Loan Services, Inc.
36228CTT0	GSMS 2004-GG2 H	CMBS Conduit	29,299,000	2,604,402,686	8/12/2004	8/10/2038	GSMS 2004-GG2	Lennar Partners
36228CTV5	GSMS 2004-GG2 K	CMBS Conduit	13,022,000	2,604,402,686	8/12/2004	8/10/2038	GSMS 2004-GG2	Lennar Partners
22541SBK3	CSFB 2004-C1 H	CMBS Conduit	18,240,000	1,621,325,236	3/12/2004	1/15/2037	CSFB 2004-C1	Lennar Partners
07383FR67	BSCMS 2004-PWR5 H	CMBS Conduit	18,500,000	1,233,328,641	10/19/2004	7/11/2042	BSCMS 2004-PWR5	Midland Loan Services, Inc.
07383FV88	BSCMS 2004-T16 H	CMBS Conduit	10,115,000	1,156,012,001	11/4/2004	2/13/2046	BSCMS 2004-T16	ARCap Special Servicing
61745MZG1	MSC 2004-IQ7 G	CMBS Conduit	4,315,000	863,020,894	5/27/2004	6/15/2038	MSC 2004-IQ7	Midland Loan Services, Inc.
61745MM42	MSC 2004-T15 G	CMBS Conduit	8,897,000	889,751,375	7/29/2004	6/13/2041	MSC 2004-T15	ARCap Special Servicing
07324SBL5	BAYC 2005-1A B3	CMBS Conduit	21,682,000	301,663,852	2/25/2005	4/25/2035	BAYC 2005-1A	M&T Mortgage Corporation
45254NNM5	IMM 2005-2 2M2	CMBS Conduit	11,480,000	120,968,755	3/3/2005	4/25/2035	IMM 2005-2	Countrywide Home Loans Servicing LP
45254NNN3	IMM 2005-2 2B	CMBS Conduit	21,752,000	120,968,755	3/3/2005	4/25/2035	IMM 2005-2	Countrywide Home Loans Servicing LP
86359DAE7	LBSBC 2005-1A M2	CMBS Conduit	13,343,000	410,563,196	4/29/2005	2/25/2030	LBSBC 2005-1A	Lehman Brothers Bank, FSB
86359DAF4	LBSBC 2005-1A B	CMBS Conduit	13,343,000	410,563,196	4/29/2005	2/25/2030	LBSBC 2005-1A	Lehman Brothers Bank, FSB
03702WAE4	AHR 2004-1A EFL	CMBS Repackaging	10,600,000	390,506,071	3/30/2004	3/23/2039	AHR 2004-1A	Lennar Partners

CMBS Assets

CUSIP	Name	Asset Type	% Subordination	LTV	DSCR	Net WAC	Top 5 States %	Property Type
36228CBG7	GSMS 1998-GLII F	CMBS Large Loan	2.3%	52.4%	1.9%	7.0%	CA - 17%, NY - 14%, PA - 8%, VA - 6%, IL - 6%	Hotel - 33%, Warehouse - 29%, Retail - 27%, Office - 12%
396789HC6	GCCFC 2004-FL2A L	CMBS Large Loan	0.0%	89.3%	4.2%	5.7%	NY - 26%, CA - 23%, MI - 17%, TX - 8%, FL - 8%	Retail - 33%, Hotel - 33%, Office - 27%, Multifamily - 5%, Self-Storage - 2%
396789HA0	GCCFC 2004-FL2A J	CMBS Large Loan	3.0%	89.3%	4.2%	5.7%	NY - 26%, CA - 23%, MI - 17%, TX - 8%, FL - 8%	Retail - 33%, Hotel - 33%, Office - 27%, Multifamily - 5%, Self-Storage - 2%
40166RAC07	GUGH 2005-1A C	CMBS Large Loan	29.7%	61.0%	2.4%	NA	TX - 13%, CA - 12%, FL - 12%, NV - 9%, HI - 6%	Hospitality - 46%, Retail - 27%, Office - 10%, Multifamily - 10%, Industrial - 5%
589929UH9	MLMI 1999-C1 E	CMBS Conduit	11.3%	86.8%	1.4%	7.9%	TX - 16%, CA - 13%, MD - 8%, CT - 8%, NY - 8%	Office - 30%, Multifamily - 28%, Retail - 24%, Industrial - 9%, Hotel - 4%
52108HXC3	LBUBS 2003-C8 M	CMBS Conduit	2.4%	83.6%	1.9%	5.6%	NY - 23%, CA - 21%, MA - 7%, TX - 6%, FL - 6%	Retail - 56%, Office - 24%, Multifamily - 14%, Hotel - 4%, Mixed Use - 1%
396789GC7	GCCFC 2004-GG1 K	CMBS Conduit	3.2%	89.0%	2.8%	5.5%	NY - 26%, CA - 22%, TX - 10%, IL - 6%, VA - 5%	Office - 52%, Retail - 35%, Industrial - 5%, Multifamily - 3%, Hotel - 2%
36828QEA0	GECMC 2004-C1 K	CMBS Conduit	3.3%	85.6%	1.6%	5.5%	CA - 32%, FL - 13%, IL - 6%, TX - 5%, CO - 4%	Office - 29%, Retail - 26%, Multifamily - 19%, Industrial - 8%, Manufactured Housing - 7%
36228CSS3	GSMS 2004-C1 H	CMBS Conduit	4.2%	87.4%	3.3%	5.0%	TX - 13%, NY - 11%, CA - 10%, AZ - 9%, IL - 8%	Retail - 37%, Office - 31%, Multifamily - 19%, Industrial - 9%, Hotel - 4%, Self-Storage - 0%
36228CSU8	GSMS 2004-C1 K	CMBS Conduit	3.1%	87.4%	3.3%	5.0%	TX - 13%, NY - 11%, CA - 10%, AZ - 9%, IL - 8%	Retail - 37%, Office - 31%, Multifamily - 19%, Industrial - 9%, Hotel - 4%, Self-Storage - 0%
20047GAL1	COMM 2004-LB3A H	CMBS Conduit	4.0%	87.6%	2.0%	5.3%	NY - 27%, CA - 14%, FL - 8%, NJ - 8%, VA - 8%	Office - 58%, Retail - 21%, Multifamily - 13%, Industrial - 4%, Mixed Use - 2%
07383FB80	BSCMS 2004-T14 H	CMBS Conduit	3.0%	80.2%	2.2%	5.4%	CA - 20%, DE - 12%, TX - 9%, MA - 8%, CO - 8%	Retail - 48%, Office - 33%, Multifamily - 8%, Industrial - 5%, Mixed Use - 2%
52108HB37	LBUBS 2004-C2 M	CMBS Conduit	2.1%	81.9%	2.4%	5.4%	CA - 24%, NY - 23%, MI - 12%, IL - 7%, TX - 7%	Office - 42%, Retail - 41%, Multifamily - 14%, Hotel - 1%, Manufactured Housing - 1%
36228CTT0	GSMS 2004-GG2 H	CMBS Conduit	3.5%	87.9%	2.3%	5.6%	NY - 22%, CA - 17%, NV - 8%, VA - 6%, FL - 5%	Retail - 45%, Office - 40%, Multifamily - 6%, Industrial - 3%, Hotel - 3%
36228CTV5	GSMS 2004-GG2 K	CMBS Conduit	2.8%	87.9%	2.3%	5.6%	NY - 22%, CA - 17%, NV - 8%, VA - 6%, FL - 5%	Retail - 45%, Office - 40%, Multifamily - 6%, Industrial - 3%, Hotel - 3%
22541SBK3	CSFB 2004-C1 H	CMBS Conduit	3.8%	82.1%	2.4%	5.5%	NY - 20%, CA - 20%, TX - 13%, WI - 6%, OH - 5%	Multifamily - 33%, Retail - 33%, Mixed Use - 13%, Office - 9%, Hotel - 6%
07383FR67	BSCMS 2004-PWR5 H	CMBS Conduit	3.4%	86.7%	2.0%	5.7%	CA - 19%, VA - 8%, NJ - 7%, NY - 6%, OH - 5%	Retail - 40%, Office - 29%, Industrial - 8%, Multifamily - 6%, Mixed Use - 5%
07383FV88	BSCMS 2004-T16 H	CMBS Conduit	2.3%	59.7%	1.9%	5.5%	CA - 20%, VA - 13%, IL - 12%, NY - 11%, NJ - 9%	Retail - 43%, Office - 30%, Multifamily - 11%, Hotel - 5%, Industrial - 4%
61745MZG1	MSC 2004-IQ7 G	CMBS Conduit	3.0%	55.2%	2.9%	5.5%	NY - 36%, CA - 16%, PA - 7%, FL - 5%, TX - 5%	Retail - 46%, Multifamily - 21%, Office - 17%, Mixed Use - 9%, Industrial - 7%
61745MM42	MSC 2004-T15 G	CMBS Conduit	2.3%	59.4%	2.2%	5.3%	CA - 28%, NY - 17%, IL - 8%, PA - 6%, FL - 4%	Retail - 44%, Office - 32%, Industrial - 10%, Multifamily - 8%, Mixed Use - 2%
07324SBL5	BAYC 2005-1A B3	CMBS Conduit	0.0%	88.3%	1.4%	7.9%	CA - 19%, NY - 10%, FL - 7%, NJ - 7%, TX - 6%	Multifamily - 30%, Mixed Use - 20%, Retail - 15%, Office - 9%, Warehouse - 7%
45254NNM5	IMM 2005-2 2M2	CMBS Conduit	20.6%	89.8%	1.3%	5.4%	CA - 73%, AZ - 6%, MN - 6%, MI - 3%, OR - 3%	Single Family Residence - 63%, Planned Unit Dev. - 16%, Condominium - 10%, Multifamily - 10%, Townhouse - 0%
45254NNN3	IMM 2005-2 2B	CMBS Conduit	2.6%	89.8%	1.3%	5.4%	CA - 73%, AZ - 6%, MN - 6%, MI - 3%, OR - 3%	Single Family Residence - 63%, Planned Unit Dev. - 16%, Condominium - 10%, Multifamily - 10%, Townhouse - 0%
86359DAE7	LBSBC 2005-1A M2	CMBS Conduit	3.2%	70.4%	1.6%	6.9%	CA - 62%, TX - 13%, FL - 9%, WA - 5%, GO - 2%	NA
86359DAF4	LBSBC 2005-1A B	CMBS Conduit	0.0%	70.4%	1.6%	6.9%	CA - 62%, TX - 13%, FL - 9%, WA - 5%, GO - 2%	NA
03702WAE4	AHR 2004-1A EFL	CMBS Repackaging	8.2%	NA	NA	NA	NA	NA

CLO/CDO Assets

CUSIP	Name	Asset Type	Original Face	Factor	Current Face	Moody's	Moodys Notch	S&P	S&P Notch	Fitch	Coupon Index	Coupon/ Margin/ Premium	Avg Life
67073MAD4	NYLIM 2004-1A D	CLO	3,000,000	1.000	3,000,000	Baa2	Baa2	BBB	BBB	-	LIBOR03M	2.10%	11.19
63936PAK7	NAVG 2004-1A D1	CLO	2,000,000	1.000	2,000,000	Ba2	Ba2	BB	BB	-	LIBOR03M	5.50%	8.61
74060JAB6	PLT 2004-1A D	CLO	3,000,000	1.000	3,000,000	Ba2	Ba2	BB	BB	-	LIBOR03M	6.00%	5.25
11765TAE8	BRYP 2005-1A B	CLO	3,000,000	1.000	3,000,000	A2	A2	A	A	-	LIBOR03M	1.00%	8.69
629392AE1	NSTAR 2004-2A C1	CDO SPS	5,000,000	1.000	5,000,000	Baa3	Baa3	BBB+	BBB+	BBB+	LIBOR01M	2.00%	9.02
10550TAE9	BRCN 2004-1A E	CDO SPS	3,000,000	1.000	3,000,000	Ba2	Ba2	BBB-	BBB-	-	LIBOR03M	2.50%	5.34
22608WAQ2	CREST 2004-1A G1	CDO SPS	2,000,000	1.000	2,000,000	Ba2	Ba2	BB+	BB+	BB+	LIBOR03M	3.07%	9.36
69912QAC8	PARAG 2004-1A C	CDO SPS	3,000,000	1.000	3,000,000	A2	A2	A	A	-	LIBOR03M	2.25%	8.22
989358AC0	ZENTH 2004-1A B	CDO SPS	5,000,000	1.000	5,000,000	A3	A3	A-	A-	-	LIBOR03M	1.75%	8.40
82639RAE7	MADRE 2004-1A C	CDO SPS	5,000,000	1.000	5,000,000	A3	A3	A-	A-	-	LIBOR01M	1.85%	5.51
26925AAF1	ETRD 2002-1A B	CDO SPS	5,000,000	1.000	5,000,000	A2	A2	A*-	A	BBB	LIBOR03M	1.10%	5.28
746867AE0	PTNM 2001-1A B	CDO SPS	4,000,000	1.000	4,000,000	Aa2	Aa2	AA-	AA-	AA	LIBOR03M	0.95%	6.16
543136AD7	LONGP 2005-2A A3	CDO SPS	3,000,000	1.000	3,000,000	A2	A2	A	A	-	LIBOR03M	1.50%	6.80
75902XAG3	REG DIVERSIFIED FUNDIN	CDO TRUPS	5,000,000	1.000	5,000,000	A3	A3	-	BBB	A-	fixed	5.01%	8.66

NOTE: In addition to the Collateral Assets described herein, 562 Preferred Shares of PLT 2004-1A D will be contributed to the Issuer on the Closing Date at a price equal to zero.

CLO/CDO Assets

CUSIP	Name	Asset Type	Tranche Par	Total Deal Par	Issue Date	Maturity	Issuer	Collateral Manager	% Subordination
67073MAD4	NYLIM 2004-1A D	CLO	26,250,000	350,000,000	10/27/2004	10/20/2016	NYLIM 2004-1A	New York Life Investment Management LLC	8.0%
63936PAK7	NAVG 2004-1A D1	CLO	6,000,000	549,000,000	10/14/2004	1/14/2017	NAVG 2004-1A	Antares Asset Management Inc.	15.4%
74060JAB6	PLT 2004-1A D	CLO	7,000,000	259,000,000	11/18/2004	10/25/2014	PLT 2004-1A	LightPoint Capital Management LLC	6.2%
11765TAE8	BRYP 2005-1A B	CLO	30,000,000	142,000,000	1/25/2005	1/15/2019	BRYP 2005-1A	Blackstone Debt Advisors LP	43.0%
629392AE1	NSTAR 2004-2A C1	CDO SPS	24,000,000	380,000,000	7/1/2004	6/28/2039	NSTAR 2004-2A	NS Advisors, LLC	9.7%
10550TAE9	BRCN 2004-1A E	CDO SPS	13,500,000	300,710,154	10/12/2004	1/20/2040	BRCN 2004-1A	Brascan Real Estate Financial Partners LLC	10.5%
22608WAQ2	CREST 2004-1A G1	CDO SPS	2,000,000	428,500,000	11/18/2004	1/28/2040	CREST 2004-1A	Structured Credit Partners, LLC	5.5%
69912QAC8	PARAG 2004-1A C	CDO SPS	10,000,000	125,000,000	11/23/2004	10/20/2044	PARAG 2004-1A	Rabobank	0.0%
989358AC0	ZENTH 2004-1A B	CDO SPS	23,000,000	185,000,000	12/21/2004	12/6/2039	ZENTH 2004-1A	ACA Management, LLC	7.1%
82639RAE7	MADRE 2004-1A C	CDO SPS	24,000,000	537,000,180	7/29/2004	9/7/2039	MADRE 2004-1A	Western Asset Management Co.	2.6%
26925AAF1	ETRD 2002-1A B	CDO SPS	25,000,000	251,650,000	9/26/2002	10/8/2037	ETRD 2002-1A	E*TRADE Global Asset Management	16.4%
746867AE0	PTNM 2001-1A B	CDO SPS	24,000,000	300,000,000	11/30/2001	2/25/2037	PTNM 2001-1A	Putnam Advisory Co., LLC	10.0%
543136AD7	LONGP 2005-2A A3	CDO SPS	13,000,000	305,000,000	4/27/2005	2/3/2040	LONGP 2005-2A	Delaware Investment Advisers	10.5%
75902XAG3	REG DIVERSIFIED FUNDING	CDO TRUPS	95,000,000	95,000,000	3/3/2004	2/15/2034	REG DIVERSIFIED	NA	11.0%

ABS Assets

CUSIP	Name	Asset Type	Original Face	Factor	Current Face	Moody's	Moodys Notch	S&P	S&P Notch	Fitch	Coupon Index	Coupon/ Margin/ Premium	Avg Life
63543PBB1	NCSLT 2004-2 C	ABS Student Loans	5,000,000	1.000	5,000,000	A3	A3	A	A	A+	synthetic sprd	0.65%	12.18
78443CBR4	SLMA 2004-B C	ABS Student Loans	5,000,000	1.000	5,000,000	Baa1	Baa1	BBB	BBB	BBB+	synthetic sprd	0.55%	7.02
74408AAM2	PGMT 2004-DA D	ABS Credit Cards	2,000,000	1.000	2,000,000	Baa2	Baa2	BBB	BBB	BBB	fixed	4.40%	2.25
14041NAV3	COMET 2003-C3 C3	ABS Credit Cards	5,000,000	1.000	5,000,000	Baa2	Baa2	BBB	BBB	BBB	LIBOR01M	2.25%	8.25
59159NAK0	MMT 2004-2 C	ABS Credit Cards	1,500,000	1.000	1,500,000	Baa2	Baa2	-	BB+	BBB	LIBOR01M	1.35%	1.34
55264TCR0	MBNAS 2004-C2 C2	ABS Credit Cards	5,000,000	1.000	5,000,000	Baa2	Baa2	BBB	BBB	BBB	synthetic sprd	0.60%	9.00

ABS Assets

CUSIP	Name	Asset Type	Tranche Par	Total Deal Par	Issue Date	Maturity	Issuer	Servicers	% Subordination
63543PBB1	NCSLT 2004-2 C	ABS Student Loans	56,800,000	1,123,015,000	10/28/2004	12/26/2033	NCSLT 2004-2	New Century Mortgage Corporation	0%
78443CBR4	SLMA 2004-B C	ABS Student Loans	68,182,000	1,507,574,000	5/26/2004	9/15/2033	SLMA 2004-B	Sallie Mae, Inc.	0%
74408AAM2	PGMT 2004-DA D	ABS Credit Cards	70,100,000	650,000,000	9/22/2004	9/15/2011	PGMT 2004-DA	Providian National Bank	0%
14041NAV3	COMET 2003-C3 C3	ABS Credit Cards	250,000,000	250,000,000	9/23/2003	7/15/2016	COMET 2003-C3	Capital One Bank	0%
59159NAK0	MMT 2004-2 C	ABS Credit Cards	105,800,000	652,800,000	11/5/2004	10/20/2010	MMT 2004-2	Direct Merchants Credit Card Bank, N.A	8%
55264TCR0	MBNAS 2004-C2 C2	ABS Credit Cards	275,000,000	275,000,000	7/1/2004	11/15/2016	MBNAS 2004-C2	NA	0%

ANNEX A-1

FORM OF PREFERRED SHARES PURCHASE AND TRANSFER CERTIFICATE

LaSalle Bank National Association
135 South LaSalle Street, Suite 1511
Chicago, Illinois 60603
Attention: CDO Trust Services Group – Coolidge Funding, Ltd.

Re: Coolidge Funding, Ltd.
Preferred Shares (Par Value U.S.$0.01 per share)

Dear Sirs:

Reference is hereby made to the Preferred Shares, par value U.S.$0.01 per share (the "Preferred Shares") issued by Coolidge Funding, Ltd. (the "Issuer"), described in the Issuer's Offering Circular dated June 17, 2005 ("Offering Circular") to be purchased and held by us in definitive certificated form. We (the "Purchaser") are purchasing _____ Preferred Shares at a price equal to U.S.$_____ per Preferred Share (the "Purchaser's Preferred Shares"). Terms defined or referenced in the Offering Circular and not otherwise defined or referenced herein shall have the meanings set forth in the Offering Circular.

The Purchaser hereby represents, warrants and covenants for the benefit of the Issuer that:

(a) (i) The Purchaser is (check one) (x) __ a qualified institutional buyer (as defined in Rule 144A under the Securities Act of 1933, as amended (the "Securities Act")) (a "Qualified Institutional Buyer"), (y) __ a non-U.S. Person (as defined in Regulation S under the Securities Act) that is acquiring the Purchaser's Preferred Shares in an offshore transaction complying with Rule 903 or Rule 904 of Regulation S of the Securities Act or (z) __ an "accredited investor" (as defined in Rule 501(a) under the Securities Act) (an "Accredited Investor") who has a net worth of not less than U.S.$10 million that is purchasing the Preferred Shares for its own account; (ii) The Purchaser, in the case of clauses (x) or (z) above, is a "qualified purchaser" for the purposes of Section 3(c)(7) of the Investment Company Act of 1940, as amended (the "Investment Company Act") (a "Qualified Purchaser"); (iii) The Purchaser, in the case of clause (z) above, is not acquiring the Preferred Shares with a view to any resale or distribution thereof, other than in accordance with the restrictions set forth below; (iv) The Purchaser is aware that the sale of the Purchaser's Preferred Shares to the Purchaser is being made in reliance on an exemption from registration under the Securities Act; (v) The Purchaser (unless otherwise permitted under the Preferred Share Paying and Transfer Agency Agreement) is acquiring not less than 250 Preferred Shares with integral multiples of one share in excess thereof; (vi) With respect to any transferee, the Purchaser also understands that, in conjunction with any transfer of the Purchaser's ownership of any Purchaser's Preferred Shares purchased hereunder, it will not transfer or cause the transfer of such Purchaser's Preferred Shares without obtaining from the transferee a certificate substantially in the form of this Preferred Share Purchase and Transfer Letter; (vii) The Purchaser will provide notice of the transfer restrictions described to any subsequent transferees.

(b) The Purchaser is purchasing the Purchaser's Preferred Shares in an amount equal to or exceeding the minimum permitted number thereof for its own account (or, if the Purchaser is a Qualified Institutional Buyer, for the account of another Qualified Institutional Buyer with respect to which the Purchaser exercises sole investment discretion) for investment purposes only and not for sale in connection with any distribution thereof, but nevertheless subject to the understanding that the disposition of its property shall at all times be and remain within its control (subject to the restrictions set forth in the Offering Circular, the certificate in respect of the Purchaser's Preferred Shares, the Issuer's Memorandum and Articles of Association and the Preferred Share Paying and Transfer Agency Agreement).

(c) The Purchaser understands that the Purchaser's Preferred Shares have not been and will not be registered or qualified under the Securities Act or any applicable state securities laws or the securities laws of any other jurisdiction and are being offered only in a transaction not involving any public offering within the meaning of the Securities Act, are being offered only in a transaction not involving any public offering, and may be reoffered, resold or pledged or otherwise transferred only in accordance with the restrictions on transfer set forth herein and in the Preferred Share Paying and Transfer Agency Agreement and the Issuer's Memorandum and Articles of Association. The Purchaser understands and agrees that any purported transfer of Preferred Shares to a purchaser that does not comply with the requirements herein will not be permitted or registered by the Preferred Share Transfer Agent. The Purchaser further understands that the Issuer has the right to compel any beneficial owner of Preferred Shares that is a U.S. Person and is not (a) either a Qualified Institutional Buyer or an Accredited Investor with a net worth of U.S.$10 million or more and (b) a Qualified Purchaser, to sell its interest in such Preferred Shares, or the Issuer may sell such Preferred Shares on behalf of such owner.

(d) If the Purchaser or any account for which the Purchaser is purchasing the Purchaser's Preferred Shares is a U.S. Person (as defined in Regulation S under the Securities Act) the following representations shall be true and correct: The Purchaser (or if the Purchaser is acquiring the Purchaser's Preferred Shares for any account, each such account) is acquiring the Purchaser's Preferred Shares as principal for its own account for investment and not for sale in connection with any distribution thereof. The Purchaser and each such account: (a) was not formed for the specific purpose of investing in the Preferred Shares (except when each beneficial owner of the Purchaser and each such account is a Qualified Purchaser), (b) to the extent the Purchaser is a private investment company formed before April 30, 1996, the Purchaser has received the necessary consent from its beneficial owners, (c) is not a pension, profit sharing or other retirement trust fund or plan in which the partners, beneficiaries or participants, as applicable, may designate the particular investments to be made; and (d) is not a broker-dealer that owns and invests on a discretionary basis less than U.S.$25,000,000 in securities of unaffiliated issuers. Further, the Purchaser agrees: (i) that neither it nor such account shall hold the Purchaser's Preferred Shares for the benefit of any other person and such purchaser of such account shall be the sole beneficial owner thereof for all purposes; and (ii) that neither it nor such account shall sell participation interests in the Purchaser's Preferred Shares or enter into any other arrangement pursuant to which any other person shall be entitled to a beneficial interest in the distributions on the Purchaser's Preferred Shares. The Purchaser understands and agrees that any purported transfer of the Purchaser's Preferred Shares to a Purchaser that does not comply with the requirements of this clause (d) will not be permitted or registered by the Preferred Share Transfer Agent or the Share Registrar.

(e) In connection with the purchase of the Purchaser's Preferred Shares: (i) none of the Issuers, the Initial Purchasers, the Surveillance Agent, the Trustee, the Agents, the Issuer Administrator or the Share Trustee is acting as a fiduciary or financial or investment adviser for the Purchaser; (ii) the Purchaser is not relying (for purposes of making any investment decision or otherwise) upon any advice, counsel or representations (whether written or oral) of the Issuers, the Initial Purchasers, the Surveillance Agent, the Trustee, the Agents, the Issuer Administrator or the Share Trustee other than in the Offering Circular and any representations expressly set forth in a written agreement with such party; (iii) none of the Issuers, the Initial Purchasers, the Surveillance Agent, the Trustee, the Agents, the Issuer Administrator or the Share Trustee has given to the Purchaser (directly or indirectly through any other person) any assurance, guarantee, or representation whatsoever as to the expected or projected success, profitability, return, performance, result, effect, consequence or benefit (including legal, regulatory, tax, financial, accounting or otherwise) as to an investment in the Purchaser's Preferred Shares; (iv) the Purchaser has consulted with its own legal, regulatory, tax, business, investment, financial and accounting advisers to the extent it has deemed necessary, and it has made its own investment decisions (including decisions regarding the suitability of any transaction pursuant to the Indenture and the Preferred Share Paying and Transfer Agency Agreement) based upon its own judgment and upon any advice from

such advisers as it has deemed necessary and not upon any view expressed by the Issuers, the Initial Purchasers, the Hedge Counterparty, the Surveillance Agent, the Trustee, the Agents, the Issuer Administrator or the Share Trustee; (v) the Purchaser has evaluated the rates, prices or amounts and other terms and conditions of the purchase and sale of the Purchaser's Preferred Shares with a full understanding of all of the risks thereof (economic and otherwise), and it is capable of assuming and willing to assume (financially and otherwise) those risks; and (vi) the Purchaser is a sophisticated investor.

(f) The certificates in respect of the Preferred Shares will bear a legend to the following effect unless the Issuer determines otherwise in compliance with the Preferred Share Paying and Transfer Agency Agreement and applicable law:

> THE PREFERRED SHARES ARE THE SUBJECT OF, AND ARE ISSUED SUBJECT TO THE CONDITIONS OF, THE PREFERRED SHARE PAYING AND TRANSFER AGENCY AGREEMENT, DATED ON OR ABOUT JUNE 22, 2005 (THE "PREFERRED SHARE PAYING AND TRANSFER AGENCY AGREEMENT") BY AND AMONG THE ISSUER OF THE PREFERRED SHARES, ABN AMRO BANK N.V. (LONDON BRANCH), AS PREFERRED SHARE PAYING AGENT AND PREFERRED SHARE TRANSFER AGENT AND MAPLES FINANCE LIMITED, AS SHARE REGISTRAR. COPIES OF THE PREFERRED SHARE PAYING AND TRANSFER AGENCY AGREEMENT MAY BE OBTAINED FROM THE PREFERRED SHARE PAYING AGENT, THE PREFERRED SHARE TRANSFER AGENT OR THE SHARE REGISTRAR.
>
> THE PREFERRED SHARES HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), AND THE ISSUER HAS NOT BEEN REGISTERED UNDER THE UNITED STATES INVESTMENT COMPANY ACT OF 1940, AS AMENDED (THE "INVESTMENT COMPANY ACT"). THE HOLDER HEREOF, BY PURCHASING THE PREFERRED SHARES REPRESENTED HEREBY, AGREES FOR THE BENEFIT OF THE ISSUER THAT SUCH PREFERRED SHARES MAY BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED, ONLY (A)(1) TO A PERSON WHOM THE SELLER REASONABLY BELIEVES IS A QUALIFIED INSTITUTIONAL BUYER AS DEFINED IN RULE 144A UNDER THE SECURITIES ACT AND IS PURCHASING FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF A QUALIFIED INSTITUTIONAL BUYER, IN A TRANSACTION MEETING THE REQUIREMENTS OF RULE 144A UNDER THE SECURITIES ACT, (2) TO AN ACCREDITED INVESTOR (AS DEFINED IN RULE 501(a) UNDER THE SECURITIES ACT) WHO HAS A NET WORTH OF NOT LESS THAN U.S.$10 MILLION) IN A TRANSACTION EXEMPT FROM REGISTRATION UNDER THE SECURITIES ACT, OR (3) TO A NON-U.S. PERSON IN AN OFFSHORE TRANSACTION COMPLYING WITH RULE 903 OR RULE 904 OF REGULATION S UNDER THE SECURITIES ACT, AND IN EACH CASE IN AN AMOUNT OF NOT LESS THAN 250 PREFERRED SHARES. FURTHERMORE THE PURCHASER AND EACH ACCOUNT FOR WHICH IT IS ACTING AS A PURCHASER, OTHER THAN IN THE CASE OF CLAUSE (A)(3) ABOVE, REPRESENTS FOR THE BENEFIT OF THE ISSUER THAT IT (V) IS A QUALIFIED PURCHASER FOR THE PURPOSES OF SECTION 3(c)(7) OF THE INVESTMENT COMPANY ACT, (W) WAS NOT FORMED FOR THE PURPOSE OF INVESTING IN THE ISSUER (EXCEPT WHEN EACH BENEFICIAL OWNER OF THE PURCHASER IS A QUALIFIED PURCHASER), (X) HAS RECEIVED THE NECESSARY CONSENT FROM ITS BENEFICIAL OWNERS WHEN THE PURCHASER IS A PRIVATE INVESTMENT COMPANY FORMED BEFORE APRIL 30, 1996, (Y) IS NOT A BROKER-DEALER THAT OWNS AND INVESTS

ON A DISCRETIONARY BASIS LESS THAN U.S.$25,000,000 IN SECURITIES OF UNAFFILIATED ISSUERS AND (Z) IS NOT A PENSION, PROFIT SHARING OR OTHER RETIREMENT TRUST FUND OR PLAN IN WHICH THE PARTNERS, BENEFICIARIES OR PARTICIPANTS, AS APPLICABLE, MAY DESIGNATE THE PARTICULAR INVESTMENTS TO BE MADE, AND IN A TRANSACTION THAT MAY BE EFFECTED WITHOUT LOSS OF ANY APPLICABLE INVESTMENT COMPANY ACT EXEMPTION AND (B) IN ACCORDANCE WITH ALL APPLICABLE SECURITIES LAWS OF THE STATES OF THE UNITED STATES. ANY PURPORTED TRANSFER IN VIOLATION OF THE FOREGOING WILL NOT BE PERMITTED OR REGISTERED BY THE PREFERRED SHARE TRANSFER AGENT OR THE SHARE REGISTRAR. EACH TRANSFEROR OF THE PREFERRED SHARES WILL PROVIDE NOTICE OF THE TRANSFER RESTRICTIONS SET FORTH HEREIN AND IN THE PREFERRED SHARE PAYING AND TRANSFER AGENCY AGREEMENT TO ITS TRANSFEREE. IN ADDITION TO THE FOREGOING, THE ISSUER HAS THE RIGHT TO COMPEL ANY BENEFICIAL OWNER OF A PREFERRED SHARE THAT IS A U.S. PERSON AND IS NOT (A) A QUALIFIED PURCHASER AND (B) EITHER A QUALIFIED INSTITUTIONAL BUYER OR AN ACCREDITED INVESTOR WHO HAS A NET WORTH OF NOT LESS THAN U.S.$10 MILLION TO SELL SUCH PREFERRED SHARES, OR MAY SELL SUCH PREFERRED SHARES ON BEHALF OF SUCH OWNER.

IF THE TRANSFER OF PREFERRED SHARES IS TO BE MADE PURSUANT TO CLAUSE (A)(1) OR (A)(2) OF THE PRECEDING PARAGRAPH, THE TRANSFEREE OF THE PREFERRED SHARES WILL BE REQUIRED TO EXECUTE AND DELIVER TO THE ISSUER AND THE PREFERRED SHARE TRANSFER AGENT A PREFERRED SHARES PURCHASE AND TRANSFER LETTER, SUBSTANTIALLY IN THE FORM ATTACHED TO THE PREFERRED SHARE PAYING AND TRANSFER AGENCY AGREEMENT, STATING THAT AMONG OTHER THINGS, THE TRANSFEREE IS (X) A QUALIFIED INSTITUTIONAL BUYER AS DEFINED IN RULE 144A UNDER THE SECURITIES ACT PURCHASING FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF A QUALIFIED INSTITUTIONAL BUYER, OR (Y) AN ACCREDITED INVESTOR (AS DEFINED IN RULE 501(a) UNDER THE SECURITIES ACT) WHO HAS A NET WORTH OF NOT LESS THAN U.S.$10 MILLION AND (Z) A QUALIFIED PURCHASER FOR THE PURPOSES OF THE INVESTMENT COMPANY ACT.

IF THE TRANSFER OF PREFERRED SHARES IS TO BE MADE PURSUANT TO CLAUSE (A)(3) OF THE SECOND PRECEDING PARAGRAPH, THE TRANSFEREE OF THE PREFERRED SHARES WILL BE REQUIRED TO DELIVER TO THE ISSUER AND THE PREFERRED SHARE TRANSFER AGENT A PREFERRED SHARES PURCHASE AND TRANSFER LETTER, SUBSTANTIALLY IN THE FORM ATTACHED TO THE PREFERRED SHARE PAYING AND TRANSFER AGENCY AGREEMENT, STATING THAT AMONG OTHER THINGS, THE TRANSFEREE IS NOT A U.S. PERSON (AS DEFINED IN REGULATION S).

WITH RESPECT TO THE PREFERRED SHARES PURCHASED OR TRANSFERRED ON OR AFTER THE CLOSING DATE, THE PURCHASER OR TRANSFEREE MUST DISCLOSE IN WRITING IN ADVANCE TO THE PREFERRED SHARE PAYING AGENT (i) WHETHER OR NOT IT IS (A) AN "EMPLOYEE BENEFIT PLAN" (AS DEFINED IN SECTION 3(3) OF ERISA), WHETHER OR NOT SUBJECT TO THE PROVISIONS OF TITLE I OF ERISA, (B) A "PLAN" DESCRIBED IN SECTION 4975 OF THE CODE, WHETHER OR

NOT SUBJECT TO SECTION 4975 OF THE CODE, OR (C) AN ENTITY WHOSE ASSETS INCLUDE "PLAN ASSETS" WITHIN THE MEANING OF ERISA BY REASON OF A PLAN'S INVESTMENT IN THE ENTITY (ALL SUCH PERSONS AND ENTITIES DESCRIBED IN CLAUSES (A) THROUGH (C) BEING REFERRED TO HEREIN AS "BENEFIT PLAN INVESTORS"); (ii) IF THE PURCHASER OR TRANSFEREE IS A BENEFIT PLAN INVESTOR, THAT THE PURCHASE AND HOLDING OR TRANSFER AND HOLDING OF PREFERRED SHARES DO NOT AND WILL NOT CONSTITUTE OR RESULT IN A PROHIBITED TRANSACTION UNDER SECTION 406 OF ERISA OR SECTION 4975 OF THE CODE (OR UNDER ANY FEDERAL, STATE, LOCAL OR FOREIGN LAW THAT IS SUBSTANTIALLY SIMILAR TO SECTION 406 OF ERISA OR SECTION 4975 OF THE CODE) FOR WHICH AN EXEMPTION IS NOT AVAILABLE; AND (iii) WHETHER OR NOT IT IS THE SURVEILLANCE AGENT OR ANY OTHER PERSON (OTHER THAN A BENEFIT PLAN INVESTOR) WHO HAS DISCRETIONARY AUTHORITY OR CONTROL WITH RESPECT TO THE ASSETS OF THE ISSUER OR A PERSON WHO PROVIDES INVESTMENT ADVICE FOR A FEE (DIRECT OR INDIRECT) WITH RESPECT TO THE ASSETS OF THE ISSUER, OR ANY "AFFILIATE" (WITHIN THE MEANING OF 29 C.F.R. SECTION 2510.3-101(f)(3)) OF ANY SUCH PERSON. IF A PURCHASER IS AN INSURANCE COMPANY ACTING ON BEHALF OF ITS GENERAL ACCOUNT, IT WILL BE PERMITTED TO SO INDICATE, AND REQUIRED TO IDENTIFY A MAXIMUM PERCENTAGE OF THE ASSETS IN ITS GENERAL ACCOUNT THAT MAY BE OR BECOME PLAN ASSETS, IN WHICH CASE THE INSURANCE COMPANY WILL BE REQUIRED TO MAKE CERTAIN FURTHER AGREEMENTS THAT WOULD APPLY IN THE EVENT THAT SUCH MAXIMUM PERCENTAGE WOULD THEREAFTER BE EXCEEDED. THE PURCHASER AGREES THAT, BEFORE ANY INTEREST IN A PREFERRED SHARE MAY BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED, THE TRANSFEREE WILL BE REQUIRED TO PROVIDE THE PREFERRED SHARE TRANSFER AGENT WITH A PREFERRED SHARES PURCHASE AND TRANSFER LETTER (SUBSTANTIALLY IN THE FORM ATTACHED TO THE PREFERRED SHARE PAYING AND TRANSFER AGENCY AGREEMENT) STATING, AMONG OTHER THINGS, WHETHER THE TRANSFEREE IS A BENEFIT PLAN INVESTOR. THE TRUSTEE OR PREFERRED SHARE TRANSFER AGENT WILL NOT PERMIT OR REGISTER ANY PURCHASE OR TRANSFER OF PREFERRED SHARES TO THE EXTENT THAT THE PURCHASE OR TRANSFER WOULD RESULT IN BENEFIT PLAN INVESTORS OWNING 25% OR MORE OF THE OUTSTANDING PREFERRED SHARES (OTHER THAN THE PREFERRED SHARES OWNED BY THE SURVEILLANCE AGENT, THE TRUSTEE AND THEIR AFFILIATES) IMMEDIATELY AFTER SUCH PURCHASE OR TRANSFER (DETERMINED IN ACCORDANCE WITH THE PLAN ASSET REGULATION (AS DEFINED IN THE INDENTURE) AND IN THE PREFERRED SHARE PAYING AND TRANSFER AGENCY AGREEMENT).

DISTRIBUTIONS TO THE HOLDERS OF THE PREFERRED SHARES ARE SUBORDINATE TO THE PAYMENT ON EACH PAYMENT DATE OF PRINCIPAL OF AND INTEREST ON THE NOTES OF THE ISSUERS AND THE PAYMENT OF CERTAIN OTHER AMOUNTS, TO THE EXTENT AND AS DESCRIBED IN THE INDENTURE.

(g) With respect to Preferred Shares transferred or purchased on or after the Closing Date, the Purchaser understands and agrees that the representations and agreements made in this paragraph (g) will be deemed made on each day from the date hereof through and including the date on which the Purchaser disposes of the Preferred Shares.

(x) The Purchaser is __ is not __ [check one] (i) an "employee benefit plan" (as defined in Section 3(3) of the U.S. Employee Retirement Income Security Act of 1974, as amended ("ERISA")), whether or not subject to the provisions of Title I of ERISA, (ii) a "plan" described in Section 4975 of the U.S. Internal Revenue Code of 1986, as amended (the "Code"), or (iii) an entity whose underlying assets include assets of any such employee benefit plan or plan (for purposes of ERISA or Section 4975 of the Code) by reason of a plan's investment in the entity (such persons and entities described in clauses (i) through (iii) being referred to herein as "Benefit Plan Investors"); and (y) if the Purchaser is a Benefit Plan Investor, the Purchaser's purchase and holding of a Preferred Share do not and will not constitute or result in a prohibited transaction under Section 406 of ERISA or Section 4975 of the Code (or, in the case of an employee benefit plan not subject to ERISA or Section 4975 of the Code, any federal, state, local or foreign law that is substantially similar to Section 406 of ERISA or Section 4975 of the Code) for which an exemption is not available.

The Purchaser is _____ is not _____ [check one] the Issuer or any other person (other than a Benefit Plan Investor) that has discretionary authority or control with respect to the assets of the Issuer, a person who provides investment advice for a fee (direct or indirect) with respect to the assets of the Issuer, or any "affiliate" (within the meaning of 29 C.F.R. Section 2510.3-101(f)(3)) of any such person (any such person described in this paragraph being referred to as a "Controlling Person").

If the Purchaser is an insurance company acting on behalf of its general account ____ [check if true], then (i) not more than ____% [complete by entering a percentage], (the "Maximum Percentage") of the assets of such general account constitutes assets of Benefit Plan Investors for purposes of the "plan assets" regulations under ERISA, and (ii) without limiting the remedies that may otherwise be available, the Purchaser agrees that it shall (x) immediately notify the Issuer if the Maximum Percentage is exceeded, and (y) dispose of all or a portion of its Preferred Shares as may be instructed by the Issuer (including, in the discretion of the Issuer, a disposition back to the Issuer or an affiliate thereof (or other person designated by the Issuer) for the then value of the Preferred Shares as reasonably determined by the Issuer, in any case in which the Purchaser cannot otherwise make a disposition it has been instructed by the Issuer to make).

(h) The Purchaser understands and acknowledges that neither the Preferred Share Transfer Agent nor the Share Registrar will register any purchase or transfer of Preferred Shares either to a proposed initial purchaser or to a proposed subsequent transferee of Preferred Shares that has, in either case, represented that it is a Benefit Plan Investor or a Controlling Person if, after giving effect to such proposed transfer, persons that have represented that they are Benefit Plan Investors would own 25% or more of the outstanding Preferred Shares. For purposes of this determination, Preferred Shares held by the Surveillance Agent, the Trustee, any of their respective affiliates and persons that have represented that they are Controlling Persons will be disregarded and will not be treated as outstanding. The Purchaser understands and agrees that any purported purchase or transfer of the Purchaser's Preferred Shares to a Purchaser that does not comply with the requirements of this clause (h) will not be permitted or registered by the Preferred Share Transfer Agent.

(i) The purchaser is not purchasing the Purchaser's Preferred Shares with a view toward the resale, distribution or other disposition thereof in violation of the Securities Act. The Purchaser understands that an investment in the Purchaser's Preferred Shares involves certain risks, including the risk of loss of its entire investment in the Purchaser's Preferred Shares under certain circumstances. The Purchaser has had access to such financial and other information concerning the Issuers and the Purchaser's Preferred Shares as it deemed necessary or appropriate in order to make an informed investment decision with respect to its purchase of the Purchaser's Preferred Shares, including an opportunity to ask questions of, and request information from, the Issuer.

(j) The Purchaser is not purchasing the Purchaser's Preferred Shares in order to reduce any United States federal income tax liability or pursuant to a tax avoidance plan.

(k) The Purchaser agrees to treat the Purchaser's Preferred Shares as equity for United States federal, state and local income tax purposes.

(l) The Purchaser acknowledges that due to money laundering requirements operating in the Cayman Islands, the Issuer and the Preferred Share Transfer Agent may require further identification of the Purchaser before the purchase application can proceed. The Issuer and the Preferred Share Transfer Agent shall be held harmless and indemnified by the Purchaser against any loss arising from the failure to process the application if such information as has been required from the Purchaser has not been provided by the Purchaser.

(m) The Purchaser agrees to complete any other instrument of transfer as required under Cayman Islands law.

(n) The Purchaser is not a member of the public in the Cayman Islands.

We acknowledge that you and other persons will rely upon our confirmation, acknowledgments, representations, warranties, covenants and agreements set forth herein, and we hereby irrevocably authorize you and such other persons to produce this letter or a copy hereof to any interested party in any administrative or legal proceeding or official inquiry with respect to the matters covered hereby.

THIS LETTER SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK.

Very truly yours,
[ ]
By:_____
Name:
Title:

Receipt acknowledged as of date set forth above,

_____
(Signature and Addresses)

ANNEX A-2

FORM OF CLASS E NOTES PURCHASE AND TRANSFER LETTER

LaSalle Bank National Association
135 South LaSalle Street, Suite 1511
Chicago, Illinois 60603
Attention: CDO Trust Services Group – Coolidge Funding, Ltd.

Re: Coolidge Funding, Ltd.
Class E Notes

Dear Sirs:

Reference is hereby made to the Class E Notes (the "Class E Notes") issued by Coolidge Funding, Ltd. (the "Issuer"), described in the Issuer's Offering Circular dated June 17, 2005 ("Offering Circular") to be purchased and held by us in definitive certificated form. We (the "Purchaser") are purchasing U.S. $_____ Class E Notes (the "Purchaser's Class E Notes"). Terms defined or referenced in the Offering Circular and not otherwise defined or referenced herein shall have the meanings set forth in the Offering Circular.

The Purchaser hereby represents, warrants and covenants for the benefit of the Issuer that:

(a) (i) The Purchaser is (check one) (x) __ a qualified institutional buyer (as defined in Rule 144A under the Securities Act of 1933, as amended (the "Securities Act")) (a "Qualified Institutional Buyer") or (y) __ a non-U.S. Person (as defined in Regulation S under the Securities Act) that is acquiring the Purchaser's Class E Notes in an offshore transaction complying with Rule 903 or Rule 904 of Regulation S of the Securities Act; (ii) The Purchaser, in the case of clauses(x) above, is a "qualified purchaser" for the purposes of Section 3(c)(7) of the Investment Company Act of 1940, as amended (the "Investment Company Act") (a "Qualified Purchaser"); (iii) The Purchaser is aware that the sale of the Purchaser's Class E Notes to the Purchaser is being made in reliance on an exemption from registration under the Securities Act; (v) The Purchaser is acquiring not less than U.S. $250,000 of Purchased Notes. (vi) With respect to any transferee, the Purchaser also understands that, in conjunction with any transfer of the Purchaser's ownership of any Purchaser's Class E Notes purchased hereunder, it will not transfer or cause the transfer of such Purchaser's Class E Notes without obtaining from the transferee a certificate substantially in the form of this Class E Note Purchase and Transfer Letter; (vii) The Purchaser will provide notice of the transfer restrictions described to any subsequent transferees.

(b) The Purchaser is purchasing the Purchaser's Class E Notes in an amount equal to or exceeding the minimum permitted amount thereof for its own account (or, if the Purchaser is a Qualified Institutional Buyer, for the account of another Qualified Institutional Buyer with respect to which the Purchaser exercises sole investment discretion) for investment purposes only and not for sale in connection with any distribution thereof, but nevertheless subject to the understanding that the disposition of its property shall at all times be and remain within its control (subject to the restrictions set forth in the Offering Circular and the Indenture).

(c) The Purchaser understands that the Purchaser's Class E Notes have not been and will not be registered or qualified under the Securities Act or any applicable state securities laws or the securities laws of any other jurisdiction and are being offered only in a transaction not involving any public offering within the meaning of the Securities Act, are being offered only in a transaction not involving any public offering, and may be reoffered, resold or pledged or otherwise transferred only in accordance with the restrictions on transfer set forth herein and in the Indenture. The Purchaser understands and agrees that any purported transfer of Class E Notes to a purchaser

that does not comply with the requirements herein will not be permitted or registered by the Note Transfer Agent. The Purchaser further understands that the Issuer has the right to compel any beneficial owner of Class E Notes that is a U.S. Person and is not (a) either a Qualified Institutional Buyer and (b) a Qualified Purchaser, to sell its interest in such Class E Notes, or the Issuer may sell such Class E Notes on behalf of such owner.

(d) If the Purchaser or any account for which the Purchaser is purchasing the Purchaser's Class E Notes is a U.S. Person (as defined in Regulation S under the Securities Act) the following representations shall be true and correct: The Purchaser (or if the Purchaser is acquiring the Purchaser's Class E Notes for any account, each such account) is acquiring the Purchaser's Class E Notes as principal for its own account for investment and not for sale in connection with any distribution thereof. The Purchaser and each such account: (a) was not formed for the specific purpose of investing in the Class E Notes (except when each beneficial owner of the Purchaser and each such account is a Qualified Purchaser), (b) to the extent the Purchaser is a private investment company formed before April 30, 1996, the Purchaser has received the necessary consent from its beneficial owners, (c) is not a pension, profit sharing or other retirement trust fund or plan in which the partners, beneficiaries or participants, as applicable, may designate the particular investments to be made; and (d) is not a broker-dealer that owns and invests on a discretionary basis less than U.S.$25,000,000 in securities of unaffiliated issuers. Further, the Purchaser agrees: (i) that neither it nor such account shall hold the Purchaser's Class E Notes for the benefit of any other person and such purchaser of such account shall be the sole beneficial owner thereof for all purposes; and (ii) that neither it nor such account shall sell participation interests in the Purchaser's Class E Notes or enter into any other arrangement pursuant to which any other person shall be entitled to a beneficial interest in the distributions on the Purchaser's Class E Notes. The Purchaser understands and agrees that any purported transfer of the Purchaser's Class E Notes to a Purchaser that does not comply with the requirements of this clause (d) will not be permitted or registered by the Note Transfer Agent.

(e) In connection with the purchase of the Purchaser's Class E Notes: (i) none of the Issuers, the Initial Purchaser, the Surveillance Agent, the Trustee, the Agents or the Issuer Administrator is acting as a fiduciary or financial or investment adviser for the Purchaser; (ii) the Purchaser is not relying (for purposes of making any investment decision or otherwise) upon any advice, counsel or representations (whether written or oral) of the Issuers, the Initial Purchaser, the Surveillance Agent, the Trustee, the Agents or the Issuer Administrator other than in the Offering Circular and any representations expressly set forth in a written agreement with such party; (iii) none of the Issuers, the Initial Purchaser, any Hedge Counterparty, the Surveillance Agent, the Trustee, the Agents or the Issuer Administrator has given to the Purchaser (directly or indirectly through any other person) any assurance, guarantee, or representation whatsoever as to the expected or projected success, profitability, return, performance, result, effect, consequence or benefit (including legal, regulatory, tax, financial, accounting or otherwise) as to an investment in the Purchaser's Class E Notes; (iv) the Purchaser has consulted with its own legal, regulatory, tax, business, investment, financial and accounting advisers to the extent it has deemed necessary, and it has made its own investment decisions (including decisions regarding the suitability of any transaction pursuant to the Indenture) based upon its own judgment and upon any advice from such advisers as it has deemed necessary and not upon any view expressed by the Issuers, the Initial Purchaser, any Hedge Counterparty, the Surveillance Agent, the Trustee, the Agents or the Issuer Administrator; (v) the Purchaser has evaluated the rates, prices or amounts and other terms and conditions of the purchase and sale of the Purchaser's Class E Notes with a full understanding of all of the risks thereof (economic and otherwise), and it is capable of assuming and willing to assume (financially and otherwise) those risks; and (vi) the Purchaser is a sophisticated investor.

(f) The certificates in respect of the Class E Notes will bear a legend to the following effect unless the Issuer determines otherwise in compliance with the Indenture and applicable law:

THIS NOTE HAS NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), AND THE ISSUERS HAVE NOT BEEN REGISTERED UNDER THE UNITED STATES INVESTMENT COMPANY ACT OF 1940, AS AMENDED (THE "INVESTMENT COMPANY ACT"). THE HOLDER HEREOF, BY PURCHASING THE NOTES IN RESPECT OF WHICH THIS NOTE HAS BEEN ISSUED, AGREES FOR THE BENEFIT OF THE ISSUERS THAT THE NOTES MAY BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED, ONLY (A)(1) TO A PERSON WHOM THE SELLER REASONABLY BELIEVES IS A QUALIFIED INSTITUTIONAL BUYER AS DEFINED IN RULE 144A UNDER THE SECURITIES ACT THAT IS NOT A BROKER DEALER WHICH OWNS AND INVESTS ON A DISCRETIONARY BASIS LESS THAN $25 MILLION IN SECURITIES OF ISSUERS THAT ARE NOT AFFILIATED PERSONS OF THE INITIAL PURCHASER AND IS NOT A PLAN REFERRED TO IN PARAGRAPH (a)(1)(i)(D) OR (a)(1)(i)(E) OF RULE 144A OR A TRUST FUND REFERRED TO IN PARAGRAPH (a)(1)(i)(F) OF RULE 144A THAT HOLDS THE ASSETS OF SUCH A PLAN, IF INVESTMENT DECISIONS WITH RESPECT TO THE PLAN ARE MADE BY THE BENEFICIARIES OF THE PLAN, PURCHASING FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF A QUALIFIED INSTITUTIONAL BUYER, IN A TRANSACTION MEETING THE REQUIREMENTS OF RULE 144A UNDER THE SECURITIES ACT OR (2) TO A NON U.S. PERSON IN AN OFFSHORE TRANSACTION COMPLYING WITH RULE 903 OR RULE 904 OF REGULATION S UNDER THE SECURITIES ACT AND, IN THE CASE OF CLAUSE (1), IN A PRINCIPAL AMOUNT OF NOT LESS THAN $250,000 OR IN THE CASE OF CLAUSE (2), IN A PRINCIPAL AMOUNT OF NOT LESS THAN $100,000, FOR THE PURCHASER AND FOR EACH ACCOUNT FOR WHICH IT IS ACTING, TO A PURCHASER THAT, OTHER THAN IN THE CASE OF CLAUSE (2), (V) IS A QUALIFIED PURCHASER FOR PURPOSES OF SECTION 3(c)(7) OF THE INVESTMENT COMPANY ACT, (W) WAS NOT FORMED FOR THE PURPOSE OF INVESTING IN THE ISSUER (EXCEPT WHEN EACH BENEFICIAL OWNER OF THE PURCHASER IS A QUALIFIED PURCHASER), (X) HAS RECEIVED THE NECESSARY CONSENT FROM ITS BENEFICIAL OWNERS WHEN THE PURCHASER IS A PRIVATE INVESTMENT COMPANY FORMED BEFORE APRIL 30, 1996, (Y) IS NOT A BROKER DEALER THAT OWNS AND INVESTS ON A DISCRETIONARY BASIS LESS THAN $25,000,000 IN SECURITIES OF UNAFFILIATED ISSUERS AND (Z) IS NOT A PENSION, PROFIT SHARING OR OTHER RETIREMENT TRUST FUND OR PLAN IN WHICH THE PARTNERS, BENEFICIARIES OR PARTICIPANTS, AS APPLICABLE, MAY DESIGNATE THE PARTICULAR INVESTMENTS TO BE MADE, AND IN A TRANSACTION THAT MAY BE EFFECTED WITHOUT LOSS OF ANY APPLICABLE INVESTMENT COMPANY ACT EXEMPTION AND (B) IN ACCORDANCE WITH ALL APPLICABLE SECURITIES LAWS OF THE STATES OF THE UNITED STATES. ANY PURPORTED TRANSFER IN VIOLATION OF THE FOREGOING WILL NOT BE PERMITTED OR REGISTERED BY THE NOTE TRANSFER AGENT. EACH TRANSFEROR OF THIS NOTE WILL PROVIDE NOTICE OF THE TRANSFER RESTRICTIONS SET FORTH HEREIN AND IN THE INDENTURE TO ITS TRANSFEREE.

IF THE TRANSFER OF CLASS E NOTES IS TO BE MADE PURSUANT TO CLAUSE (A)(1) OF THE PRECEDING PARAGRAPH, THE TRANSFEREE OF THE CLASS E NOTES WILL BE REQUIRED TO EXECUTE AND DELIVER TO THE ISSUER AND THE NOTE TRANSFER AGENT A CLASS E NOTES PURCHASE AND TRANSFER LETTER, SUBSTANTIALLY IN THE FORM ATTACHED TO THE INDENTURE, STATING THAT AMONG OTHER THINGS, THE TRANSFEREE IS (1) A QUALIFIED INSTITUTIONAL BUYER AS DEFINED IN RULE 144A UNDER THE SECURITIES ACT PURCHASING FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF A QUALIFIED INSTITUTIONAL BUYER AND (2) A QUALIFIED PURCHASER FOR THE PURPOSES OF THE INVESTMENT COMPANY ACT.

IF THE TRANSFER OF CLASS E NOTES IS TO BE MADE PURSUANT TO CLAUSE (A)(2) OF THE PRECEDING PARAGRAPH, THE TRANSFEREE OF THE CLASS E NOTES WILL BE REQUIRED TO EXECUTE AND DELIVER TO THE ISSUER AND THE NOTE TRANSFER AGENT A CLASS E NOTES PURCHASE AND TRANSFER LETTER, SUBSTANTIALLY IN THE FORM ATTACHED TO THE INDENTURE, STATING THAT AMONG OTHER THINGS, THE TRANSFEREE IS NOT A U.S. PERSON (AS DEFINED IN REGULATION S).

THE PURCHASER OR TRANSFEREE OF THIS NOTE MUST DISCLOSE IN WRITING IN ADVANCE TO THE NOTE TRANSFER AGENT (i) WHETHER OR NOT IT IS (A) AN "EMPLOYEE BENEFIT PLAN" (AS DEFINED IN SECTION 3(3) OF ERISA), WHETHER OR NOT SUBJECT TO THE PROVISIONS OF TITLE I OF ERISA, (B) A "PLAN" DESCRIBED IN SECTION 4975 OF THE CODE, WHETHER OR NOT SUBJECT TO SECTION 4975 OF THE CODE, OR (C) AN ENTITY WHOSE ASSETS INCLUDE "PLAN ASSETS" WITHIN THE MEANING OF ERISA BY REASON OF A PLAN'S INVESTMENT IN THE ENTITY (ALL SUCH PERSONS AND ENTITIES DESCRIBED IN CLAUSES (A) THROUGH (C) BEING REFERRED TO HEREIN AS "BENEFIT PLAN INVESTORS"); (ii) IF THE PURCHASER OR TRANSFEREE IS A BENEFIT PLAN INVESTOR, THAT THE PURCHASE AND HOLDING OR TRANSFER AND HOLDING OF CLASS E NOTES DO NOT AND WILL NOT CONSTITUTE OR RESULT IN A PROHIBITED TRANSACTION UNDER SECTION 406 OF ERISA OR SECTION 4975 OF THE CODE (OR UNDER ANY FEDERAL, STATE, LOCAL OR FOREIGN LAW THAT IS SUBSTANTIALLY SIMILAR TO SECTION 406 OF ERISA OR SECTION 4975 OF THE CODE) FOR WHICH AN EXEMPTION IS NOT AVAILABLE; AND (iii) WHETHER OR NOT IT IS THE SURVEILLANCE AGENT OR ANY OTHER PERSON (OTHER THAN A BENEFIT PLAN INVESTOR) WHO HAS DISCRETIONARY AUTHORITY OR CONTROL WITH RESPECT TO THE ASSETS OF THE ISSUER OR A PERSON WHO PROVIDES INVESTMENT ADVICE FOR A FEE (DIRECT OR INDIRECT) WITH RESPECT TO THE ASSETS OF THE ISSUER, OR ANY "AFFILIATE" (WITHIN THE MEANING OF 29 C.F.R. SECTION 2510.3-101(f)(3)) OF ANY SUCH PERSON. IF A PURCHASER IS AN INSURANCE COMPANY ACTING ON BEHALF OF ITS GENERAL ACCOUNT, IT WILL BE PERMITTED TO SO INDICATE, AND REQUIRED TO IDENTIFY A MAXIMUM PERCENTAGE OF THE ASSETS IN ITS GENERAL ACCOUNT THAT MAY BE OR BECOME PLAN ASSETS, IN WHICH CASE THE INSURANCE COMPANY WILL BE REQUIRED TO MAKE CERTAIN FURTHER AGREEMENTS THAT WOULD APPLY IN THE EVENT THAT SUCH MAXIMUM PERCENTAGE WOULD THEREAFTER BE EXCEEDED. THE PURCHASER AGREES THAT, BEFORE ANY INTEREST IN A CLASS E NOTE MAY BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED, THE TRANSFEREE WILL BE REQUIRED TO PROVIDE THE NOTE TRANSFER AGENT WITH A CLASS E NOTES PURCHASE AND TRANSFER LETTER (SUBSTANTIALLY IN THE FORM ATTACHED TO THE INDENTURE) STATING, AMONG OTHER THINGS, WHETHER THE TRANSFEREE IS A BENEFIT PLAN INVESTOR. THE TRUSTEE WILL NOT PERMIT OR REGISTER ANY PURCHASE OR TRANSFER OF CLASS E NOTES TO THE EXTENT THAT THE PURCHASE OR TRANSFER WOULD RESULT IN BENEFIT PLAN INVESTORS OWNING 25% OR MORE OF THE OUTSTANDING CLASS E NOTES (OTHER THAN THE CLASS E NOTES OWNED BY THE SURVEILLANCE AGENT, THE TRUSTEE AND THEIR AFFILIATES) IMMEDIATELY AFTER SUCH PURCHASE OR TRANSFER (DETERMINED IN ACCORDANCE WITH THE PLAN ASSET REGULATION (AS DEFINED IN THE INDENTURE) AND IN THE INDENTURE).

TRANSFERS OF THIS NOTE SHALL BE LIMITED TO TRANSFER MADE IN ACCORDANCE WITH THE RESTRICTIONS SET FORTH IN THE INDENTURE.

PRINCIPAL OF THIS NOTE IS PAYABLE AS SET FORTH HEREIN. ACCORDINGLY, THE OUTSTANDING PRINCIPAL OF THIS NOTE AT ANY TIME MAY BE LESS THAN THE AMOUNT SHOWN ON THE FACE HEREOF. ANY PERSON ACQUIRING THIS NOTE MAY ASCERTAIN ITS CURRENT PRINCIPAL AMOUNT BY INQUIRY OF THE NOTE PAYING AGENT.

(g) With respect to Class E Notes transferred or purchased on or after the Closing Date, the Purchaser understands and agrees that the representations and agreements made in this paragraph (g) will be deemed made on each day from the date hereof through and including the date on which the Purchaser disposes of the Class E Notes.

(x) The Purchaser is __ is not __ [check one] (i) an "employee benefit plan" (as defined in Section 3(3) of the U.S. Employee Retirement Income Security Act of 1974, as amended ("ERISA")), whether or not subject to the provisions of Title I of ERISA, (ii) a "plan" described in Section 4975 of the U.S. Internal Revenue Code of 1986, as amended (the "Code"), or (iii) an entity whose underlying assets include assets of any such employee benefit plan or plan (for purposes of ERISA or Section 4975 of the Code) by reason of a plan's investment in the entity (such persons and entities described in clauses (i) through (iii) being referred to herein as "Benefit Plan Investors"); and (y) if the Purchaser is a Benefit Plan Investor, the Purchaser's purchase and holding of a Class E Note do not and will not constitute or result in a prohibited transaction under Section 406 of ERISA or Section 4975 of the Code (or, in the case of an employee benefit plan not subject to ERISA or Section 4975 of the Code, any federal, state, local or foreign law that is substantially similar to Section 406 of ERISA or Section 4975 of the Code) for which an exemption is not available.

The Purchaser is _____ is not _____ [check one] the Issuer or any other person (other than a Benefit Plan Investor) that has discretionary authority or control with respect to the assets of the Issuer, a person who provides investment advice for a fee (direct or indirect) with respect to the assets of the Issuer, or any "affiliate" (within the meaning of 29 C.F.R. Section 2510.3-101(f)(3)) of any such person (any such person described in this paragraph being referred to as a "Controlling Person").

If the Purchaser is an insurance company acting on behalf of its general account _____ [check if true], then (i) not more than _____% [complete by entering a percentage], (the "Maximum Percentage") of the assets of such general account constitutes assets of Benefit Plan Investors for purposes of the "plan assets" regulations under ERISA, and (ii) without limiting the remedies that may otherwise be available, the Purchaser agrees that it shall (x) immediately notify the Issuer if the Maximum Percentage is exceeded, and (y) dispose of all or a portion of its Class E Notes as may be instructed by the Issuer (including, in the discretion of the Issuer, a disposition back to the Issuer or an affiliate thereof (or other person designated by the Issuer) for the then value of the Class E Notes as reasonably determined by the Issuer, in any case in which the Purchaser cannot otherwise make a disposition it has been instructed by the Issuer to make).

(h) The Purchaser understands and acknowledges that the Note Transfer Agent will not register any purchase or transfer of Class E Notes either to a proposed initial purchaser or to a proposed subsequent transferee of Class E Notes that has, in either case, represented that it is a Benefit Plan Investor or a Controlling Person if, after giving effect to such proposed transfer, persons that have represented that they are Benefit Plan Investors would own 25% or more of the outstanding Class E Notes. For purposes of this determination, Class E Notes held by the Surveillance Agent, the Trustee, any of their respective affiliates and persons that have represented that they are Controlling Persons will be disregarded and will not be treated as outstanding. The Purchaser understands and agrees that any purported purchase or transfer of the Purchaser's Class E Notes to a Purchaser that does not comply with the requirements of this clause (i) will not be permitted or registered by the Note Transfer Agent.

(i) The purchaser is not purchasing the Purchaser's Class E Notes with a view toward the resale, distribution or other disposition thereof in violation of the Securities Act. The Purchaser understands that an investment in the Purchaser's Class E Notes involves certain risks, including the risk of loss of its entire investment in the Purchaser's Class E Notes under certain circumstances. The Purchaser has had access to such financial and other information concerning the Issuers and the Purchaser's Class E Notes as it deemed necessary or appropriate in order to make an informed investment decision with respect to its purchase of the Purchaser's Class E Notes, including an opportunity to ask questions of, and request information from, the Issuer.

(j) The Purchaser is not purchasing the Purchaser's Class E Notes in order to reduce any United States federal income tax liability or pursuant to a tax avoidance plan.

(k) The Purchaser agrees to treat the Purchaser's Class E Notes in accordance with the treatment accorded to it by the Issuer (as debt or equity as the case may be) upon the issuance of the Class E Note.

(l) The Purchaser acknowledges that due to money laundering requirements operating in the Cayman Islands, the Issuer and Note Transfer Agent may require further identification of the Purchaser before the purchase application can proceed. The Issuer and the Note Transfer Agent shall be held harmless and indemnified by the Purchaser against any loss arising from the failure to process the application if such information as has been required from the Purchaser has not been provided by the Purchaser.

(m) The Purchaser agrees to complete any other instrument of transfer as required under Cayman Islands law.

(n) The Purchaser is not a member of the public in the Cayman Islands.

We acknowledge that you and other persons will rely upon our confirmation, acknowledgments, representations, warranties, covenants and agreements set forth herein, and we hereby irrevocably authorize you and such other persons to produce this letter or a copy hereof to any interested party in any administrative or legal proceeding or official inquiry with respect to the matters covered hereby.

THIS LETTER SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK.

Very truly yours,
[ ]
By:_____
Name:
Title:

Receipt acknowledged as of date set forth above,

_____
(Signature and Addresses)

REGISTERED OFFICES OF THE ISSUERS

COOLIDGE FUNDING, LTD.
Maples Finance Limited
P.O. Box 1093 GT
Queensgate House, South Church Street
George Town, Grand Cayman, Cayman Islands

COOLIDGE FUNDING (DELAWARE) CORP.
850 Library Avenue, Suite 204
Newark, Delaware 19711

TRUSTEE, PRINCIPAL NOTE PAYING AGENT, NOTE PAYING AGENT, NOTE TRANSFER AGENT AND NOTE REGISTRAR
LaSalle Bank National Association
135 South LaSalle Street, Suite 1511
Chicago, Illinois 60603

PREFERRED SHARE PAYING AGENT AND PREFERRED SHARE TRANSFER AGENT
ABN AMRO Bank N.V. (London Branch)
Global Corporate Trust Services
82 Bishopsgate
London, England EC2N 4BN

SURVEILLANCE AGENT
Allianz Risk Transfer, Inc.
350 Park Avenue
New York, New York 10022

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180 Maiden Lane
New York, New York 10038

To the Issuers
As to matters of United States Law

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666 Fifth Avenue
New York, New York 10103

To the Issuer
As to matters of Cayman Islands Law

Maples and Calder
P.O. Box 309GT
Ugland House, South Church Street
George Town, Grand Cayman, Cayman Islands

To the Initial Purchaser[s]

Orrick, Herrington & Sutcliffe LLP
666 Fifth Avenue
New York, New York 10103

To the Trustee, Principal Note Paying Agent, Note Paying Agent, Note Transfer Agent, Note Registrar, Preferred Share Paying Agent and Preferred Share Transfer Agent
As to matters of United States Law

Kennedy Covington Lobdell & Hickman, L.L.P.
214 North Tryon Street, 47th Floor
Charlotte, North Carolina 28202

This CD-Rom contains an electronic version of the following documents with respect to the Collateral Assets: (i) the prospectus supplement, accompanying prospectus, private placement memorandum and/or term sheet relating to each underlying CMBS series, underlying RMBS series, underlying CDO Security series and underlying Asset-Backed Security series (collectively, the "Disclosure Documents") and (ii) certain reports of the trustee relating to each underlying CMBS series, underlying RMBS series, underlying CDO Security series and underlying Asset-Backed Security series (the "Reports"). The information included in such Disclosure Documents, Agreements and Reports however, may not reflect the current economic, competitive, market and other conditions with respect to any Collateral Asset and the related underlying series.

The information contained in this CD-ROM does not appear elsewhere in paper form in this Offering Circular and must be considered together with the information contained elsewhere in this Offering Circular. Defined terms used in this CD-ROM but not otherwise defined therein shall have the respective meanings assigned to them in the particular document in which they appear. All of the information contained in this CD-ROM is subject to the same limitations and qualifications as are contained in this Offering Circular. Prospective investors are strongly urged to read the paper portion of this Offering Circular in its entirety prior to accessing this CD-ROM. In addition, all investors should be aware that neither the Issuers, the Surveillance Agent, the Trustee nor the Initial Purchasers has independently verified any of the information therein and herein or is making any representation or warranty regarding, or assumes any responsibility for the accuracy, completeness or applicability of, the information contained therein and herein. If this CD-ROM was not received in a sealed package, there can be no assurances that it remains in its original format and should not be relied upon for any purpose.

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No dealer, salesperson or other person has been authorized to give any information or to represent anything not contained in this Offering Circular. You must not rely on any unauthorized information or representation. This Offering Circular is an offer to sell only the Securities offered hereby, and only under circumstances and in jurisdictions where it is lawful to do so. The information contained in this Offering Circular is current only as of its date.

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COOLIDGE FUNDING, LTD.

COOLIDGE FUNDING (DELAWARE) CORP.

U.S.$274,700,000
Class A-1 Floating Rate Notes
Due 2040

U.S.$45,100,000
Class A-2 Floating Rate Notes
Due 2040

U.S.$37,515,000
Class B Floating Rate Notes
Due 2040

U.S.$10,660,000
Class C Deferrable Floating Rate Notes
Due 2040

U.S.$25,625,000
Class D Floating Rate Notes
Due 2040

Up to U.S.$5,000,000
Class E Floating Rate Notes
Due 2040

16,400 Preferred Shares
(Par Value U.S.$0.01 per share)

OFFERING CIRCULAR

Goldman, Sachs & Co.
Maxim Group LLC