

High Yield Bonds: Sample Investor Questionnaire

1. Change of Control Portability

- Ratings Decline or leverage ratio test?
- If leverage test, test level and opening level?
- Can be waived by 90% Noteholders? Or less/more?

2. Redemption Features

- 10% at 103%?

3. Debt Incurrence and Liens

- **Super Priority Debt:**
 - Components?
 - Opening amount?
 - Opening headroom?
- **Ratio Debt:**
 - FCCR test or other?
 - Test level and opening level?
 - Opening headroom?
- **Credit Facilities basket:**
 - Cap?
 - Opening amount?
 - Opening headroom?
- **Other Permitted Debt baskets:**
 - Total amount permitted?
 - Opening amount
 - Opening headroom?
- **Aggregate amount of dilutive, effectively senior and structurally senior debt**
(Ratio Debt plus Permitted Debt baskets):
- **Dilutive debt** (i.e., permitted to be secured pari passu with Notes (if Senior Secureds) or rank equally (if Senior Notes, unsecured)?
 - Opening headroom?
 - Secured leverage ratio test? SLR test level and opening level?
 - SLR applies to which components of dilutive debt?
- **Effectively senior** (i.e., permitted to be secured effectively senior to Notes)
 - Opening headroom?
- **Structurally senior: (permitted on structurally senior basis (ie by non-Guarantor Restricted Subs)?**
 - Opening headroom?

4. Guarantees

- Initial Guarantor coverage as % EBITDA/Total Assets?

5. Restricted Payments/Cash Leakage

- **Build Up Basket**
 - 50% CNI-based or EBITDA-based?
 - Start date for accumulation?
 - Opening amount of RP payment capacity in BUB?
- **Leverage-based RPs/Permitted Payments basket?**
 - Test level?
 - Opening level?
- **Holdco debt service**
 - Permitted from Restricted Group through either specific exclusion from “Restricted Payments” or through specific Permitted Payment basket?
 - Must such holdco debt be downstreamed to Restricted Group as subordinated shareholder debt/equity?

6. Asset Sales/Asset Leakage

- Can pari passu debt be repaid from sale proceeds without proportionate par redemption offer for Notes?
- Any non-standard exclusions from “Asset Sale” (e.g., of particular subs/businesses/assets)

7. FRNs

- EURIBOR/LIBOR floor?

Guidance

- Ratios should be calculated as per Notes’ definitions (i.e., including EBITDA adjustments, any netting, scope of what is within numerator/denominator et.c).
- Indicate whether/which ratios net of cash/eq or gross (in substance, however ratio may be labelled as a defined term).
- “Opening level [amount]” = actual level/amount, calculated as per covenants, at Issue Date (or Closing Date if later).
- “Opening headroom” = total permitted amount under covenant minus opening amount, expressed as €Xmm