



Global Corporate Trust
214 N. Tryon Street, 26th Floor
Charlotte, North Carolina 28202

**Notice to Holders of Notes issued by Barings CLO Ltd. 2018-III
and, as applicable, Barings CLO 2018-III, LLC¹**

Class of Notes	Rule 144A			Regulation S			Certificated ²	
	CUSIP	ISIN	Common	CUSIP	ISIN	Common Code	CUSIP	ISIN
X	06760PAA9	US06760PAA93	N/A	G0822JAA5	USG0822JAA54	183704095	06760PAB7	US06760PAB76
A-1	06760PAC5	US06760PAC59	N/A	G0822JAB3	USG0822JAB38	183704117	06760PAD3	US06760PAD33
A-2	06760PAE1	US06760PAE16	N/A	G0822JAC1	USG0822JAC11	183704109	06760PAF8	US06760PAF80
B-1	06760PAG6	US06760PAG63	N/A	G0822JAD9	USG0822JAD93	183704125	06760PAH4	US06760PAH47
B-2-R	06760PAQ4	US06760PAQ46	N/A	G0822JAH0	USG0822JAH08	222790565	N/A	N/A
C	06760PAL5	US06760PAL58	N/A	G0822JAF4	USG0822JAF42	183704133	06760PAM3	US06760PAM32
D	06760PAJ0	US06760PAJ03	N/A	G0822JAE7	USG0822JAE76	183704150	06760PAK7	US06760PAK75
E	06760RAA5	US06760RAA59	N/A	G08202AA4	USG08202AA41	183704176	06760RAB3	US06760RAB33
F	06760RAC1	US06760RAC16	N/A	G08202AB2	USG08202AB24	183704168	06760RAD9	US06760RAD98
Subordinated Notes	05618JAE1	US05618JAE10	110285671	G0701LAC2	USG0701LAC21	110285698	05618JAF8	US05618JAF84

and notice to the parties listed on Schedule A attached hereto.

Notice of Executed Second Supplemental Indenture

PLEASE FORWARD THIS NOTICE TO BENEFICIAL HOLDERS

Reference is made to (i) that certain Indenture, dated as of June 14, 2018 (as amended by the First Supplemental Indenture, dated as of September 10, 2020, and as may be further amended, modified or supplemented from time to time, the “*Indenture*”), among Barings CLO Ltd. 2018-III, as issuer (the “*Issuer*”), Barings CLO 2018-III, LLC, as co-issuer (the “*Co-Issuer*”), and U.S. Bank Trust Company, National Association (successor in interest to U.S. Bank National Association), as trustee (in such capacity, the “*Trustee*”) and (ii) that certain Notice of Proposed Second Supplemental Indenture, dated as of May 26, 2023. Capitalized terms used but not defined herein which are defined in the Indenture shall have the meaning given thereto in the Indenture.

Pursuant to Section 8.3(f) of the Indenture, the Trustee hereby notifies you that the Issuer, Co-Issuer, and Trustee have entered into the Second Supplemental Indenture, dated

¹ The CUSIP/ISIN numbers appearing herein are included solely for the convenience of the Holders. The Trustee is not responsible for the selection or use of CUSIP/ISIN numbers, or for the accuracy or correctness of CUSIP/ISIN numbers printed on any Notes or as indicated in this notice.

² Please note that the Certificated CUSIP/ISIN numbers are not DTC eligible.

as of June 20, 2023 (the “*Second Supplemental Indenture*”). A copy of the Second Supplemental Indenture is attached hereto as **Exhibit A**.

Recipients of this notice are cautioned that this notice is not evidence that the Trustee will recognize the recipient as a Holder. In addressing inquiries that may be directed to it, the Trustee may conclude that a specific response to a particular inquiry from an individual Holder is not consistent with equal and full dissemination of information to all Holders. Holders should not rely on the Trustee as their sole source of information. The Trustee gives no investment, tax or legal advice. Each Holder should seek advice from its own counsel and advisors based on the Holder’s particular circumstances.

The Trustee expressly reserves all rights under the Indenture, including, without limitation, its right to payment in full of all fees and costs (including, without limitation, fees and costs incurred or to be incurred by the Trustee in performing its duties, indemnities owing or to become owing to the Trustee, compensation for Trustee time spent and reimbursement for fees and costs of counsel and other agents it employs in performing its duties or to pursue remedies) prior to any distribution to Holders or other parties, as provided in and subject to the applicable terms of the Indenture, and its right, prior to exercising any rights or powers vested in it by the Indenture at the request or direction of any of the Holders, to receive security or indemnity satisfactory to it against all costs, expenses and liabilities which might be incurred in compliance therewith, and all rights that may be available to it under applicable law or otherwise.

This notice is being sent to Holders by U.S. Bank Trust Company, National Association in its capacity as Trustee. Holders with questions regarding this notice should direct their inquiries, in writing, to: John DaSilva, U.S. Bank Trust Company, National Association, Global Corporate Trust, 214 N. Tryon Street, 26th Floor, Charlotte, North Carolina 28202, telephone (617) 603-6773, or via email at john.dasilva@usbank.com.

**U.S. BANK TRUST COMPANY,
NATIONAL ASSOCIATION,
as Trustee**

June 20, 2023

SCHEDULE A

Barings CLO Ltd. 2018-III
c/o MaplesFS Limited
P.O. Box 1093, Boundary Hall
Cricket Square, Grand Cayman
KYI-1102, Cayman Islands
Attention: The Directors
Email: cayman@maples.com

Barings CLO 2018-III, LLC
c/o Puglisi & Associates
850 Library Avenue, Suite 204
Newark, Delaware 19711
Attention: Donald J. Puglisi
Email: dpuglisi@puglisiassoc.com

Barings LLC
300 South Tryon Street, Suite 2500
Charlotte, North Carolina 28202
Attention: Nikolas Ortega
Email: Nikolas.Ortega@barings.com;
CPSCLOUS@barings.com

Moody's Investors Service, Inc.
Email: cdomonitoring@moodys.com

S&P Global Ratings
Email: cdo_surveillance@spglobal.com

Information Agent
Email: Barings.2018.III.17g5@usbank.com

legalandtaxnotices@dtcc.com
eb.ca@euroclear.com
CA_Luxembourg@clearstream.com
ca_mandatory.events@clearstream.com

The Cayman Islands Stock Exchange
PO Box 2408
Grand Cayman KY1-1105
Cayman Islands
Email: listing@csx.ky

Exhibit A

[Executed Second Supplemental Indenture]

SECOND SUPPLEMENTAL INDENTURE

dated as of June 20, 2023

among

**BARINGS CLO LTD. 2018-III
as Issuer**

**BARINGS CLO 2018-III, LLC
as Co-Issuer**

and

**U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION
as Trustee**

to

the Indenture, dated as of June 14, 2018, among the Co-Issuers and the Trustee

THIS SECOND SUPPLEMENTAL INDENTURE (this “Supplemental Indenture”), dated as of June 20, 2023, among Barings CLO Ltd. 2018-III, an exempted company incorporated with limited liability under the laws of the Cayman Islands (the “Issuer”), Barings CLO 2018-III, LLC, a limited liability company formed under the laws of the State of Delaware (the “Co-Issuer” and, together with the Issuer, the “Co-Issuers”), and U.S. Bank Trust Company, National Association (as successor in interest to U.S. Bank National Association), as trustee (in such capacity, the “Trustee”), hereby amends the Indenture, dated as of June 14, 2018 (as amended by that certain first supplemental indenture, dated as of September 10, 2020, the “Indenture”), among the Issuer, the Co-Issuer and the Trustee. Capitalized terms used in this Supplemental Indenture that are not otherwise defined herein have the meanings assigned thereto in the Indenture.

W I T N E S S E T H

WHEREAS, the Collateral Manager may propose a Reference Rate Amendment if LIBOR is no longer reported or updated on the Reuters Screen, a material disruption to LIBOR or a change in the methodology of calculating LIBOR has occurred, or (B) at least 50% (by par amount) of (1) quarterly pay floating rate Collateral Obligations or (2) floating rate collateralized loan obligation notes issued in the preceding three months rely on reference rates other than LIBOR;

WHEREAS, the Collateral Manager expects a material disruption to LIBOR or a change in the methodology of calculating LIBOR to occur on June 30, 2023 and the Collateral Manager has determined that the Reference Rate and the Designated Reference Rate will be the sum of Term SOFR and the applicable Reference Rate Modifier commencing as of the Interest Determination Date relating to the Interest Accrual Period commencing in July 2023;

WHEREAS, Trading Association and the Loan Syndications and Trading Association has recognized or acknowledged that the adjustment for three-month Term SOFR is 0.26161% in order to cause such rate to be comparable to the three month LIBOR;

WHEREAS, pursuant to Section 8.3(i) of the Indenture, the Collateral Manager may propose a Reference Rate Amendment if LIBOR is no longer reported or updated on the Reuters Screen, a material disruption to LIBOR or a change in the methodology of calculating LIBOR has occurred, or (B) at least 50% (by par amount) of (1) quarterly pay floating rate Collateral Obligations or (2) floating rate collateralized loan obligation notes issued in the preceding three months rely on reference rates other than LIBOR and the Co-Issuers and the Trustee shall execute such proposed Reference Rate Amendment (and make related changes necessary to implement the use of such replacement rate) without the consent of any holders if the proposed Reference Rate is a Designated Reference Rate;

WHEREAS, the Issuer has determined that the conditions set forth in Article VIII of the Indenture for entry into this Supplemental Indenture have been satisfied as of the date hereof;

WHEREAS, pursuant to Section 8.3(b) of the Indenture, the Trustee has delivered a copy of this Supplemental Indenture to the holders of the Notes and the Rating Agencies not later than fifteen Business Days prior to the execution hereof; and

WHEREAS, the parties hereto intend for the amendments set forth herein to take effect on June 30, 2023 or on such earlier date that the Collateral Manager notifies the Trustee (which may be via email) (the “Amendment Effective Date”);

NOW, THEREFORE, based upon the above recitals, the mutual premises and agreements contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the undersigned, intending to be legally bound, hereby agree as follows:

SECTION 1. Amendments. The Indenture is hereby amended to delete the stricken text (indicated textually in the same manner as the following example: ~~stricken text~~) and to add the bold and underlined text (indicated textually in the same manner as the following example: **bold and double-underlined text**) as set forth on the pages of the Indenture attached as Exhibit A hereto, effective as of the Amendment Effective Date. For the avoidance of doubt, the Secured Notes will continue to accrue interest using LIBOR as the Reference Rate for the remainder of the Interest Accrual Period following the Amendment Effective Date.

SECTION 2. Effect of Supplemental Indenture.

(a) Upon execution of this Supplemental Indenture, the Indenture shall be, and be deemed to be, modified and amended, effective as of the Amendment Effective Date, in accordance herewith and the respective rights, limitations, obligations, duties, liabilities and immunities of the Co-Issuers shall hereafter be determined, exercised and enforced subject in all respects to such modifications and amendments, and all the terms and conditions of this Supplemental Indenture shall be deemed to be part of the terms and conditions of the Indenture for any and all purposes. Except as modified and expressly amended by this Supplemental Indenture, the Indenture is in all respects ratified and confirmed, and all the terms, provisions and conditions thereof shall be and remain in full force and effect.

(b) Except as expressly modified herein, the Indenture shall continue in full force and effect in accordance with its terms. All references in the Indenture to the Indenture or to “this Indenture” shall apply *mutatis mutandis* to the Indenture as modified by this Supplemental Indenture. The Trustee shall be entitled to all rights, protections, immunities and indemnities set forth in the Indenture as fully as if set forth in this Supplemental Indenture.

SECTION 3. Binding Effect.

The provisions of this Supplemental Indenture shall be binding upon and inure to the benefit of the Co-Issuers, the Trustee, the Collateral Manager, the Collateral Administrator, the Holders and each of their respective successors and assigns.

SECTION 4. Acceptance by the Trustee.

The Trustee accepts the amendments to the Indenture as set forth in this Supplemental Indenture and agrees to perform the duties of the Trustee upon the terms and conditions set forth herein and in the Indenture, subject to its protections, immunities and indemnities set forth therein and herein. Without limiting the generality of the foregoing, the Trustee assumes no responsibility for the correctness of the recitals contained herein, which shall be taken as the statements of the Co-Issuers and the Trustee shall not be responsible or accountable in any way whatsoever for or with respect to the validity, execution or sufficiency of this Supplemental Indenture and makes no representation with respect thereto.

SECTION 5. Execution, Delivery and Validity.

The Issuer and the Co-Issuer each represents and warrants to the Trustee that this Supplemental Indenture has been duly and validly executed and delivered by the Issuer or the Co-Issuer, as applicable, and constitutes its legal, valid and binding obligation, enforceable against the Issuer and the Co-Issuer in accordance with its terms. If the Collateral Manager provides written notice to the Trustee (which may be via email) that the Amendment Effective Date has occurred prior to June 30, 2023, the Trustee shall forward such notice to the Holders by posting it to its Website.

SECTION 6. GOVERNING LAW.

THIS SUPPLEMENTAL INDENTURE SHALL BE CONSTRUED IN ACCORDANCE WITH AND GOVERNED BY THE LAWS OF THE STATE OF NEW YORK.

SECTION 7. Counterparts.

This Supplemental Indenture may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument. This Supplemental Indenture (and each related document, modification and waiver in respect of this Supplemental Indenture) may be executed and delivered in counterparts (including by facsimile or electronic transmission (including .pdf file, .jpeg file or any electronic signature complying with the U.S. federal ESIGN Act of 2000, including Orbit, Adobe Sign, DocuSign, or any other similar platform identified by the Issuer and reasonably available at no undue burden or expense to the Trustee), each of which shall be deemed an original, and all of which together constitute one and the same instrument. Delivery of an executed counterpart signature page of this Supplemental Indenture by facsimile or any such electronic transmission shall be effective as delivery of a manually executed counterpart of this Supplemental Indenture and shall have the same legal validity and enforceability as a manually executed signature to the fullest extent permitted by applicable law. Any electronically signed document delivered via email from a person purporting to be an authorized officer shall be considered signed or executed by such authorized officer on behalf of the applicable person. The Trustee shall have no duty to inquire into or investigate the authenticity or authorization of any such electronic signature and shall be entitled to conclusively rely on any such electronic signature without any liability with respect thereto.

SECTION 8. Limited Recourse; Non-Petition.

Notwithstanding any other provision of this Supplemental Indenture, Sections 2.7(i) and 5.4(d) of the Indenture are incorporated herein by reference thereto, *mutatis mutandis*.

SECTION 9. Direction.

By their signatures hereto, the Co-Issuers hereby direct the Trustee to execute this Supplemental Indenture and acknowledge and agree that the Trustee shall be fully protected in relying upon the foregoing consent and direction and hereby release the Trustee and its respective officers, directors, agents, employees and shareholders, as applicable, from any liability for complying with such direction.


SECTION 10. Collateral Manager Notice.

The Collateral Manager, by its execution of this Supplemental Indenture, hereby notifies the Issuer, Collateral Administrator, the Calculation Agent, the Trustee and the Holders that it expects a material disruption to LIBOR or a change in the methodology of calculating LIBOR to occur on or after June 30, 2023 (unless otherwise notified by the Collateral Manager prior to such date) and the Reference Rate and the Designated Reference Rate will be the sum of Term SOFR and the applicable Reference Rate Modifier and hereby certifies to the Trustee and the Collateral Administrator that the conditions specified in clauses (i) or (ii) of the first sentence of Section 8.3(i) of the Indenture and the definition of Designated Reference Rate have been satisfied. The Collateral Manager hereby instructs and directs the Trustee to provide a copy of this Supplemental Indenture to each Holder and the parties set forth in Section 8.3 of the Indenture.

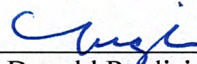
IN WITNESS WHEREOF, we have set our hands as of the day and year first written above.

Executed as a Deed by:


BARINGS CLO LTD. 2018-III, as Issuer

By:  _____
Name: Yun Zheng
Title: Director

BARINGS CLO 2018-III, LLC, as Co-Issuer

By: 
Name: Donald Puglisi
Title: Independent Manager

**U.S. BANK TRUST COMPANY,
NATIONAL ASSOCIATION, as Trustee**

By: 
Name: Scott DeRoss
Title: Senior Vice President

CONSENTED TO BY:

BARINGS LLC,
as Collateral Manager



By: _____

Name: Arthur McMahon
Title: Managing Director

ACKNOWLEDGED AND AGREED BY:

U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION,
as Collateral Administrator and Calculation Agent

By: 
Name: Scott DeRoss
Title: Senior Vice President

Exhibit A

[Attached]

INDENTURE

between

BARINGS CLO LTD. 2018-III
Issuer

BARINGS CLO 2018-III, LLC
Co-Issuer

and

U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION
Trustee

Dated June 14, 2018

THIS INDENTURE, dated as of June 14, 2018, between Barings CLO Ltd. 2018-III, an exempted company incorporated with limited liability under the laws of the Cayman Islands (the “Issuer”), Barings CLO 2018-III, LLC, a Delaware limited liability company (the “Co-Issuer” and, together with the Issuer, the “Co-Issuers”), and U.S. Bank Trust Company, National Association (as successor in interest to U.S. Bank National Association), as trustee (herein, together with its permitted successors and assigns in the trusts hereunder, the “Trustee”).

PRELIMINARY STATEMENT

The Co-Issuers are duly authorized to execute and deliver this Indenture to provide for the Notes issuable as provided in (or, in the case of the Assumed Subordinated Notes, subject to the terms of) this Indenture. Except as otherwise provided herein, all covenants and agreements made by the Co-Issuers herein are for the benefit and security of the Secured Parties. The Co-Issuers are entering into this Indenture, and the Trustee is accepting the trusts created hereby, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged.

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

GRANTING CLAUSES

I. The Issuer hereby Grants to the Trustee, for the benefit and security of the Holders of the Secured Notes, the Trustee, the Collateral Manager, the Administrator and the Collateral Administrator (collectively, the “Secured Parties”), all of its right, title and interest in, to and under, in each case, whether now owned or existing, or hereafter acquired or arising, in each case as defined in the UCC, accounts, chattel paper, commercial tort claims, deposit accounts, documents, financial assets, general intangibles, goods, instruments, investment property, letter-of-credit rights and other property of any type or nature in which the Issuer has an interest, including all proceeds (as defined in the UCC) with respect to the foregoing (subject to the exclusions noted below, the “Assets” or the “Collateral”).

Such Grants will include, but are not limited to, the Issuer’s interest in and rights under:

(a) the Collateral Obligations and Equity Securities and all payments thereon or with respect thereto;

(b) each of the Accounts, including any Eligible Investments purchased with funds on deposit in any of the Accounts, and all income from the investment of funds therein;

(c) the Collateral Management Agreement, the Collateral Administration Agreement, the Administration Agreement, the AML Services Agreement, the Account Agreement, the Agreement Among Investors and Issuers, the Asset Purchase and Assumption Agreement and the Registered Office Terms;

(d) all Cash;

person) of the authority of any other party as conclusive evidence of the authority of any person to act, and such certification may be considered as in full force and effect until receipt by such other party of written notice to the contrary.

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

“Bank”: U.S. Bank [Trust Company, National Association \(as successor in interest to U.S. Bank National Association\) or U.S. Bank National Association, as applicable,](#) or any successor thereto.

“Bankruptcy Exchange”: The use of the Sale Proceeds from the sale of a Defaulted Obligation (without the payment of any additional funds other than reasonable and customary transfer costs) to purchase another debt obligation issued by another Obligor which, but for the fact that such debt obligation is a Defaulted Obligation or a Credit Risk Obligation, would otherwise qualify as a Collateral Obligation and (i) in the Collateral Manager’s reasonable business judgment, at the time of sale, such debt obligation received has a better likelihood of recovery than the Defaulted Obligation to be purchased, (ii) as determined by the Collateral Manager, at the time of the purchase, the debt obligation purchased is no less senior in right of payment vis-à-vis such Obligor’s other outstanding indebtedness than the Defaulted Obligation to be exchanged vis-à-vis its Obligor’s other outstanding indebtedness, (iii) as determined by the Collateral Manager, both prior to and after giving effect to such purchase, each of the Coverage Tests is satisfied or, if any Coverage Test was not satisfied prior to such purchase, the coverage ratio relating to such test will be at least as close to being satisfied after giving effect to such purchase as it was before giving effect to such purchase, (iv) as determined by the Collateral Manager, both prior to and after giving effect to such purchase, not more than 5.0% of the Collateral Principal Amount consists of obligations received in a Bankruptcy Exchange, (v) the period for which the Issuer held the Defaulted Obligation to be sold will be included for all purposes in this Indenture when determining the period for which the Issuer holds the debt obligation purchased and (vi) the Bankruptcy Exchange Test is satisfied.

“Bankruptcy Exchange Test”: A test that is satisfied if, in the Collateral Manager’s reasonable business judgment, the projected internal rate of return of the obligation purchased in the applicable Bankruptcy Exchange is greater than the projected internal rate of return of the Defaulted Obligation sold in such Bankruptcy Exchange, calculated by the Collateral Manager by aggregating all cash and the market value of any Collateral Obligation subject to such Bankruptcy Exchange at the time of such Bankruptcy Exchange.

“Bankruptcy Law”: The federal Bankruptcy Code, Title 11 of the United States Code, as amended from time to time, Part V of the Companies Law (2018 Revision) of the Cayman Islands, as amended from time to time, the Bankruptcy Law (1997 Revision) of the Cayman Islands, as amended from time to time, and the Foreign Bankruptcy Proceedings (International Cooperation) Rules, 2018 of the Cayman Islands, as amended from time to time.

“Collateral Administrator”: U.S. Bank [Trust Company](#), National Association, in its capacity as collateral administrator under the Collateral Administration Agreement, and any successor thereto.

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

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

“Collateral Manager”: Barings LLC, a Delaware limited liability company, until a successor Person shall have become the Collateral Manager pursuant to the provisions of the Collateral Management Agreement, and thereafter Collateral Manager shall mean such successor Person.

“Collateral Manager Notes”: As of any date of determination, (a) all Notes held on such date by (i) the Collateral Manager, (ii) any Affiliate of the Collateral Manager or (iii) any account, fund, client or portfolio managed or advised on a discretionary basis by the Collateral Manager or any of its Affiliates and (b) all Notes as to which economic exposure is held on such date (whether through any derivative financial transaction or otherwise) by any Person identified in the foregoing clause (a).

“Collateral Obligation”: A Senior Secured Loan, Second Lien Loan or Unsecured Loan (including, but not limited to, an interest in bank loans acquired by way of a purchase, assignment or Participation Interest) that as of the date on which the Issuer commits to acquire:

- (i) is U.S. Dollar denominated and is neither convertible by the issuer thereof into, nor payable in, any other currency;
- (ii) other than a Closing Date Participation or any obligation acquired in connection with a Bankruptcy Exchange, is not a Defaulted Obligation or a Credit Risk Obligation;
- (iii) is not a lease (including a Finance Lease);
- (iv) is not a Bond, Deferrable Obligation or Interest Only Security;
- (v) provides (in the case of a Delayed Drawdown Collateral Obligation or Revolving Collateral Obligation, with respect to amounts drawn

(xvii) if a Floating Rate Obligation, accrues interest at a floating rate determined by reference to (a) the Dollar prime rate, federal funds rate or ~~LIBOR~~ [Libor](#) or (b) a similar interbank offered rate or commercial deposit rate or (c) any other then-customary index;

(xviii) is Registered;

(xix) is not a Synthetic Security;

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

(xxi) (A) is issued by Non-Emerging Market Obligors or obligors Domiciled in Tax Jurisdictions; and (B) is not a Small Obligor Loan;

(xxii) is not a Letter of Credit Reimbursement Obligation and does not include or support a letter of credit;

(xxiii) except for a Closing Date Participation, is purchased at a price at least equal to 50.0% of par; and

(xxiv) does not have an S&P Industry Classification of “Tobacco”.

“Collateral Principal Amount”: As of any date of determination, the sum of (a) the Aggregate Principal Balance of the Collateral Obligations (other than Defaulted Obligations) and (b) without duplication, the amounts on deposit in the Collection Account and the Ramp-Up Account (including Eligible Investments therein) representing Principal Proceeds.

“Collateral Quality Test”: A test that will be satisfied on any date of determination on and after the Effective Date if, each of the tests set forth below is satisfied (or, if not satisfied on such date of determination, the degree of compliance with such test is maintained or improved after giving effect to any purchase or sale effected on such date of determination). Each such test will be calculated in each case as required by Section 1.2 herein.

- (i) the Minimum Floating Spread Test;
- (ii) the Minimum Weighted Average Coupon Test;
- (iii) the Maximum Moody’s Rating Factor Test;
- (iv) the Moody’s Diversity Test;
- (v) the Minimum Weighted Average Moody’s Recovery Rate Test;
- (vi) the S&P CDO Monitor Test;
- (vii) the Minimum Weighted Average S&P Recovery Rate Test; and
- (viii) the Weighted Average Life Test.

(xvi) not more than 5.0% of the Collateral Principal Amount may consist of Collateral Obligations from obligors which have total potential indebtedness (under loan agreements, indentures and other instruments governing such obligor's indebtedness) with an aggregate principal amount, whether drawn or undrawn, of at least equal to \$150,000,000 but less than \$250,000,000 (other than Collateral Obligations received by the Issuer in a workout).

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

“Contribution”: The meaning specified in Section 11.3.

“Contribution Notice”: The meaning specified in Section 11.3.

“Contribution Repayment Amount”: The meaning specified in Section 11.3.

“Contributor”: Each Holder of Subordinated Notes that elects to make a Contribution and whose Contribution is accepted.

“Controlling Class”: The Class A-1 Notes so long as any Class A-1 Notes are Outstanding; then the Class A-2 Notes so long as any Class A-2 Notes are Outstanding; then the Class B Notes so long as any Class B Notes are Outstanding; then the Class C Notes so long as any Class C Notes are Outstanding; then the Class D Notes so long as any Class D Notes are Outstanding; then the Class E Notes so long as any Class E Notes are Outstanding; then the Class F Notes so long as any Class F Notes are Outstanding; and then the Subordinated Notes. The Class X Notes shall not constitute the Controlling Class at any time.

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

“Corporate Trust Office”: The corporate trust office of the Trustee (a) for Note transfer purposes and presentment of the Notes for final payment thereon, U.S. Bank Trust Company, National Association, 111 Fillmore Avenue East, St. Paul, Minnesota 55107-1402, Attention: Bondholder Services – EP-MN-WS2N – Barings CLO Ltd. 2018-III and (b) for all other purposes, U.S. Bank Trust Company, National Association, 214 N. Tryon Street, 26th Floor, Charlotte, NC 28202, Attention: Global Corporate Trust ~~Services~~—Barings CLO Ltd. 2018-III or such other address as the Trustee may designate from time to time by notice to the Holders, the Collateral Manager and the Issuer or the principal corporate trust office of any successor Trustee.

“Cov-Lite Loan”: A Loan that: (a) does not contain any financial covenants; or (b) requires the underlying obligor to comply with an Incurrence Covenant, but does not require the underlying obligor to comply with a Maintenance Covenant; provided that, except for purposes

(or, in the case of a Class that is being redeemed on a Partial Redemption Date, to but excluding such Partial Redemption Date) until the principal of such Class of Secured Notes is paid or made available for payment; provided that any interest-bearing notes issued after the Closing Date in accordance with the terms of this Indenture shall accrue interest during the Interest Accrual Period in which such Additional Notes are issued from and including the applicable date of issuance of such Additional Notes to but excluding the last day of such Interest Accrual Period at the applicable Interest Rate; provided, further, that for purposes of determining any Interest Accrual Period in the case of any Fixed Rate Notes, the Payment Date shall be assumed to be the 20th day of the relevant month (irrespective of whether such day is a Business Day).

“Interest Collection Account”: The meaning specified in Section 10.2(a).

“Interest Coverage Ratio”: For any designated Class or Classes of Secured Notes, as of any date of determination, the percentage derived from the following equation: $(A - B) / C$, where:

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

B = Amounts payable (or expected as of the date of determination to be payable) on the following Payment Date as set forth in clauses (A) and (B) in the Priority of Interest Proceeds; and

C = Interest due and payable on such Class or Classes and each Priority Class or Pari Passu Class, in each case, excluding Secured Note Deferred Interest but including any interest thereon on such Payment Date.

“Interest Coverage Test”: A test that will be satisfied with respect to any Class or Classes of Secured Notes (other than the Class X Notes, the Class E Notes and the Class F Notes) as of any Measurement Date on and after the second Determination Date if (i) the applicable Interest Coverage Ratio for such Class or Classes on such date is at least equal to the Required Interest Coverage Ratio for such Class or Classes or (ii) such Class or Classes of Secured Notes is no longer Outstanding.

“Interest Determination Date”: ~~(a) With respect to the first Interest Accrual Period, (x) for the period from the Closing Date to but excluding the Interest Determination First Period End Date, the second London Banking Day preceding the Closing Date, and (y) for the remainder of the first Interest Accrual Period, the second London Business Day preceding the Interest Determination First Period End Date, and (b) with respect to each Interest Accrual Period thereafter, the second London Banking~~ The second U.S. Government Securities Business Day preceding the first day of such Interest Accrual Period.

“Interest Determination First Period End Date”: July 20, 2018.

“Interest Diversion Test”: A test that will be satisfied as of any date of determination during the Reinvestment Period on which Class F Notes are Outstanding if the Overcollateralization Ratio with respect to the Class F Notes as of such date of determination is at least equal to 103.0%.

“IRS”: The United States Internal Revenue Service.

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

“Issuer Only Notes”: The Class E Notes, the Class F Notes and the Subordinated Notes.

“Issuer Order” and “Issuer Request”: A written order or request (which may be a standing order or request) dated and signed in the name of the Issuer or the Co-Issuer by an Authorized Officer of the Issuer or the Co-Issuer, as applicable, or by the Collateral Manager by an Authorized Officer thereof, on behalf of the Issuer. For the avoidance of doubt, an order or request provided in an email or other electronic communication acceptable to the Trustee sent by an Authorized Officer of the Issuer or Co-Issuer or by an Authorized Officer of the Collateral Manager on behalf of the Issuer or the Co-Issuer shall constitute an Issuer Order, in each case except to the extent that the Trustee requests otherwise. For purposes of Section 10.8 and Article XII, the delivery to the Trustee of a final trade ticket from the Collateral Manager in respect of the sale of an Asset will constitute the required Issuer Order.

“Issuer Subsidiary”: An entity treated as a corporation for U.S. federal income tax purposes, 100% of the equity interests in which are owned directly or indirectly by the Issuer.

“Junior Class”: With respect to a particular Class of Notes, each Class of Notes identified as such in Section 2.3.

“Junior Mezzanine Notes”: Any Notes of any one or more new classes that are fully subordinated to the existing Secured Notes (or to the most Junior Class of Notes of the Issuer (other than the Subordinated Notes)) issued pursuant to this Indenture and senior to the Subordinated Notes.

“Letter of Credit Reimbursement Obligation”: A facility whereby (i) a fronting bank that, at the time of acquisition of such Letter of Credit Reimbursement Obligation by a lender party or the lender party’s commitment to acquire the same issues or will issue a letter of credit for or on behalf of a borrower pursuant to an Underlying Instrument, (ii) in the event that such letter of credit is drawn upon, and the borrower does not reimburse such bank, the lender/participant is obligated to fund its portion of the facility, (iii) such bank passes on (in whole or in part) the fees and any other amounts it receives for providing such letter of credit to the lender/participant and (iv) the related Underlying Instruments require the lender party to fully collateralize the Issuer’s obligations to the related bank or obligate the lender party to make a deposit into a trust in an aggregate amount equal to the related commitment amount.

[“Libor”: The London interbank offered rate.](#)

~~“LIBOR”: With respect to the Floating Rate Notes, LIBOR for each Interest Accrual Period will be equal to (i) the rate appearing on the Reuters Screen for deposits with a term of the Index Maturity or (ii) if such rate is unavailable at the time LIBOR is to be~~

~~determined, LIBOR shall be determined on the basis of the rates at which deposits in U.S. Dollars are offered by four major banks in the London market selected by the Calculation Agent after consultation with the Collateral Manager (the “Reference Banks”) at approximately 11:00 a.m., London time, on the Interest Determination Date to prime banks in the London interbank market for a period approximately equal to such Interest Accrual Period and an amount approximately equal to the amount of the Aggregate Outstanding Amount of the Floating Rate Notes. The Calculation Agent will request the principal London office of each Reference Bank to provide a quotation of its rate. If at least two such quotations are provided, LIBOR shall be the arithmetic mean of such quotations (rounded upward to the next higher 1/100). If fewer than two quotations are provided as requested, LIBOR with respect to such Interest Accrual Period will be the arithmetic mean of the rates quoted by three major banks in New York, New York selected by the Calculation Agent after consultation with the Collateral Manager at approximately 11:00 a.m., New York time, on such Interest Determination Date for loans in U.S. Dollars to leading European banks for a term approximately equal to such Interest Accrual Period and an amount approximately equal to the Aggregate Outstanding Amount of the Floating Rate Notes. If the Calculation Agent is required but is unable to determine a rate in accordance with at least one of the procedures described above, and for so long as LIBOR is the Reference Rate in accordance with the definition of “Reference Rate,” LIBOR will be (x) for the two Interest Determination Dates following the last Interest Determination Date that LIBOR was determined. LIBOR as determined on such last Interest Determination Date and (y) thereafter, reset at the prime rate as reported by The Wall Street Journal on each subsequent Interest Determination Date.~~

~~Notwithstanding the foregoing, from and after the first Interest Accrual Period to begin on or after either (x) the effective date determined by the Collateral Manager on which a Designated Reference Rate shall replace LIBOR or (y) the execution and effectiveness of a Reference Rate Amendment that shall replace LIBOR with an Alternate Reference Rate: (i) the Reference Rate with respect to the Floating Rate Notes will be calculated by reference to such Designated Reference Rate or Alternate Reference Rate, as applicable and (ii) if the Designated Reference Rate or the Alternate Reference Rate to replace LIBOR is the same benchmark rate currently in effect for determining interest on a Floating Rate Obligation, such Designated Reference Rate or Alternate Reference Rate, as applicable, shall be used in determining the Aggregate Funded Spread in accordance with the definition thereof. From and after the effective date on which a replacement of LIBOR as the Reference Rate has occurred in accordance with this Indenture, all references herein to “LIBOR” will mean either the Designated Reference Rate or the Alternate Reference Rate selected by the Collateral Manager, as applicable.~~

~~With respect to a Collateral Obligation, LIBOR means the “libor” rate determined in accordance with the terms of such Collateral Obligation.~~

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

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

Bank [Trust Company, National Association \(as successor in interest to U.S. Bank National Association\)](#), as trustee, as amended, modified or supplemented.

“Post-Reinvestment Period Substitution Criteria”: The meaning specified in [Section 12.2\(b\)](#).

“Principal Balance”: Subject to [Section 1.2](#), with respect to (a) any Asset other than a Revolving Collateral Obligation or Delayed Drawdown Collateral Obligation, as of any date of determination, the outstanding principal amount of such Asset (excluding any capitalized interest) and (b) any Revolving Collateral Obligation or Delayed Drawdown Collateral Obligation, as of any date of determination, the outstanding principal amount of such Revolving Collateral Obligation or Delayed Drawdown Collateral Obligation (excluding any capitalized interest), plus, for all purposes (including calculation of the Coverage Tests and the Interest Diversion Test), any undrawn commitments that have not been irrevocably reduced or withdrawn with respect to such Revolving Collateral Obligation or Delayed Drawdown Collateral Obligation; provided that for all purposes the Principal Balance of (1) any Equity Security or interest only strip shall be deemed to be zero and (2) any Defaulted Obligation that is not sold or terminated within three years after becoming a Defaulted Obligation shall be deemed to be zero.

“Principal Collection Account”: The meaning specified in [Section 10.2\(a\)](#).

“Principal Financed Accrued Interest”: With respect to (i) any Collateral Obligation owned or purchased by the Issuer on the Closing Date, an amount equal to the unpaid interest and delayed compensation (representing compensation for delayed settlement) on such Collateral Obligation that accrued prior to the Closing Date that is owing to the Issuer and remains unpaid as of the Closing Date and (ii) any other Collateral Obligation acquired by the Issuer, the amount of Principal Proceeds, if any, applied towards the purchase of accrued interest and delayed compensation (representing compensation for delayed settlement) on such Collateral Obligation.

“Principal Proceeds”: With respect to any Collection Period or Determination Date, all amounts received by the Issuer during the related Collection Period that do not constitute Interest Proceeds and any amounts that have been designated as Principal Proceeds pursuant to this Indenture. Principal Proceeds shall also include any Cash received from the Portfolio Seller pursuant to the Asset Purchase and Assumption Agreement and required to be designated as Principal Proceeds pursuant to the terms thereof.

“Priority Class”: With respect to any specified Class of Notes, each Class of Notes identified as such in [Section 2.3](#).

“Priority of Enforcement Proceeds”: The meaning specified in [Section 11.1\(a\)\(iv\)](#).

“Priority of Interest Proceeds”: The meaning specified in [Section 11.1\(a\)\(i\)](#).

“Priority of Payments”: Collectively, the Priority of Interest Proceeds, the Priority of Principal Proceeds, the Priority of Enforcement Proceeds and the Priority of Partial Redemption Payments.

Minimum Weighted Average Spread	Minimum Diversity Score														
	30	35	40	45	50	55	60	65	70	75	80	85	90	95	100
4.50%	74	77	80	80	79	79	80	80	81	81	81	81	80	81	82
4.60%	74	77	80	80	79	79	80	81	82	81	81	81	80	82	83
4.70%	76	79	82	82	81	80	80	80	81	82	83	83	82	83	83
4.80%	78	81	84	84	83	81	80	80	80	82	85	85	84	84	83
4.90%	78	80	82	82	81	80	80	81	82	83	85	85	85	85	84
5.00%	78	79	80	80	79	79	80	81	83	84	86	86	86	86	86
5.10%	80	80	80	81	81	82	83	83	83	85	86	86	87	86	86
5.20%	82	81	80	82	83	84	86	84	83	84	86	87	87	86	86
5.30%	82	82	82	83	83	84	86	85	85	85	86	87	87	87	86
5.40%	82	83	84	84	83	84	86	86	87	86	86	86	87	87	87
5.50%	82	82	82	83	83	84	86	87	88	88	88	88	88	87	87
5.60%	82	81	80	82	83	84	86	87	89	89	90	89	88	88	88
5.70%	82	82	82	83	83	85	88	88	89	90	92	90	88	88	88
5.80%	82	83	84	84	83	86	90	89	89	91	94	90	87	87	88
5.90%	82	83	84	86	87	88	89	89	90	91	92	90	88	88	88
6.00%	82	83	84	88	91	89	88	89	91	91	91	90	89	88	88

Moody's Recovery Rate Modifier

“Redemption Amount”: The meaning specified in Section 9.2(b).

“Redemption Date”: Any Business Day on which a redemption of Notes occurs pursuant to Article IX; provided that in the case of a redemption of all Outstanding Notes, if additional proceeds are received after the Redemption Date, any Business Day designated by the Collateral Manager (with the consent of a Majority of the Subordinated Notes) or a Majority of the Subordinated Notes with two Business Days’ notice to the Trustee, the Collateral Manager (if the Collateral Manager is not the designating party) and Holders of such Notes will also be a Redemption Date for the related redemption and such proceeds will be applied as follows (i) at the direction of the Collateral Manager in its sole discretion, to the Expense Reserve Account in amount not to exceed U.S.\$250,000 (or such higher amount as agreed to between the Collateral Manager and a Majority of the Subordinated Notes) and (ii) any remaining amounts to be distributed in accordance with the Priority of Payments.

“Redemption Price”: With respect to (a) each Secured Note (x) 100% of the Aggregate Outstanding Amount of such Secured Note, *plus* (y) accrued and unpaid interest thereon (including interest on any accrued and unpaid Secured Note Deferred Interest, in the case of the Deferred Interest Secured Notes) to the Redemption Date *plus* (z) solely for the Class A-1 Notes in the case of an Optional Redemption of all Classes of Secured Notes or a Partial Refinancing of the Class A-1 Notes, in either case prior to the Class A-1 Make-Whole End Date, the Class A-1 Make-Whole Amount with respect to the Class A-1 Notes and (b) each Subordinated Note, its proportional share (based on the Aggregate Outstanding Amount of the Subordinated Notes) of the portion of the proceeds that is distributable to the Subordinated Notes pursuant to the Priority of Payments; provided that, if Holders of 100% of the Aggregate Outstanding Amount of any Class of Secured Notes elect to receive less than 100% of the Redemption Price that would otherwise be payable to the Holders of such Class, such lower amount will be the Redemption Price of such Class.

~~“Reference Banks”: The meaning specified in the definition of LIBOR.~~

“Reference Rate”: For each Class of Secured Notes and each Interest Accrual Period, the greater of (x) zero and (y) (i) LIBOR Term SOFR plus 0.26161%, (ii) the Designated

Reference Rate upon written notice by the Collateral Manager certifying that the conditions specified in clauses (i) or (ii) of the first sentence of Section 8.3(i) and the definition of Designated Reference Rate have been satisfied to the Trustee (who will forward such notice to the Holders and each Rating Agency) and the Collateral Administrator or (iii) the Alternate Reference Rate adopted in a Reference Rate Amendment; provided, that following a change from ~~LIBOR~~the then-current Reference Rate to either a Designated Reference Rate or an Alternate Reference Rate, such rate will apply commencing on the first Business Day of the Interest Accrual Period related to the Interest Determination Date next following the effective date of change to such rate. For the avoidance of doubt, the Calculation Agent shall be required to calculate the Interest Rates for each Interest Accrual Period on each relevant determination date after the election of a ~~non-LIBOR~~non-Term SOFR Reference Rate.

“Reference Rate Amendment”: A supplemental indenture to elect a ~~non-LIBOR~~non-Term SOFR Reference Rate with respect to the Floating Rate Notes (and make related changes advisable or necessary to implement the use of such replacement rate, including any Reference Rate Modifier) pursuant to Section 8.3(i).

“Reference Rate Modifier”: Any modifier recognized or acknowledged by LSTA that is applied to a reference rate in order to cause such rate to be comparable to ~~3-month LIBOR~~the then-current Reference Rate, which may consist of an addition to or subtraction from such unadjusted rate.

“Refinancing”: A redemption funded with Refinancing Proceeds.

“Refinancing Obligation”: A loan or Replacement Notes, whose terms in each case will be negotiated by the Collateral Manager on behalf of the Issuer, from one or more financial institutions or purchasers, respectively, to refinance the Secured Notes in connection with an Optional Redemption, it being understood that any rating of such obligation by a Rating Agency will be based on a credit analysis specific to such obligation and independent of the rating of the Secured Notes being refinanced.

“Refinancing Proceeds”: The Cash proceeds of Refinancing Obligations and any Permitted Use Available Funds designated as Refinancing Proceeds.

“Refinancing Date”: September 10, 2020.

“Refinancing Placement Agent”: RBC Capital Markets, LLC in its capacity as Refinancing Placement Agent under the Refinancing Placement Agency Agreement.

“Refinancing Placement Agency Agreement”: The placement agency agreement dated as of September 10, 2020, by and among the Co-Issuers and the Refinancing Placement Agent related to the placement of the Replacement Notes.

“Replacement Notes”: The Class B-2-R Notes.

“Register” and “Registrar”: The respective meanings specified in Section 2.5(a).

<u>Interest Accrual Period</u>	<u>Par Amount (U.S.\$)</u>	<u>Interest Accrual Period</u>	<u>Par Amount (U.S.\$)</u>	<u>Interest Accrual Period</u>	<u>Par Amount (U.S.\$)</u>
1	700,000,000.00	19	680,929,640.44	37	662,777,085.40
2	698,530,000.00	20	679,908,245.98	38	661,782,919.77
3	697,482,205.00	21	678,888,383.61	39	660,790,245.39
4	696,435,981.69	22	677,870,051.03	40	659,799,060.02
5	695,391,327.72	23	676,853,245.96	41	658,809,361.43
6	694,348,240.73	24	675,837,966.09	42	657,821,147.39
7	693,306,718.37	25	674,824,209.14	43	656,834,415.67
8	692,266,758.29	26	673,811,972.82	44	655,849,164.05
9	691,228,358.15	27	672,801,254.86	45	654,865,390.30
10	690,191,515.62	28	671,792,052.98	46	653,883,092.21
11	689,156,228.34	29	670,784,364.90	47	652,902,267.58
12	688,122,494.00	30	669,778,188.36	48	651,922,914.17
13	687,090,310.26	31	668,773,521.07	49	650,945,029.80
14	686,059,674.79	32	667,770,360.79	50	649,968,612.26
15	685,030,585.28	33	666,768,705.25	51	648,993,659.34
16	684,003,039.40	34	665,768,552.19	52	648,020,168.85
17	682,977,034.84	35	664,769,899.36		
18	681,952,569.29	36	663,772,744.52		

~~“Reuters Screen”: The Reuters Page LIBOR 01 (or such other page that may replace that page on such service for the purpose of displaying comparable rates) as reported by~~

~~Bloomberg Financial Markets Commodities News as of 11:00 a.m., London time, on the Interest Determination Date:~~

“Revolver Funding Account”: The account established pursuant to Section 10.4(a).

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

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

“Rule 144A Global Note”: A Note issued as a permanent global note in definitive, fully registered form without interest coupons and sold to a person that, at the time of the acquisition, purported acquisition or proposed acquisition of any such Note is both a Qualified Institutional Buyer and a Qualified Purchaser.

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

“Rule 17g-5”: Rule 17g-5 under the Exchange Act.

“Rule 17g-5 Information”: The meaning specified in Section 14.3(d).

“S&P”: S&P Global Ratings, and any successor or successors thereto.

“S&P Additional Current Pay Criteria”: Criteria satisfied with respect to any Collateral Obligation (other than a DIP Collateral Obligation) if either (i) the issuer of such Collateral Obligation has made a Distressed Exchange Offer and such Collateral Obligation is already held by the Issuer and is subject to the Distressed Exchange Offer and ranks equal in priority to or higher in priority than the obligation subject to the Distressed Exchange Offer, or (ii) such Collateral Obligation has a Market Value of at least 80% of its par value.

“S&P CDO Monitor”: The computer model developed by S&P and currently available at <https://www.sp.sfproducttools.com/sfdist/login.ex>, as may be amended by S&P from time to time. The inputs to the S&P CDO Monitor will be chosen by the Collateral Manager in accordance with Section 7.18(h) and include an S&P Weighted Average Recovery Rate Input, an S&P Maximum Weighted Average Life Input and an S&P Weighted Average Floating Spread Input.

“S&P CDO Monitor Test”: A test that will be satisfied on any date of determination on or after the Effective Date during an S&P Model Election Period following receipt by the Issuer, the Collateral Manager and the Collateral Administrator from S&P of the input file to the S&P CDO Monitor if, after giving effect to the sale of a Collateral Obligation or the purchase of a Collateral Obligation, the Class Default Differential of the Proposed Portfolio

the Loan in accordance with its terms and to repay all other Loans of equal or higher seniority secured by a lien or security interest in the same collateral; and (iii) is not secured solely or primarily by common stock or other equity interests.

“Secured Note Deferred Interest”: With respect to any Class of Deferred Interest Secured Notes, the meaning specified in Section 2.7(a).

“Secured Noteholders”: The Holders of the Secured Notes.

“Secured Notes”: The Class X Notes, the Class A-1 Notes, the Class A-2 Notes, the Class B-1 Notes, the Class B-2 Notes, the Class C Notes, the Class D Notes, the Class E Notes and the Class F Notes.

“Secured Parties”: The meaning specified in Granting Clause I.

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

“Securities Intermediary”: As defined in Section 8-102(a)(14) of the UCC.

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

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

“Selling Institution Collateral”: The meaning specified in Section 10.4(a).

“Senior Secured Loan”: Any assignment of or Participation Interest in a Loan that: (a) is not (and cannot by its terms become) subordinate in right of payment to any other obligation of the Obligor of the Loan (other than with respect to trade claims, capitalized leases or similar obligations); (b) is secured by a valid first-priority perfected security interest or lien in, to or on specified collateral securing the Obligor’s obligations under the Loan; and (c) the value of the collateral securing the Loan together with other attributes of the Obligor (including, without limitation, its general financial condition, ability to generate cash flow available for debt service and other demands for that cash flow) is adequate (in the commercially reasonable judgment of the Collateral Manager) to repay the Loan in accordance with its terms and to repay all other Loans of equal seniority secured by a first lien or security interest in the same collateral.

“SIFMA Website”: [The internet website of the Securities Industry and Financial Markets Association, currently located at https://www.sifma.org/resources/general/holidayschedule, or such successor website as identified by the Collateral Manager to the Trustee and the Calculation Agent.](https://www.sifma.org/resources/general/holidayschedule)

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

“Small Obligor Loan”: As of any date of determination, any Loan the Obligor of which has total potential indebtedness (under loan agreements, indentures and other instruments governing such Obligor’s indebtedness) with an aggregate principal amount, whether drawn or undrawn, of less than U.S.\$150,000,000 as of such date of determination.

“SOFR”: With respect to any day, the secured overnight financing rate published for such day by the Federal Reserve Bank of New York, as the administrator of the benchmark, (or a successor administrator) on the Federal Reserve Bank of New York’s Website (or a successor location).

“Special Redemption”: As defined in Section 9.6.

“Specified Amendment”: With respect to any Collateral Obligation that is the subject of a rating estimate by Moody’s, any waiver, modification, amendment or variance that would:

(a) modify the amortization schedule with respect to such Collateral Obligation in a manner that:

(i) reduces the Dollar amount of any Scheduled Distribution by more than the greater of (x) 20% and (y) \$250,000;

(ii) postpones any Scheduled Distribution by more than two payment periods or eliminates a Scheduled Distribution; or

(iii) causes the Weighted Average Life of the applicable Collateral Obligation to increase by more than 10%;

(b) reduce or increase the Cash interest rate payable by the Obligor thereunder by more than 100 basis points (excluding any increase in an interest rate arising by operation of a default or penalty interest clause under a Collateral Obligation);

(c) extend the stated maturity date of such Collateral Obligation by more than 24 months; provided, that (x) any such extension shall be deemed not to have been made until the Business Day following the original stated maturity date of such Collateral Obligation and (y) such extension shall not cause the Weighted Average Life of such Collateral Obligation to increase by more than 25%;

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

(e) reduce the principal amount thereof; or

(f) in the reasonable business judgment of the Collateral Manager, have a material adverse impact on the value of such Collateral Obligation.

are disregarded from the calculation of the Target Initial Par Condition shall not exceed 5% of the Target Initial Par Amount.

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

“Tax Event”: An event that occurs if (i) any Obligor under any Collateral Obligation is required to deduct or withhold from any payment under such Collateral Obligation to the Issuer for or on account of any Tax for whatever reason (other than withholding tax on (1) amendment, waiver, consent and extension fees and (2) commitment fees and other similar fees in respect of Revolving Collateral Obligations and Delayed Drawdown Collateral Obligations, to the extent that such withholding tax does not exceed 30% of the amount of such fees) and such Obligor is not required to pay to the Issuer such additional amount as is necessary to ensure that the net amount actually received by the Issuer (free and clear of Taxes, whether assessed against such Obligor or the Issuer) will equal the full amount that the Issuer would have received had no such deduction or withholding occurred or (ii) any jurisdiction imposes net income, profits or similar Tax on the Issuer which results in a payment by, or charge or tax burden to, the Issuer (i) of 5.0% or more of Scheduled Distributions for any Collection Period or (ii) in an aggregate amount in excess of U.S.\$1,000,000 in any Collection Period or any 12-month period.

“Tax Jurisdiction”: (a) One of the jurisdictions of the Bahamas, Bermuda, the British Virgin Islands, the Cayman Islands, the Channel Islands, Jersey, Liechtenstein, Luxembourg, Singapore, the Netherlands Antilles or the U.S. Virgin Islands so long as each such jurisdiction has a foreign currency country ceiling rating of at least “Aa2” by Moody’s or (b) upon satisfaction of the Moody’s Rating Condition with respect to the treatment of another jurisdiction as a Tax Jurisdiction, such other jurisdiction.

“Tax Redemption”: The meaning specified in Section 9.3(a).

“Term SOFR Administrator:” CME Group Benchmark Administration Limited, or a successor administrator of the Term SOFR Reference Rate selected by the Collateral Manager with notice to the Trustee and the Collateral Administrator.

“Term SOFR”: The Term SOFR Reference Rate for the Index Maturity, as such rate is published by the Term SOFR Administrator; provided that if as of 5:00 p.m. (New York time) on any Interest Determination Date the Term SOFR Reference Rate for the Index Maturity has not been published by the Term SOFR Administrator, then Term SOFR will be (x) the Term SOFR Reference Rate for the Index Maturity as published by the Term SOFR Administrator on the first preceding U.S. Government Securities Business Day for which such Term SOFR Reference Rate for the Index Maturity was published by the Term SOFR Administrator so long as such first preceding U.S. Government Securities Business Day is not more than five Business Days prior to such Interest Determination Date or (y) if the Term SOFR Reference Rate for the Index Maturity cannot be determined in accordance with clause (x) of this proviso, then Term SOFR shall be the Term SOFR Reference Rate for the Index Maturity as determined on the previous Interest Determination Date.

“Term SOFR Reference Rate”: The forward-looking term rate based on SOFR.

“Third Party Credit Exposure”: As of any date of determination, the Principal Balance of each Collateral Obligation that consists of a Participation Interest (other than a Closing Date Participation).

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

<u>S&P’s credit rating of Selling Institution</u>	<u>Aggregate Percentage Limit</u>	<u>Individual Percentage Limit</u>
AAA	20%	20%
AA+	10%	10%
AA	10%	10%
AA-	10%	10%
A+	5%	5%
A	5%	5%
A- or below	0%	0%

provided, that a Selling Institution having an S&P credit rating of “A” must also have a short-term S&P rating of “A-1” otherwise its Aggregate Percentage Limit and Individual Percentage Limit shall be 0%.

“Trading Plan”: The meaning specified in Section 1.2(i).

“Trading Plan Period”: The meaning specified in Section 1.2(i).

“Transaction Documents”: The Indenture, the Account Agreement, the Collateral Management Agreement, the Collateral Administration Agreement, the AML Services Agreement, the Administration Agreement, the Agreement Among Investors and Issuers, the Asset Purchase and Assumption Agreement and the Registered Office Terms and, on and after the Refinancing Date, the Refinancing Placement Agency Agreement.

“Transaction Party”: Each of the Issuer, the Co-Issuer, the Initial Purchaser, the Trustee, the Collateral Administrator, the Administrator and the Collateral Manager and, on and after the Refinancing Date, the Refinancing Placement Agent.

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

“Transfer Certificate”: A duly executed certificate substantially in the form of the applicable Exhibit B hereto.

“Treasury”: The United States Department of the Treasury.

“Trust Officer”: When used with respect to the Trustee, any Officer within the Corporate Trust Office (or any successor group of the Trustee) including any Officer to whom

any corporate trust matter is referred at the Corporate Trust Office because of such person's knowledge of and familiarity with the particular subject and, in each case, having direct responsibility for the administration of this transaction.

"Trustee": As defined in the first sentence of this Indenture.

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

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

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

"Unpaid Class X Principal Amortization Amount": For any Payment Date, the aggregate amount of all or any portion of the Class X Principal Amortization Amount for any prior Payment Dates that was not paid on such prior Payment Dates.

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

"Unscheduled Principal Payments": All Principal Proceeds received in respect of Collateral Obligations from optional or nonscheduled mandatory redemptions or amortizations, exchange offers, tender offers or other payments made at the option of the issuer thereof or that are otherwise not scheduled to be made.

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

"U.S. Government Securities Business Day": Any day except for (a) a Saturday, (b) a Sunday or (c) a day on which the Securities Industry and Financial Markets Association recommends that the fixed income departments of its members be closed for the entire day for purposes of trading in United States government securities as indicated on the SIFMA Website.

"U.S. Risk Retention Rules": The federal interagency credit risk retention rules, codified at 17 C.F.R. Part 246.

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

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

- (1) The spread over the Reference Rate applicable to any Class of Re-Pricing Eligible Secured Notes may be reduced in connection with a Re-Pricing of such Class of Notes, subject to the conditions described under Section 9.8. The ~~initial~~ Reference Rate ~~shall be LIBOR, and LIBOR for each Interest Determination Date on or following the Amendment Effective Date (as defined in the Second Supplemental Indenture) shall be Term SOFR plus 0.26161%, and Term SOFR~~ will be calculated by reference to ~~the~~ three-month ~~LIBOR except (i) with respect to the first Interest Accrual Period, LIBOR will be set on two different Interest Determination Dates and, therefore, two different rates may apply during that period and (ii) Term SOFR Reference Rate~~ as otherwise set forth in the definition of “Index Maturity.” The Reference Rate may be changed to an index other than ~~LIBOR~~ ~~the then-current Reference Rate~~ in accordance with the definition of Reference Rate.
- (2) Includes \$62,500,000 principal amount of Assumed Subordinated Notes which become governed by, and subject to the terms of, this Indenture on the Assumption Effective Date.
- (3) Interest on the Class X Notes will be paid *pari passu* with interest on the Class A-1 Notes. On any Payment Date following an Enforcement Event, any Redemption Date or on the Stated Maturity or to the extent of payments in accordance with the Secured Note Payment Sequence, principal of the Class X Notes will be *pari passu* with principal of the Class A-1 Notes. At all other times, principal of the Class X Notes will be paid prior to principal of the Class A-1 Notes in accordance with the Priority of Payments

Section 2.4 Execution, Authentication, Delivery and Dating. The Notes shall be executed on behalf of each of the Co-Issuers by one of their respective Authorized Officers. The signature of such Authorized Officer on the Notes may be manual or facsimile.

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

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

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

Notes issued upon transfer, exchange or replacement of other Notes shall be issued in Minimum Denominations reflecting the original Aggregate Outstanding Amount of the Notes so transferred, exchanged or replaced, but shall represent only the current Aggregate Outstanding Amount of the Notes so transferred, exchanged or replaced. In the event that any Note is divided into more than one Note in accordance with this Article II, the original principal amount of such Note shall be proportionately divided among the Notes delivered in exchange therefor and shall be deemed to be the original aggregate principal amount of such subsequently issued Notes.

control or is not controlled by or under common control with the Issuer or its Affiliates or the Collateral Manager or its Affiliates. The Calculation Agent may not resign its duties or be removed without a successor having been duly appointed. Without limiting the obligations of the Calculation Agent to follow the procedures set forth in the definition of “[LIBOR Term SOFR](#)”, the Collateral Administrator, in its capacity as Calculation Agent shall not have any (i) responsibility for the selection of an alternative rate as a successor or replacement benchmark to [LIBOR Term SOFR](#) and shall be entitled to rely upon any designation of such a rate by the Collateral Manager and (ii) liability for any failure or delay in performing its duties hereunder as a result of the unavailability of a “[LIBOR Term SOFR](#)” rate as described in the definition thereof.

(b) The Calculation Agent shall be required to agree (and the Collateral Administrator as Calculation Agent pursuant to the Collateral Administration Agreement agrees) that, as soon as [possible/practicable](#) after ~~11:00 a.m. London~~[5:00 a.m. Chicago](#) time on each Interest Determination Date, but in no event later than 11:00 a.m. New York time on the ~~London~~[Banking U.S. Government Securities Business](#) Day immediately following each Interest Determination Date, the Calculation Agent will calculate the Interest Rate applicable to each Class of Floating Rate Notes during the related Interest Accrual Period and the Note Interest Amount (in each case, rounded to the nearest cent, with half a cent being rounded upward) payable on the related Payment Date in respect of such Class of Floating Rate Notes in respect of the related Interest Accrual Period. At such time, the Calculation Agent will communicate such rates and amounts to the Co-Issuers, the Trustee, each Paying Agent, the Collateral Manager, Euroclear and Clearstream. The Calculation Agent ~~will also specify to the Co-Issuers the quotations upon which the foregoing rates and amounts are based, and in any event the Calculation Agent~~ shall notify the Co-Issuers (with a copy to the Collateral Manager) before 5:00 p.m. (New York time) on every Interest Determination Date if it has not determined and is not in the process of determining any such Interest Rate or Note Interest Amount together with its reasons therefor. The Calculation Agent’s determination of the foregoing rates and amounts for any Interest Accrual Period will (in the absence of manifest error) be final and binding upon all parties.

Section 7.17 Certain Tax Matters. (a) The Co-Issuers will treat the Co-Issuers and the Notes as described in the “Certain U.S. Federal Income Tax Considerations” section of the Offering Circular for all U.S. federal, state and local income tax purposes and will take no action inconsistent with such treatment unless required by law.

(b) The Issuer and Co-Issuer shall prepare and file, and the Issuer shall cause each Issuer Subsidiary to prepare and file, or in each case shall hire accountants and the accountants shall cause to be prepared and filed (and, where applicable, delivered to the Issuer or Holders) for each taxable year of the Issuer, the Co-Issuer and the Issuer Subsidiary the federal, state and local income tax returns and reports as required under the Code, or any tax returns or information tax returns required by any governmental authority which the Issuer, the Co-Issuer or the Issuer Subsidiary are required to file (and, where applicable, deliver), and shall provide to each Holder any information that such holder reasonably requests in order for such Holder to (i) comply with its federal, state, or local tax return filing and information reporting obligations, (ii) make and maintain a “qualified electing fund” (“QEF”) election (as defined in the Code) with respect to the Issuer and any Issuer Subsidiary (such information to be provided at the Issuer’s expense), (iii) file a protective statement preserving such Holder’s ability to make a retroactive

(k) No more than 50% of the debt obligations (as determined for U.S. federal income tax purposes) held by the Issuer may at any time consist of real estate mortgages as determined for purposes of Section 7701(i) of the Code unless, based on advice or an opinion of Paul Hastings LLP or Dechert LLP, or an opinion of other tax counsel of nationally recognized standing in the United States experienced in such matters, the ownership of such debt obligations will not cause the Issuer to be treated as a taxable mortgage pool for U.S. federal income tax purposes; provided, that, for the avoidance of doubt, nothing in this Section 7.17(k) shall be construed to permit the Issuer to purchase real estate mortgages.

Section 7.18 Effective Date; Purchase of Additional Collateral Obligations.

(a) The Issuer will use commercially reasonable efforts to purchase (or enter into commitments to purchase), on or before the Effective Date Cut-Off, Collateral Obligations, such that the Target Initial Par Condition is satisfied.

(b) During the period from the Closing Date to and including the Effective Date, the Issuer will use the following funds to purchase additional Collateral Obligations in the following order: (i) to pay for the principal portion of any Collateral Obligation, first, any Principal Proceeds on deposit in the Collection Account and, second, any amounts on deposit in the Ramp-Up Account and (ii) to pay for accrued interest on any such Collateral Obligation, any amounts on deposit in the Ramp-Up Account. In addition, the Issuer will use commercially reasonable efforts to acquire such Collateral Obligations that will satisfy or comply with, on the Effective Date, the Effective Date Tested Items.

(c) Within 20 Business Days after the Effective Date, the Issuer shall provide, or cause the Collateral Manager to provide to S&P, a Microsoft Excel file (the "Excel Default Model Input File") that provides all of the inputs required to determine whether the S&P CDO Monitor Test has been satisfied and the Collateral Manager shall provide a Microsoft Excel file including, at a minimum, the following data with respect to each Collateral Obligation: (1) CUSIP number (if any), LoanX ID, name of Obligor, coupon, spread (if applicable), legal final maturity date, average life, principal balance, identification as a Cov-Lite Loan or otherwise, settlement date, S&P Industry Classification and S&P Recovery Rate; (2) an indication of whether such Collateral Obligation has a LIBORreference rate floor (and if such Collateral Obligation has a LIBORreference rate floor, specifying the LIBORreference rate floor); and (3) if the purchase of such Collateral Obligation has not yet settled, the purchase price.

(d) Within 30 Business Days after the Effective Date, the Issuer shall provide, or cause to be provided, the following documents: (x) to the Trustee and each Rating Agency, a report (which the Issuer shall cause the Collateral Administrator to prepare on its behalf in accordance with, and subject to the terms of, the Collateral Administration Agreement) stating the following information (the "Effective Date Report"): (A) the Obligor, Principal Balance, coupon/spread, stated maturity, Moody's Default Probability Rating, Moody's Rating, Moody's Industry Classification, S&P Rating and country of Domicile with respect to each Collateral Obligation as of the Effective Date and substantially similar information provided by the Issuer with respect to every other asset included in the Assets (to the extent such asset is a security or Loan), by reference to such sources as shall be specified therein (the items described in this clause (A) the "Effective Date Compared Items") and (B) as of the Effective Date, the level of

(f) At the cost of the Co-Issuers, the Trustee will provide to the Holders of Notes, the Collateral Manager and the Rating Agencies a copy of any executed supplemental indenture after its execution. Any failure of the Trustee to supply such copy will not, however, in any way impair or affect the validity of any such supplemental indenture.

(g) The Collateral Manager shall not be bound to follow any amendment or supplement to this Indenture unless it has received written notice of such amendment or supplement and a copy of such amendment or supplement from the Issuer or the Trustee prior to the execution thereof in accordance with the notice requirements of this Indenture. The Issuer agrees that it shall not permit to become effective any amendment or supplement to this Indenture which would, as reasonably determined by the Collateral Manager, (i) increase the duties or liabilities of, reduce or eliminate any right or privilege of (including as a result of an effect on the amount or priority of any fees or other amounts payable to the Collateral Manager), or adversely change the economic consequences to, the Collateral Manager, (ii) directly or indirectly modify the restrictions on the purchases or Sales of Collateral Obligations under the Investment Criteria, (iii) expand or restrict the Collateral Manager's discretion, or (iv) adversely affect the Collateral Manager, unless the Collateral Manager has consented in advance thereto in writing, such consent to not be unreasonably withheld or delayed (provided that the Collateral Manager may withhold its consent in its sole discretion if such amendment or supplement affects the amount, timing or priority of payment of the Collateral Manager's fees or increases or adds to the obligations of the Collateral Manager), and the Issuer will not enter into any such amendment or supplement unless the Collateral Manager has given its prior written consent. No amendment to the Indenture will be effective against the Collateral Administrator if such amendment would adversely affect the Collateral Administrator, including without limitation, any amendment or supplement to the Indenture that would increase the duties or liabilities of, or adversely change the economic consequences to the Collateral Administrator, unless the Collateral Administrator consents thereto in writing.

(h) In connection with any proposed supplemental indenture requiring a determination as to whether a Class of Notes would be materially and adversely affected thereby, the Trustee shall be entitled to receive, and (subject to the provisions of this Indenture) shall be fully protected in relying upon an Opinion of Counsel as to matters of law (which may be supported as to factual (including financial and capital markets) matters by any relevant certificates and other documents necessary or advisable in the judgment of counsel delivering such Opinion of Counsel) as to whether the interests of such Class would be materially and adversely affected thereby.

(i) Notwithstanding anything in this Indenture to the contrary, the Collateral Manager (i) shall propose a Reference Rate Amendment if ~~LIBOR~~the Term SOFR Reference Rate is no longer reported (or actively updated) on the Reuters Screen or the administrator for ~~LIBOR~~the Term SOFR Reference Rate has publicly announced that the foregoing will occur within the next six months; and (ii) may propose a Reference Rate Amendment if it determines (in its commercially reasonable judgment) that: (A) ~~LIBOR~~the Term SOFR Reference Rate is no longer reported or updated on the Reuters Screen, a material disruption to ~~LIBOR~~the Term SOFR Reference Rate or a change in the methodology of calculating ~~LIBOR~~the Term SOFR Reference Rate has occurred, or (B) at least 50% (by par amount) of (1) quarterly pay floating

rate Collateral Obligations or (2) floating rate collateralized loan obligation notes issued in the preceding three months rely on reference rates other than ~~LIBOR~~the Term SOFR Reference Rate, in each case, determined as of the first day of the Interest Accrual Period during which the Reference Rate Amendment is proposed. The Co-Issuers and the Trustee shall execute such proposed Reference Rate Amendment (and make related changes necessary to implement the use of such replacement rate) only if: (x) the proposed Reference Rate is a Designated Reference Rate or (y) a Majority of the Controlling Class and a Majority of the Subordinated Notes have consented and Rating Agency Confirmation has been obtained. If the Collateral Manager proposes a Reference Rate Amendment to which clause (y) of the preceding sentence applies, and either requirement thereof is not satisfied, the Collateral Manager shall then propose a Reference Rate that is a Designated Reference Rate, and such Designated Reference Rate shall become the Reference Rate without the execution of a supplemental indenture.

(j) If any supplemental indenture permits the Issuer to enter into a hedge, swap or derivative transaction (each, a “Hedge Agreement”), the consent of a Majority of the Controlling Class must be obtained and the supplemental indenture shall require that, before entering into any such Hedge Agreement, the following additional conditions must be satisfied: (a) the Issuer has received a written opinion of counsel of national reputation experienced in such matters that either (i) the Issuer entering into such Hedge Agreement will not cause it to be considered a “commodity pool” as defined in Section 1a(10) of the Commodity Exchange Act, as amended, or (ii) if the Issuer would be a commodity pool, (A) the Collateral Manager, and no other party, would be the “commodity pool operator” and “commodity trading adviser” and (B) with respect to the Issuer as the commodity pool, the Collateral Manager is eligible for an exemption from registration as a commodity pool operator and commodity trading adviser and all conditions precedent to obtaining such an exemption have been satisfied; (b) the Collateral Manager has agreed in writing (or the supplemental indenture requires) that for so long as the Issuer is a commodity pool it will take all action necessary to ensure ongoing compliance with the applicable exemption from registration as a commodity pool operator and commodity trading adviser with respect to the Issuer, and any other actions required as a commodity pool operator and commodity trading adviser with respect to the Issuer; (c) the Collateral Manager has certified to the Issuer and the Trustee that (A) the written terms of such Hedge Agreement directly relate to the Collateral Obligations and the Notes and (B) such Hedge Agreement reduces the interest rate and/or foreign exchange risks related to the Collateral Obligations and the Notes; (d) the Issuer has received a written opinion of counsel of national reputation experienced in such matters that the Issuer entering into such Hedge Agreement will not cause it to be considered a “covered fund” under the Volcker Rule; (e) each Rating Agency has received prior notice; and (f) the Hedge Agreement complies with then current criteria of each Rating Agency.

(k) It shall not be necessary for any Act of Holders to approve the particular form of any proposed supplemental indenture, but it shall be sufficient, if the consent of any Holders to such proposed supplemental indenture is required, that such Act shall approve the substance thereof.

(l) Notwithstanding anything in this Article VIII to the contrary, the Co-Issuers may, pursuant to Section 8.1(xi)(B) in relation to a redemption by Refinancing of all Classes of Secured Notes in whole, enter into a supplemental indenture to reflect the terms of such redemption by Refinancing of all Classes of Secured Notes, including to make any

Purchaser, each Holder and, upon written notice to the Trustee, each Certifying Person, a monthly report on a trade date basis (each such report a “Monthly Report”). As used herein, the “Monthly Report Determination Date” with respect to any calendar month will be the close of business 8 Business Days prior to the Report Date. The Monthly Report for a calendar month shall contain the following information with respect to the Collateral Obligations and Eligible Investments included in the Assets, and shall be determined as of the Monthly Report Determination Date for such calendar month:

- (i) Aggregate Principal Balance of Collateral Obligations and Eligible Investments representing Principal Proceeds.
- (ii) Adjusted Collateral Principal Amount of Collateral Obligations.
- (iii) Collateral Principal Amount of Collateral Obligations.
- (iv) A list of Collateral Obligations, including, with respect to each such Collateral Obligation, the following information:
 - (A) The Obligor thereon (including the issuer ticker, if any);
 - (B) The LoanX ID, CUSIP or security identifier thereof;
 - (C) The Principal Balance thereof (other than any accrued interest that was purchased with Principal Proceeds (but excluding any capitalized interest));
 - (D) The percentage of the aggregate Collateral Principal Amount represented by such Collateral Obligation;
 - (E) The related interest rate or spread and, if the index for the interest rate spread is not ~~LIBOR~~Term SOFR, the identity of such index;
 - (F) The payment frequency;
 - (G) The ~~LIBOR~~reference rate floor, if any;
 - (H) The stated maturity thereof;
 - (I) The related Moody’s Industry Classification;
 - (J) The related S&P Industry Classification;
 - (K) The Moody’s Rating (and, in the event of a downgrade or withdrawal of the applicable Moody’s Rating, the prior rating and the date such Moody’s Rating was changed); provided that if such rating is based on a credit estimate by Moody’s, only the date on which the most recent estimate was obtained shall be reported;
 - (L) The Moody’s Default Probability Rating and the S&P Rating;

(d) Any request, demand, authorization, direction, notice, consent, waiver or other action by the Holder of any Notes shall bind the Holder (and any transferee thereof) of such and of every Note issued upon the registration thereof or in exchange therefor or in lieu thereof, in respect of anything done, omitted or suffered to be done by the Trustee, the Issuer or the Co-Issuer in reliance thereon, whether or not notation of such action is made upon such Note.

Section 14.3 Notices, etc., to Certain Parties. (a) Any request, demand, authorization, direction, order, notice, consent, waiver or Act of Holders or other documents provided or permitted by this Indenture to be made upon, given or furnished to, or filed with any of the parties indicated below shall be sufficient for every purpose hereunder if in writing and made, given, furnished or filed to and mailed, by certified mail, return receipt requested, hand delivered, sent by overnight courier service guaranteeing next day delivery, by electronic mail or by facsimile in legible form at the following address (or at any other address previously furnished in writing to the other parties hereto); provided that any demand, authorization, direction, instructions, order, notice, consent, waiver or other document sent to U.S. Bank Trust Company, National Association (in any capacity hereunder) will be deemed effective only upon receipt thereof by U.S. Bank Trust Company, National Association:

- (i) the Trustee addressed to it at its Corporate Trust Office;
- (ii) the Issuer at c/o MaplesFS Limited, P.O. Box 1093, Boundary Hall, Cricket Square, Grand Cayman, KY1-1102, Cayman Islands, Attention: The Directors, email: cayman@maplesfs.com;
- (iii) the Co-Issuer at c/o Puglisi & Associates, 850 Library Avenue, Suite 204, Newark, Delaware 19711, Attention: Donald J. Puglisi, email: dpuglisi@puglisiassoc.com;
- (iv) the Collateral Manager at Barings LLC, 300 South Tryon Street, Suite 2500, Charlotte, North Carolina 28202, Attention: Rob Shelton, facsimile no. (413) 226-2854, email: rob.shelton@barings.com;
- (v) the (A) the Initial Purchaser at Morgan Stanley & Co. LLC, 1585 Broadway, New York, New York 10036, Attention: Managing Director CLO Group; and (B) the Refinancing Placement Agent at RBC Capital Markets, LLC, 200 Vesey Street, New York, New York 10281, Attention: Edward Chow, Christopher Heron and Mukund Sadagopan, email: RBCCM-CLOAdministration@rbc.com, or any other address previously furnished in writing to the Co-Issuers and the Trustee by the Refinancing Placement Agent;
- (vi) the Collateral Administrator at 214 N. Tryon Street, 26th Floor, Charlotte, North Carolina 28202;
- (vii) the Rating Agencies, in accordance with the 17-5 Procedures;
- (viii) if to the Cayman Islands Stock Exchange, The Cayman Islands Stock Exchange, PO Box 2408, Grand Cayman KY1-1105, Cayman Islands, email: Listing@csx.ky; and

IN WITNESS WHEREOF, we have set our hands as of the day and year first written above.

Executed as a Deed by:

BARINGS CLO LTD. 2018-III,
as Issuer

By _____
Name:
Title:

In the presence of:

Witness: _____
Name:
Occupation:
Title:

BARINGS CLO 2018-III, LLC,
as Co-Issuer

By _____
Name:
Title:

U.S. BANK TRUST COMPANY, NATIONAL
ASSOCIATION,
as Trustee

By _____
Name:
Title:

S&P INDUSTRY CLASSIFICATIONS

Asset Type Code	Asset Type Description
1020000	Energy Equipment & Services
1030000	Oil, Gas & Consumable Fuels
1033403	Mortgage Real Estate Investment Trusts (REITs)
2020000	Chemicals
2030000	Construction Materials
2040000	Containers & Packaging
2050000	Metals & Mining
2060000	Paper & Forest Products
3020000	Aerospace & Defense
3030000	Building Products
3040000	Construction & Engineering
3050000	Electrical Equipment
3060000	Industrial Conglomerates
3070000	Machinery
3080000	Trading Companies & Distributors
3110000	Commercial Services & Supplies
3210000	Air Freight & Logistics
3220000	Airlines
3230000	Marine
3240000	Road & Rail
3250000	Transportation Infrastructure
4011000	Auto Components
4020000	Automobiles
4110000	Household Durables
4120000	Leisure Products
4130000	Textiles, Apparel & Luxury Goods
4210000	Hotels, Restaurants & Leisure
4310000	Media
4410000	Distributors
4420000	Internet and Catalog Retail
4430000	Multiline Retail
4440000	Specialty Retail
5020000	Food & Staples Retailing
5110000	Beverages
5120000	Food Products
5130000	Tobacco
5210000	Household Products
5220000	Personal Products
6020000	Health Care Equipment & Supplies
6030000	Health Care Providers & Services
6110000	Biotechnology
6120000	Pharmaceuticals
7011000	Banks
7020000	Thriffs & Mortgage Finance

SCHEDULE 3

DIVERSITY SCORE CALCULATION

The Diversity Score is calculated as follows:

(a) An “Issuer Par Amount” is calculated for each issuer of a Collateral Obligation, and is equal to the Aggregate Principal Balance of all the Collateral Obligations issued by that issuer and all affiliates.

(b) An “Average Par Amount” is calculated by summing the Issuer Par Amounts for all issuers, and dividing by the number of issuers.

(c) An “Equivalent Unit Score” is calculated for each issuer, and is equal to the lesser of (x) one and (y) the Issuer Par Amount for such issuer divided by the Average Par Amount.

(d) An “Aggregate Industry Equivalent Unit Score” is then calculated for each of Moody’s industry classification groups, shown on Schedule 1, and is equal to the sum of the Equivalent Unit Scores for each issuer in such Industry Classification group.

(e) An “Industry Diversity Score” is then established for each Moody’s Industry Classification group, shown on Schedule 1, by reference to the following table for the related Aggregate Industry Equivalent Unit Score; provided that if any Aggregate Industry Equivalent Unit Score falls between any two such scores, the applicable Industry Diversity Score will be the lower of the two Industry Diversity Scores:

<u>Aggregate Industry Equivalent Unit Score</u>	<u>Industry Diversity Score</u>	<u>Aggregate Industry Equivalent Unit Score</u>	<u>Industry Diversity Score</u>	<u>Aggregate Industry Equivalent Unit Score</u>	<u>Industry Diversity Score</u>	<u>Aggregate Industry Equivalent Unit Score</u>	<u>Industry Diversity Score</u>
0.0000	0.0000	5.0500	2.7000	10.1500	4.0200	15.2500	4.5300
0.0500	0.1000	5.1500	2.7333	10.2500	4.0300	15.3500	4.5400
0.1500	0.2000	5.2500	2.7667	10.3500	4.0400	15.4500	4.5500
0.2500	0.3000	5.3500	2.8000	10.4500	4.0500	15.5500	4.5600
0.3500	0.4000	5.4500	2.8333	10.5500	4.0600	15.6500	4.5700
0.4500	0.5000	5.5500	2.8667	10.6500	4.0700	15.7500	4.5800
0.5500	0.6000	5.6500	2.9000	10.7500	4.0800	15.8500	4.5900
0.6500	0.7000	5.7500	2.9333	10.8500	4.0900	15.9500	4.6000
0.7500	0.8000	5.8500	2.9667	10.9500	4.1000	16.0500	4.6100
0.8500	0.9000	5.9500	3.0000	11.0500	4.1100	16.1500	4.6200
0.9500	1.0000	6.0500	3.0250	11.1500	4.1200	16.2500	4.6300
1.0500	1.0500	6.1500	3.0500	11.2500	4.1300	16.3500	4.6400
1.1500	1.1000	6.2500	3.0750	11.3500	4.1400	16.4500	4.6500
1.2500	1.1500	6.3500	3.1000	11.4500	4.1500	16.5500	4.6600
1.3500	1.2000	6.4500	3.1250	11.5500	4.1600	16.6500	4.6700
1.4500	1.2500	6.5500	3.1500	11.6500	4.1700	16.7500	4.6800
1.5500	1.3000	6.6500	3.1750	11.7500	4.1800	16.8500	4.6900
1.6500	1.3500	6.7500	3.2000	11.8500	4.1900	16.9500	4.7000
1.7500	1.4000	6.8500	3.2250	11.9500	4.2000	17.0500	4.7100

SCHEDULE 4

MOODY'S RATING DEFINITIONS

“Moody's Default Probability Rating”: means, with respect to any Collateral Obligation, as of any date of determination, the rating determined in accordance with the following methodology:

(a) If the Obligor of such Collateral Obligation (other than a DIP Collateral Obligation) has a corporate family rating by Moody's, then such corporate family rating;

(b) If not determined pursuant to clause (a) above, if the Obligor of such Collateral Obligation (other than a DIP Collateral Obligation) has one or more senior unsecured obligations (including such Collateral Obligation, if applicable) publicly rated by Moody's, then the Moody's public rating of any such obligation as selected by the Collateral Manager in its sole discretion;

(c) If not determined pursuant to clause (a) or (b) above, if the Obligor of such Collateral Obligation (other than a DIP Collateral Obligation) has one or more senior secured obligations (including such Collateral Obligation, if applicable) publicly rated by Moody's, then the rating one rating subcategory below the Moody's public rating of any such obligation as selected by the Collateral Manager in its sole discretion;

(d) If not determined pursuant to clause (a), (b) or (c) above, (A) if a credit estimate has been assigned to such Collateral Obligation by Moody's within the last 15 months (but not within the last 13 months) upon the request of the Issuer, the Collateral Manager or an Affiliate of the Collateral Manager, the rating one rating subcategory below such credit estimate, or if a credit estimate has been assigned to such Collateral Obligation by Moody's within the last 13 months, such credit estimate, or (B) if not determined pursuant to the foregoing clause (A), if such Collateral Obligation is a DIP Collateral Obligation and has a facility rating (whether public or private) by Moody's, one subcategory below such facility rating (or with respect to a DIP Collateral Obligation already owned by the Issuer whose facility rating from Moody's is withdrawn, one subcategory below the last outstanding facility rating of such obligation before such withdrawal);

(e) If not determined pursuant to clause (a), (b), (c) or (d) above, other than in the case of a DIP Collateral Obligation, the Moody's Derived Rating; provided that not more than 10% of the Collateral Principal Amount may consist, in the aggregate, of Collateral Obligations with a Moody's Default Probability Rating determined by reference to a Moody's Derived Rating as set forth in this clause (e) and Collateral Obligations with a Moody's Rating determined by reference to a Moody's Derived Rating as set forth in clause (a)(v) or (b)(vi) of the definition of Moody's Rating; and

SCHEDULE 5

S&P RATING DEFINITION AND RECOVERY RATE TABLES

“Information” means S&P’s publication entitled “Credit Estimate Information Requirements” dated April 2011 and any other available information S&P reasonably requests in order to produce a credit estimate for a particular asset.

“S&P Rating” means, as of any date of determination, the rating determined in accordance with the following methodology:

(a) with respect to any Collateral Obligation (other than a Current Pay Obligation whose issuer has made a Distressed Exchange Offer):

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

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