

*[The signed report shall be delivered to TALF II LLC and the Federal Reserve Bank of New York electronically to nytalf@ny.frb.org.]*

### **Independent Accountant’s Report on Applying Agreed-Upon Procedures**

[Issuer and its address]

[Collateral Manager and its address]

[Underwriter/Initial Purchaser and its address]<sup>1</sup>

TALF II LLC  
Federal Reserve Bank of New York  
33 Liberty Street  
New York, New York 10045

Re: [Issuer] (the “Issuer”)  
[Define the Notes (the "Notes")]

We have performed the procedures enumerated in Attachment A, which were agreed to by the addressees listed above [list any other specified parties] (the “**Specified Parties**”), related to the compliance of the Notes with certain eligibility criteria listed at [ ] (the “**TALF Eligibility Criteria**”) required to be satisfied for certain Notes to be used as collateral for loans under the Federal Reserve’s Term Asset-Backed Securities Loan Facility (“**TALF**”). [Name of responsible party(ies)] (the “**Responsible Party(ies)**”) is[are] responsible for the compliance of the Notes with the TALF Eligibility Criteria. The Responsible Party(ies) are also responsible for the information contained in the Data Files (as defined in Attachment A), Source Documents (as defined in Attachment A), Exhibit 1 to Attachment A, Exhibit 2 to Attachment A [if applicable] and the determination of the instructions, assumptions and methodologies that are described herein.

The sufficiency of these procedures is solely the responsibility of the Specified Parties. Consequently, we make no representation regarding the sufficiency of the procedures enumerated in Attachment A either for the purpose for which this report has been requested or for any other purpose.

Capitalized terms used but not defined herein shall have the meanings ascribed to them in the [Draft] Indenture (as defined herein). The procedures and associated findings relating to the procedures are included in Attachment A.

This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. We were not engaged to and did not conduct an examination or review, the objective of which would be the

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<sup>1</sup> [The report may, but need not be, addressed to one or more parties other than the Federal Reserve Bank of New York and TALF II LLC.]

expression of an opinion or conclusion, respectively, on the compliance of the Notes with the TALF Eligibility Criteria. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

The procedures in Attachment A were limited to comparing certain information that is further described in Attachment A with respect to the Issuer's Notes and portfolio of [describe CLO assets] (the "**Collateral Obligations**") on electronic data files and related file layouts prepared by [entity] pursuant to an indenture [to be] dated as of [date of indenture] among the Issuer, [co-issuer name] (the "**Co-Issuer**") and, together with the Issuer, the "**Co-Issuers**") and [name of trustee] (the "**Trustee**"), a [draft] copy of which we received from [list source] dated as of [date] (the "**[Draft] Indenture**").

We:

- performed no procedures on any other information on the Data Files (as defined in Attachment A),
- were not requested to perform, and we have not performed, any further procedures other than those listed in Attachment A with respect to the preparation or verification of any of the information set forth on the Data Files (as defined in Attachment A) and
- have not performed any procedures on the Source Documents (as defined in Attachment A) and we make no representations as to the accuracy, completeness or reasonableness of any information obtained or provided to us.

We make no representations and express no opinion as to:

- the existence of the Collateral Obligations,
- legal or tax interpretation of the [Draft] Indenture or Offering Document (as defined in Attachment A),
- the sufficiency of the requirements of the [Draft] Indenture,
- the accuracy, completeness or reasonableness of the assumptions and methodologies,
- the accuracy, completeness or reasonableness of the information provided to us by the [data providers], on behalf of the Responsible Party(ies),
- the fair value of the Notes,
- compliance with Rule 15ga-2 of the Securities Exchange Act of 1934, or
- the accuracy of the information obtained from [include description of third-party data, news and analytics vendors] (the "**Data Vendors**").

The procedures performed were not intended to address, nor did they address: (i) the conformity of the origination of the Collateral Obligations to stated underwriting or credit extension guidelines, standards, criteria, or other requirements, (ii) the value of collateral securing any such Collateral Obligation being securitized, (iii) the compliance of the originator of the Collateral Obligations with federal, state, and local laws and regulations, or (iv) any other factor or characteristic of the Collateral Obligations that would be material to the likelihood that the Issuer of the Notes will pay interest and principal in accordance with applicable terms and conditions. The procedures performed were not intended to satisfy any

criteria for due diligence published by a nationally recognized statistical rating organization (“NRSRO”).

This report does not constitute a legal determination as to the Issuer’s compliance with the TALF Underlying Assets Eligibility Criteria or the Indenture’s specified requirements. We undertake no responsibility to update this report for events and circumstances occurring after the date of this report.

This report is intended solely for the information and use of the Specified Parties. It is not intended to be and should not be used by anyone other than the Specified Parties, including investors and rating agencies, who are not identified as Specified Parties but who may have access to this report as required by law or regulation.

*[Signature]*

*[City and State]*

*[Date]*

*[Include as an attachment an enumeration of the procedures and findings.]*

**Procedures we performed and our associated findings**

[Entity] indicated that the Collateral Obligations on the Data Files (as defined herein) represent the Collateral Obligations that the Issuer has purchased or entered into binding commitments to purchase as of the Issuer's Closing Date (as defined in the [Draft] Indenture).

For the purposes of the procedures described in this report, the [Entity], on behalf of the Responsible Party(ies), provided us with the following information:

- a. Electronic data files and related file layout that contain information on the Collateral Obligations as of [insert date] (the "**Cut-off Date**"),
- b. A copy of the [Draft] Indenture,
- c. A copy of the Issuer's [draft] offering document for the Notes (the "**Offering Document**"),
- d. Copies of certain Collateral Obligations' preliminary or final credit agreements and amendments or supplements thereto (each, a "**Credit Agreement**"),
- e. A copy of email correspondence from an agent bank which contained information on certain Collateral Obligations (the "**Agent Confirmations**"),
- f. Copies of certain Collateral Obligations' rate set notices (each, a "**Rate Set Notice**"),
- g. Copies of financial statement reports (the "**Financial Statements**") of certain obligors of the Collateral Obligations,
- h. An electronic data file and related file layout that the [Entity] indicated contains the cash activity for certain Collateral Obligations for the period ending [tbd] (the "**Cash Log**"),
- i. Certain financial information (the "**Financial Details**") of certain obligors of the Collateral Obligations from the [Entity] internal books and records and external sources,
- j. Reports that the [Entity] indicated contain their calculations of certain financial information for certain obligors of the Collateral Obligations (the "**Approval Notices**"),
- k. [insert additional sources used] and
- l. Instructions, assumptions and methodologies (the "**Assumptions**"), which are shown on the attached Exhibit 1 of Attachment A.

The source document information provided by the [Entity] and the [Entity], each on behalf of the Responsible Party(ies), including any Data Source or Additional Data Source (both as defined herein), is collectively referred to herein as the "**Source Documents.**"

The procedures we performed and our associated findings were as follows:

1. We obtained from [Entity], on behalf of the Responsible Party(ies), electronic data files and related file layouts containing information on the Collateral Obligations as of the Cut-off Date. We compared the Characteristics (as defined herein) and Derived Characteristics (as defined herein) information indicated below, as shown on these electronic data files, to the corresponding information on the Source Documents as indicated below and the [Entity] adjusted the information on these electronic data files to correct for differences we identified in performing the procedures described below, subject to any qualifications and exceptions stated in the Assumptions on Exhibit 1 to Attachment A. The electronic data files, as so adjusted, are herein referred to as the **“Data Files.”**<sup>2</sup>
2. We compared the following characteristics (the **“Characteristics”**) for the Notes as provided by [Entity], on behalf of the Responsible Party(ies), with the corresponding information we obtained or recalculated on or after the Cut-off Date using certain Assumptions on Exhibit 1 to Attachment A and the following data sources listed below (each, a **“Data Source”**). Where more than one Data Source is listed for a Characteristic, the Responsible Party(ies) instructed us to note agreement if the value provided for the Characteristic agreed with the corresponding information on at least one of the Data Sources that are listed for such Characteristic. We performed no procedures to reconcile any differences that may exist between various Data Sources for any of the Characteristics.

<u>Characteristics</u>	<u>Data Sources</u>
Collateral Manager Domicile	Offering Document, Data Vendors
Collateral Manager Principal Place of Business	Offering Document, Data Vendors

[Except for the Non-Agreed Values (as defined below)], All [all] Characteristics were in agreement. Certain items we compared were not in agreement with the information we obtained or derived and compared (each such difference, a **“Non-Agreed Value”**). [The differences are identified on the attached Exhibit 2.]

In performing this procedure, differences that appeared to be due to abbreviation, truncation or punctuation were deemed to be in agreement.

3. For each Collateral Obligation, we compared the characteristics listed in the table below (the **“Derived Characteristics”**), provided by [Entity], on behalf of the Responsible Party(ies), with the corresponding information we obtained or recalculated on or after the Cut-off Date using certain Assumptions on Exhibit 1 to Attachment A and the following

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<sup>2</sup> In some cases, the electronic data files may not need to be adjusted. In such circumstances, modify the procedure accordingly.

additional data sources listed below (each an “**Additional Data Source**”). Where more than one Additional Data Source is listed for a Derived Characteristic, the Responsible Party(ies) instructed us to note agreement if the value for the Derived Characteristic agreed with the corresponding information on at least one of the Additional Data Sources that are listed for such Derived Characteristic. We performed no procedures to reconcile any differences that may exist between various Additional Data Sources for any of the Derived Characteristics.

<u>Derived Characteristics</u>	<u>Additional Data Sources</u>
Obligor Name	Credit Agreements, Data Vendors
Lead Arranger Domicile	Credit Agreements, Data Vendors
Co-Arranger Domicile	Credit Agreements, Data Vendors
Domicile of Obligor	Credit Agreements, Data Vendors, Agent Confirmations
Origination/Refinancing Date on or after January 1, 2019 (Y/N)	Credit Agreements, Data Vendors, Agent Confirmations, Approval Notices
Collateral Type (Loans) (Y/N)	Credit Agreements, Data Vendors, Agent Confirmations, Approval Notices
Collateral Type (ABS (Cash or Synthetic)) (Y/N)	Credit Agreements, Data Vendors, Agent Confirmations, Approval Notices
Collateral Type (Commercial Real Estate) (Y/N)	Credit Agreements, Data Vendors, Agent Confirmations, Approval Notices
Potential Indebtedness amount <sup>3</sup> (as of latest available reporting period)	Financial Details, Financial Statements, Data Vendors, Agent Confirmations, Approval Notices
[For <del>middle market</del> <u>CLOs that are not broadly syndicated</u> CLOs] <u>Collateral Obligations</u> EBITDA (as of latest available reporting period) <sup>4</sup>	Credit Agreements, Financial Details, Financial Statements, Data Vendors, Agent Confirmations, Approval Notices

<sup>3</sup> As of date for potential indebtedness amount to be determined by the responsible party.

<sup>4</sup> As of date for EBITDA to be determined by the responsible party. Only applicable for ~~Middle market~~ CLOs that are not broadly syndicated CLOs.

**Derived Characteristics****Additional Data Sources**

Current on principal and interest payments (as of the Cut-off Date) (Y/N)

Credit Agreements, Financial Details, Data Vendors, Agent Confirmations, Rate Set Notices, Cash Log

Senior Secured (Y/N)

Credit Agreements, Data Vendors, Agent Confirmations, Approval Notices

[Except for the Non-Agreed Values, as shown on the attached Exhibit 2,] All [all] Derived Characteristics were in agreement. In performing this procedure, differences that appeared to be due to abbreviation, truncation or punctuation or differences that are within +/- 1% were deemed to be in agreement.

4. Using the applicable information on the Data Files, information in the [Draft] Indenture and certain Assumptions on Exhibit 1 to Attachment A, we recalculated the following items as a percentage of the total aggregate principal balance of all Collateral Obligations and (a) compared and agreed our results to the corresponding information provided by [Entity on behalf of] the Responsible Party(ies) and (b) compared and agreed that the results to the limitations set forth in the table below provided by [Entity on behalf of] the Responsible Party(ies) were within such stated limitations. In performing this procedure, differences that are within +/-0.01% are deemed to be in agreement

Description of Recalculated Attribute	Threshold	Recalculated Value
Collateral Obligations secured by commercial real estate	Zero	A%
Collateral Obligations secured by ABS (cash or synthetic)	Zero	B%
Senior secured loans	100%	C%
Collateral Obligations current on principal and interest	100%	D%
Collateral Obligations arranged by a lead or a co-lead arranger that is a U.S.-organized entity (including a U.S. branch or agency of a foreign bank)	Greater than or equal to 95%	E%
Collateral Obligations that are U.S.-domiciled obligors	Greater than or equal to 95%	F%
Collateral Obligations originated/refinanced on or after January 1, 2019	Greater than or equal to 95%	G%
[For broadly syndicated CLOs] Percentage of Collateral Obligations with potential indebtedness of less than \$150,000,000	Zero	H%
[For broadly syndicated CLOs] Percentage of Collateral Obligations with potential indebtedness between \$150,000,000 to \$250,000,000	Less than or equal to 10%	I%
[For middle market CLOs] Percentage of Collateral Obligations with potential indebtedness of less than \$250,000,000	Greater than or equal to 95%	J%
[For middle market CLOs that are not broadly syndicated CLOs] Percentage of Collateral Obligations with EBITDA of less than \$10,000,000	Zero	K%
Percentage of second lien loans	Less than or equal to 10%	L%

<b>Description of Recalculated Attribute</b>	<b>Threshold</b>	<b>Recalculated Value</b>
Percentage of debtor in possession (DIP) loans	Less than or equal to 7.5%	<del>M</del> <u>L</u> %
[For broadly syndicated CLOs] Percentage of Collateral Obligations that are covenant lite loans	Less than or equal to 65%	<del>N</del> <u>M</u> %
[For <del>middle market</del> CLOs <u>that are not broadly syndicated CLOs</u> ] Percentage of Collateral Obligations that are covenant lite loans	Less than or equal to 10%	<del>O</del> <u>N</u> %
Percentage of Collateral Obligations with the single largest obligor	Less than or equal to 4%	<del>P</del> <u>O</u> %

We performed no other procedures on any other information on the Notes, Collateral Obligations or the Data Files. Unless otherwise specified in this report, the foregoing procedures were limited to a comparison of information or recalculation of specified calculations applicable to the information, amounts and percentages provided to us.

**Assumptions**

(refer to Item(s) [tbd])

[insert information needed to clarify methodologies and to definitions utilized to perform the procedures.]

**Non-Agreed Values**

(refer to Item(s) [tbd])

[insert information needed regarding differences noted and corresponding footnotes, if any.]