

## SCRIP DIVIDEND SCHEME CIRCULAR

**THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.**

**IF YOU ARE IN ANY DOUBT ABOUT THE ACTION YOU SHOULD TAKE, YOU ARE RECOMMENDED TO SEEK IMMEDIATELY YOUR OWN PERSONAL FINANCIAL ADVICE FROM AN APPROPRIATELY QUALIFIED INDEPENDENT ADVISER AUTHORISED PURSUANT TO THE UK FINANCIAL SERVICES AND MARKETS ACT 2000 IF IN THE UNITED KINGDOM OR OTHERWISE REGULATED UNDER THE LAWS OF YOUR OWN COUNTRY.**

If you receive this document in any country or jurisdiction outside the United Kingdom or Jersey you may not treat it as an invitation to elect to receive Scrip Shares unless such an invitation could lawfully be made to you without CVC Credit Partners European Opportunities Limited (the "**Company**") being required to comply with any registration or other legal requirements.

The right to receive Scrip Shares instead of cash in respect of a Relevant Dividend is not available to any person in Canada, Japan, South Africa or the United States, or in any jurisdiction outside the United Kingdom where such an offer would require compliance by the Company with any governmental or regulatory procedures or any similar formalities.

It is the responsibility of any person resident outside the United Kingdom or Jersey wishing to elect to receive Scrip Shares pursuant to the Scrip Dividend Scheme to be satisfied as to full observance of the laws of the relevant territory, including obtaining any government permissions and/or authorisations that may be required under any laws or regulations in force.

If you have sold or otherwise transferred all of your Ordinary Shares in the Company, you should pass this document and accompanying Mandate Form, as soon as possible, to the purchaser or transferee or to the person through whom the sale or transfer was affected for transmission to the purchaser or transferee. This document or any of the accompanying documents (including the Mandate Form) should not, however, be forwarded or transmitted in or into or from any Restricted Territories.

Following allotment and issue the relevant applications will be made for Scrip Shares issued pursuant to the Scrip Dividend Scheme to be admitted to the premium listing segment of the Official List of the UK Listing Authority and to be admitted to trading on the main market for listed securities of the London Stock Exchange ("**Admission**").

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### **CVC CREDIT PARTNERS EUROPEAN OPPORTUNITIES LIMITED**

*(a closed-ended investment company limited by shares incorporated under the laws of Jersey with registered number 112635)*

#### **Scrip Dividend Scheme**

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This document should be read as a whole. This document contains the terms and conditions of the Scrip Dividend Scheme and, if you hold your Ordinary Shares in certificated form, should be read in conjunction with the accompanying Mandate Form. Please retain this document as you may need to refer to it in the future. Your attention is drawn to the letter from your Chairman which is set out in Part I of this document. Your attention is also drawn to PART IV of this document entitled "Action to be Taken".

**ELECTIONS IN RESPECT OF THE SCRIP DIVIDEND SCHEME MUST BE RECEIVED BY NO LATER THAN 5.00 P.M. (LONDON TIME) ON THE MANDATE DELIVERY DEADLINE.**

Defined terms used in this document have the meanings ascribed to them in PART V of this document.

**If you wish to receive dividends on your Ordinary Shares in cash, you do not need to take any action and may disregard this document.**

The operation of the Scrip Dividend Scheme is always subject to the Directors' power to suspend or terminate the Scrip Dividend Scheme generally or in respect of any Relevant Dividend at any time prior to the allotment of the Scrip Shares in relation to the Relevant Dividend. If the Directors suspend or terminate the Scrip Dividend Scheme Shareholders will receive their dividend in cash in the usual way, on or as soon as reasonably practicable after the Relevant Dividend Payment Date.

The Company is regulated by the Jersey Financial Services Commission.

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## PART I

### CVC Credit Partners European Opportunities Limited

*(a closed-ended investment company limited by shares incorporated under the laws of Jersey with registered number 112635)*

#### LETTER FROM THE CHAIRMAN

*Directors:*

Richard Michael Boléat (Chairman)  
Mark Richard Tucker  
David Alan Wood

*Registered Office:*

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The Esplanade  
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Jersey  
JE1 4BP

24 October 2017

*To the Shareholders*

Dear Sir or Madam

#### **Introduction**

The Company has today announced its intention to offer Shareholders the opportunity to participate in the Scrip Dividend Scheme and the purpose of this document is to set out the key elements of that scheme. It is the Board's intention that, if a Shareholder elects to participate in the Scrip Dividend Scheme, then such Shareholder will receive new Ordinary Shares instead of a cash dividend ("**Scrip Shares**") in relation to each dividend declared by the Company (a "**Relevant Dividend**"). Shareholders who do not elect to participate in the Scrip Dividend Scheme will receive all future dividends in cash.

#### **Effect on Shareholders**

The Scrip Dividend Scheme is designed so that it may be advantageous for Shareholders resident in the United Kingdom and Jersey and enables Shareholders who wish to receive fully paid Scrip Shares (being new Euro Shares and/or Sterling Shares) instead of cash to increase their holdings in a simple manner and without incurring dealing costs. Part II of this document contains an overview of the UK and Jersey tax considerations for investors considering participating in the Scrip Dividend Scheme. The tax consequences for each Shareholder of electing for Scrip Shares in lieu of a cash dividend may depend on the Shareholder's own tax position and on the relevant laws of any jurisdiction to which the Shareholder is subject. Therefore Shareholders are strongly advised to read Part II of this document carefully and, if they are in any doubt about their tax position, should consult their professional adviser before electing to participate in the Scrip Dividend Scheme.

#### **Entitlement**

The price at which each Relevant Dividend will be converted into Scrip Shares (the "**Scrip Reference Price**") will be announced by the Company via a Regulatory Information Service and made available on the Company's website ([www.ccpeol.com](http://www.ccpeol.com)). An eligible Shareholder's entitlement to Scrip Shares for a Relevant Dividend will be calculated by taking the amount of cash dividend to which the Shareholder is entitled (i.e. the number of Ordinary Shares of a class held by the Shareholder at the Relevant Record

Date for that Relevant Dividend multiplied by the cash value of that dividend per Ordinary Share) and dividing it by the relevant Scrip Reference Price. Further details regarding the calculation of an eligible Shareholder's entitlement to Scrip Shares are contained in Part II of this document, and an illustrative worked example is contained in Part III of this document.

No fractions of Scrip Shares will be allotted and a Shareholder's entitlement to Scrip Shares will be rounded down to the nearest whole number, with the value of any fractions arising on the rounding down of entitlements being aggregated and accrued for the benefit of the Company.

### **Terms of the Scrip Shares**

When issued, the Scrip Shares will rank *pari passu* in all respects with the Ordinary Shares of the same class then in issue.

### **Scrip Dividend Scheme**

Any Shareholder that elects to participate in the Scrip Dividend Scheme (an "**Electing Shareholder**") shall be electing to automatically receive their entitlement to Relevant Dividends in Scrip Shares instead of cash without having to give further instructions to the Company each time a Relevant Dividend is declared. The Scrip Dividend Scheme will only operate with respect to entire holdings of Ordinary Shares. Partial elections will not be permitted in respect of the Scrip Dividend Scheme.

Further details of the Scrip Dividend Scheme are set out in Part II of this document and the actions to be taken by Shareholders wishing to participate in the Scrip Dividend Scheme are set out Part IV of this document.

**Whether you elect to participate in the Scrip Dividend Scheme or not will depend on your personal circumstances and tax position. You are advised to study this document carefully and, if you are in any doubt about what course of action to take, you should consult an independent financial adviser.**

Yours faithfully

Richard Michael Boléat  
*Chairman*

## PART II

### SCRIP DIVIDEND SCHEME

#### 1. Introduction

The Articles provide that, subject to the Director's absolute discretion to determine otherwise, the number of Scrip Shares to be issued pursuant to any scrip dividend alternative shall be equal to the amount resolved to be distributed by way of a cash dividend, divided by the relevant Scrip Reference Price. The Scrip Reference Price shall be calculated by reference to the higher of:

- (i) the prevailing average mid-market quotation of the Ordinary Shares on the Daily Official List of the London Stock Exchange over five trading days following and including the relevant ex-dividend date; or
- (ii) the Net Asset Value per Ordinary Share of that class, at the date selected by the Directors for such purposes.

Please see PART III for an illustrative worked example of the calculation of the Scrip Reference Price.

**The Directors reserve the right to terminate at any time and for any reason Shareholders' entitlements to receive scrip shares in lieu of a cash dividend, including but not limited to, if the Directors, in their sole discretion, consider that the circumstances are such that it would be unlawful or inappropriate to issue scrip shares or if the issue of Scrip Shares would not be in the interests of the Company as a whole. In such circumstances, Shareholders will be advised accordingly and will receive a cash dividend.**

#### 2. How to make the Election

If you wish to receive Scrip Shares in relation to Relevant Dividends in respect of your holding of Ordinary Shares, you should follow the steps below so that your election is received **by no later than 5.00 p.m. (London time) on the Mandate Delivery Deadline**. The Company reserves the right, but shall not be obliged, to accept any valid election which is received after 5.00 p.m. (London time) on the Mandate Delivery Deadline. If no election is made a cash dividend will be paid in respect of all Ordinary Shares that were registered in the name of the Shareholder concerned on the Relevant Record Date.

##### ***How do I make an election to participate in the Scrip Dividend Scheme?***

The way in which Shareholders wishing to participate in the Scrip Dividend Scheme must elect to do so, and the consequences of such an election, will depend on whether they hold their Ordinary Shares in certificated or uncertificated form in CREST. In order to be valid, elections to participate in the Scrip Dividend Scheme must be made:

- in the case of Shareholders who hold their Ordinary Shares in certificated form, by way of signing and returning a Mandate Form; and
- in the case of Shareholders who hold their Ordinary Shares in uncertificated form in CREST, by way of an election via the CREST system.

No other form of election will be accepted by the Registrar, and, if any is received, it will be rejected.

Upon making an election to participate in the Scrip Dividend Scheme, each Shareholder will be deemed (whether the election is made by them or on their behalf) to have:

- (i) agreed to participate in the Scrip Dividend Scheme;
- (ii) authorised the Company or its agent to: (i) in the case of holdings in certificated form, to send to the Shareholder at the Shareholder's registered address any definitive share certificate in respect of Scrip Shares allotted; and (ii) in the case of holdings in uncertificated form, to credit the Scrip Shares allotted to the

- Shareholder's CREST account on the date that dealings in the Scrip Shares on the London Stock Exchange's main market for listed securities commence; and
- (iii) instructed the Directors that such Shareholder wishes to receive any Relevant Dividend declared from time to time (including Relevant Dividends declared in respect of its Scrip Shares) in Scrip Shares.

**Procedure in relation to Ordinary Shares held in certificated form**

Holders of Ordinary Shares held in certificated form who wish to participate in the Scrip Dividend Scheme should ensure that they have read and understood this document and should complete and sign a Mandate Form and return it to the Registrar by post in accordance with the instructions set out in the Mandate Form. No acknowledgement of receipt of Mandate Forms will be issued by the Registrar.

One Mandate Form will apply to Ordinary Shares held in joint names, but all joint Shareholders must sign the Mandate Form in order for the election to be valid.

Mandate Forms will not be accepted for part only of a shareholding of a class of Ordinary Shares. The instructions set out in the Mandate Forms will apply to the full number of Ordinary Shares of the relevant class registered in a Shareholder's name on the Relevant Record Date (whether or not this is different to the number of Ordinary Shares registered in a Shareholder's name as at the date the Mandate Form is completed).

Any Mandate Form validly submitted will remain valid in relation to each Relevant Dividend until it is either revoked by you or revoked by the Company (see section D below).

**A. *Completing a mandate***

A mandate may be given only by **completing the Mandate Form** and signing and returning Part B of the Mandate Form to the Registrar, so as to be received no later than 5.00 p.m. (London time) on the Mandate Delivery Deadline.

Any Mandate Form that is returned unsigned, is incomplete, or is delivered to an address other than as specified in the Mandate Form will be treated as invalid.

A mandate will have the effect of being an election to receive Scrip Shares in respect of your total registered holding of Ordinary Shares. If you acquire or dispose of shares in the same holding, the mandate will continue to apply (until revoked) in respect of the holding as so increased or reduced.

Additional Mandate Forms can be obtained by contacting the Registrar (whose details are set out in section 10 below).

**B. *Fractional entitlements***

The Scrip Dividend Scheme authorises the Company to round any entitlements to Scrip Shares down to the nearest whole number, with the value of any fractions arising on the rounding down being aggregated and accrued for the benefit of the Company.

**C. *Regular advice of entitlement***

Shareholders participating in the Scrip Dividend Scheme shall be deemed to agree to electronic notification by way of the Company's website and announcement via a Regulatory Information Service in respect of each Relevant Dividend. This will include, inter alia, in respect of any Relevant Dividend: the Relevant Timetable (which will include information relating to the ex-dividend date, the Relevant Record Date, the Mandate Delivery Deadline and the Relevant Dividend Payment Date) and the Scrip Reference Price.

In addition, details of the Relevant Timetable and the Scrip Reference Price for each Relevant Dividend will be obtainable from the Company's website: [www.ccpeol.com](http://www.ccpeol.com) or by contacting the Registrar (whose details are set out in section 10 below).

**D. *Revocation of a mandate***

A mandate may be revoked at any time by following the procedure set out in section 6 below.

A mandate will be deemed to be revoked in respect of any and all Ordinary Shares which a Shareholder sells or otherwise transfers to another person, but only with effect from registration of the relevant transfer in the share register. In addition, where a Shareholder converts its entire holding of shares of a class pursuant to the Company's share conversion facility and has not elected to receive Scrip Shares in relation to the converted class, its mandate will be deemed to be revoked. A mandate will also be deemed to be revoked immediately on notice of death, bankruptcy or insanity of a Shareholder unless that Shareholder is a joint Shareholder and the other joint Shareholder(s) is/are not similarly affected, in which case the mandate will continue.

**E. *Operation, modification or termination of the Scrip Dividend Scheme***

The basis of the calculation of the number of Scrip Shares to be offered in lieu of cash shall be determined by the Directors in accordance with the Articles. An illustrative worked example is set out in PART III of this document.

The Scrip Dividend Scheme may be suspended, modified or terminated by the Directors at any time and for any reason. Such suspension, modification or termination will be notified to Shareholders and the London Stock Exchange via a Regulatory Information Service. In the case of any suspension or modification, current mandates will be deemed to remain valid under the Scrip Dividend Scheme unless the mandate is cancelled by the Shareholder in accordance with section 6 below. In the case of a suspension, the Relevant Dividend will be paid entirely in cash.

**The terms and conditions set out in this document shall apply to all Relevant Dividends, unless otherwise notified by the Company to Shareholders and the London Stock Exchange via a Regulatory Information Service.**

**Procedure in relation to Ordinary Shares held in uncertificated form**

Holders of Ordinary Shares held in uncertificated form in CREST who wish to participate in the Scrip Dividend Scheme should ensure that they have carefully read and understood this document and should elect to participate in the Scrip Dividend Scheme by way of an electronic election via the CREST system in accordance with the procedures for electronic elections set out in the CREST Manual.

Please note that no other form of election by or on behalf of holders of Ordinary Shares held in uncertificated form (including by way of the delivery of a Mandate Form) will be accepted by the Company or the Registrar. If received, any such form of election will be disregarded.

Where a valid election to participate in the Scrip Dividend Scheme is made by way of an electronic election via the CREST system (through completing the CREST Dividend Election Input Message and answering 'yes' to the Evergreen field in the Dividend Election Input Message) the election will apply to all future Relevant Dividends in respect of a Shareholder's entire holding from time to time, unless such election is cancelled by the Shareholder in accordance with section 6 below or the Scrip Dividend Scheme is cancelled or suspended by the Company).

In order to be valid, elections made via the CREST system must contain a number of Ordinary Shares in relation to which an election to participate in the Scrip Dividend Scheme is being made. If the relevant field is left blank or completed with a zero, the election will be rejected. If the number of Ordinary Shares in relation to which an election to participate in the Scrip Dividend Scheme is being made is greater than the number of Ordinary Shares held in CREST on the Relevant Record Date, the election will be deemed to have been made in respect of that Shareholder's total holding of Ordinary Shares held on the Relevant Record Date. The Company will permit partial elections only where a Shareholder who holds its Ordinary Shares in uncertificated form is acting on behalf of more than one beneficial holder through CREST (i.e. where such Shareholder is acting as a nominee holder).

If you are a CREST Personal Member, or other CREST Sponsored Member, you should consult your CREST Sponsor, who will be able to take appropriate action on your behalf.

Any mandate given will remain valid in relation to each Relevant Dividend until it is either revoked by you or revoked by the Company (see section D below).

**A. *Completing a Mandate***

A mandate may only be given if a Shareholder completes the CREST Dividend Election Input Message and answers 'yes' to the Evergreen field in the Dividend Election Input Message, such action will be an election to participate in the Scrip Dividend Scheme and will apply to all future Relevant Dividends in respect of the Shareholders entire holding from time to time, unless such election is subsequently withdrawn or cancelled in accordance with section 6 below.

**B. *Fractional entitlements***

The Scrip Dividend Scheme authorises the Company to round any entitlements to Scrip Shares down to the nearest whole number, with the value of any fractions arising on the rounding down being aggregated and accrued for the benefit of the Company.

**C. *Regular advice of entitlement***

Shareholders participating in the Scrip Dividend Scheme shall be deemed to agree to electronic notification by way of the Company's website and announcement via a Regulatory Information Service in respect of each Relevant Dividend. This will include, inter alia, in respect of any Relevant Dividend: the Relevant Timetable (which will include information relating to the ex-dividend date, the Relevant Record Date, the Mandate Delivery Deadline and the Relevant Dividend Payment Date) and the Scrip Reference Price.

In addition, details of the Relevant Timetable and the Scrip Reference Price for each Relevant Dividend will be obtainable from the Company's website: [www.ccpeol.com](http://www.ccpeol.com) or by contacting the Registrar (whose details are set out in 10 below).

**D. *Revocation of a mandate***

A mandate may be revoked at any time by following the procedure set out in section 6 below.

A mandate will be deemed to be revoked in respect of any and all Ordinary Shares which a Shareholder sells or otherwise transfers to another person, but only with effect from registration of the relevant transfer in the share register. In addition, where a Shareholder converts its entire holding of shares of a class pursuant to the Company's share conversion facility and has not elected to receive Scrip Shares in relation to the converted class, its mandate will be deemed to be revoked. A mandate will also be deemed to be revoked immediately on notice of death, bankruptcy or insanity of a Shareholder unless that Shareholder is a joint Shareholder and the other joint Shareholder(s) is/are not similarly affected, in which case the mandate will continue.

**E. *Operation, modification or termination of the Scrip Dividend Scheme***

The basis of the calculation of the number of Scrip Shares to be offered in lieu of cash shall be determined by the Directors in accordance with the Articles. An illustrative worked example is set out in PART III of this document.

The Scrip Dividend Scheme may be suspended, modified or terminated by the Directors at any time and for any reason. Such suspension, modification or termination will be notified to Shareholders and the London Stock Exchange via a Regulatory Information Service. In the case of any suspension or modification, current mandates will be deemed to remain valid under the Scrip Dividend Scheme unless the mandate is cancelled by the Shareholder in accordance with section 6 below. In the case of a suspension, the Relevant Dividend will be paid entirely in cash.

**The terms and conditions set out in this document shall apply to all Relevant Dividends, unless otherwise notified by the Company to Shareholders and the London Stock Exchange via a Regulatory Information Service.**

**3. *Overseas Persons***

The right to receive Scrip Shares instead of cash in respect of the cash dividend is not available to any Shareholder, or underlying beneficial owner of Ordinary Shares, located or

resident in Canada, Japan, South Africa or the United States, or in any jurisdiction outside the United Kingdom or Jersey where such an offer would require compliance by the Company with any governmental or regulatory procedures or any similar formalities.

It is the responsibility of any Shareholder (including any underlying beneficial owner of the Ordinary Shares) outside the United Kingdom or Jersey wishing to elect to receive Scrip Shares through the Scrip Dividend Scheme to ensure that such an election can be validly made without any further obligation on the Company, and to be satisfied as to full observance of the laws of the relevant jurisdiction in connection therewith, including obtaining any governmental or other consents, permissions or authorisations which may be required and observing any other formalities needing to be observed in such territory and each Shareholder (including any underlying beneficial owner of the Ordinary Shares) who elects to receive Scrip Shares through participating in the Scrip Dividend Scheme shall be deemed to represent and warrant to the Company that such is the case. Such a Shareholder (including any underlying beneficial owner of the Ordinary Shares) should be aware that the responsibility is on-going while a mandate is in force. Receipt of a Mandate Form will not constitute an invitation to make such an election in those jurisdictions in which it would be illegal to extend such an invitation and, in such circumstances, a Mandate Form is sent for information only.

**4. If you have received more than one Mandate Form**

If for any reason your Ordinary Shares are registered in more than one holding and as a result you have received more than one Mandate Form, they will be treated for all purposes as separate holdings. Should you wish to elect for the Scrip Dividend Scheme in respect of all the Ordinary Shares set out in such Mandate Forms, you should complete and return Part B of each Mandate Form accordingly (unless you wish and are able, before 5.00 p.m. (London time) on the Mandate Delivery Deadline, to arrange with the Registrar to have your holdings combined). Furthermore, if in the UK your Ordinary Shares are registered partly in certificated form and partly in uncertificated form, the Company will treat your holdings as if they were separate holdings.

**5. If you recently acquired Ordinary Shares**

If you acquired Ordinary Shares prior to the Record Date, but have not received a Mandate Form, you should contact the stockbroker, bank or other agent through whom those shares were acquired, without delay.

**6. If you wish to cancel your election to participate in the Scrip Dividend Scheme**

An election by a Shareholder holding its Ordinary Shares in certificated form to participate in the Scrip Dividend Scheme may be cancelled at any time by writing to the Registrar, except that, for a cancellation instruction to be effective for a Relevant Dividend, it must be received by the Mandate Delivery Deadline in respect of such Relevant Dividend. If a cancellation instruction is received after the Mandate Delivery Deadline in respect of any given Relevant Dividend, that instruction will not apply to the Relevant Dividend in question (i.e. the election to receive a scrip dividend alternative under the Scrip Dividend Scheme will continue to apply) but such cancellation will apply to all subsequent Relevant Dividends.

An election by a Shareholder holding its Ordinary Shares in uncertificated form to participate in the Scrip Dividend Scheme may be cancelled at any time by utilising the CREST procedures for deletions described in the CREST Manual, unless the Company consents to a revocation in another form. For a cancellation instruction to be effective for a Relevant Dividend, it must be received by the Mandate Delivery Deadline in respect of such Relevant Dividend. If a cancellation instruction is received after the relevant Mandate Delivery Deadline in respect of any given dividend that instruction will not apply to the dividend in question (i.e. the election to receive a scrip dividend alternative under the Scrip Dividend Scheme will continue to apply) but such cancellation will apply to all subsequent Relevant Dividends.

## 7. Listing of Scrip Shares and issue and delivery of Scrip Shares

Once allotted and issued, an application will be made to the UK Listing Authority and the London Stock Exchange for Admission of the Scrip Shares. The operation of the Scrip Dividend Scheme in relation to a Relevant Dividend is conditional on the Admission of the relevant Scrip Shares and also on the requirement that the Board has not by such date withdrawn, modified or suspended the Scrip Dividend Scheme.

When issued, the Scrip Shares will rank *pari passu* in all respects with the fully paid Ordinary Shares of the same class then in issue. An Electing Shareholder shall be deemed to have instructed the Directors that it wishes to automatically receive its entitlement to Relevant Dividends in Scrip Shares instead of cash.

No acknowledgement of receipt of Part B of the Mandate Forms will be issued. Subject to Admission, and where UK Shareholders have chosen to retain their shareholdings in certificated form, it is expected that definitive share certificates for the Scrip Shares will be posted, at the risk of the persons entitled thereto, on or around the date of the relevant Admission. The date for posting of the dividend cheques in respect of the cash dividend is also on or around the date of the relevant Admission. Where Shareholders hold Ordinary Shares in uncertificated form, Scrip Shares will be issued in the same uncertificated form, and their CREST member accounts will be updated electronically on the date of the relevant Admission. In the unlikely event that Admission does not occur, Part B of the Mandate Forms will be disregarded in respect of that Relevant Dividend and the cash dividend will instead be paid, as soon as practicable thereafter. The validity of mandates in respect of future scrip dividend alternatives will not be affected.

## 8. UK Tax Considerations

The following statements are intended only as a general guide to certain UK tax considerations and do not purport to be a complete analysis of all potential tax consequences of acquiring or holding Scrip Shares. Prospective acquirers of Scrip Shares are advised to consult their own professional advisers concerning the tax consequences of the acquisition and ownership of Scrip Shares. The following statements are based on current UK legislation and what is understood to be the current practice of HMRC as at the date of this document both of which may change, possibly with retroactive effect. They apply only to Shareholders who are resident for tax purposes in (and only in) the UK who hold their shares as an investment, and who are the absolute beneficial owners of their shares as well as any dividends paid on them. The tax position of certain categories of Shareholders who are subject to special rules (such as persons acquiring their Scrip Shares in connection with employment, dealers in securities, insurance companies and collective investment schemes) is not considered.

The tax consequences for a Shareholder making an election to receive Scrip Shares instead of the cash dividend will depend on the personal circumstances of that Shareholder. Your Directors have been advised that, based on current UK legislation and published taxation practice, the tax consequences for Shareholders resident in the UK for tax purposes will be broadly as outlined below.

### ***Receipt of Scrip Dividends***

Shareholders resident in the United Kingdom for tax purposes and who elect to receive Scrip Shares should not be liable to UK income tax or corporation tax upon receipt of any Scrip Shares. Such Shareholders should also not be treated as making a disposal for the purposes of United Kingdom capital gains tax or corporation tax on chargeable gains at the time that such Scrip Shares are issued. Instead the issue of Scrip Shares should be treated as a reorganisation of the share capital of the Company and accordingly the Scrip Shares and the original holding of Ordinary Shares held by the Shareholder should be treated as the same asset, acquired at the same time and for the same chargeable gains tax base cost as the original holding of Ordinary Shares. There will be no allowable expenditure for chargeable gains tax purposes arising in respect of the Scrip Shares. As a result of the issue of Scrip Shares, the United Kingdom resident Shareholder's original base cost in his or her Ordinary Shares will be apportioned between his or her

original holding of Ordinary Shares and the Scrip Shares by reference to their respective market values on the day on which any of the Ordinary Shares held by the Shareholder following the issue of Scrip Shares are disposed of.

### ***Offshore Fund Rules***

The Ordinary Shares in the Company are currently approved as reporting funds for the purposes of the offshore fund legislation contained in Part 8 of the Taxation (International and Other Provisions) Act 2010.

Accordingly, the Company is required to calculate its income in accordance with the relevant rules applicable to offshore reporting funds and report the same to investors (as described further below).

Assuming that more than 60 per cent. of the assets attributable to the Ordinary Shares are "qualifying investments" (which includes securities and certain other interest-bearing or economically similar investments), the Company will also be considered to be a "bond fund" for the purposes of UK taxation. In this regard, Shareholders are referred to Chapter 3 Part 6 of the UK Corporation Tax Act 2009 and Section 378A Income Tax (Trading and other Income) Act 2005. The following statements assume that the Shares will be treated as a "bond fund".

### ***Individual Shareholders***

As the holder of an interest in a reporting offshore fund, UK Shareholders who are individuals will be subject to UK tax on income by reference to both:

- (i) distributions actually received from the Company in respect of the Ordinary Shares; and
- (ii) if the Shareholder is treated as holding Ordinary Shares at the end of a relevant reporting period, the amount (if any) by which the reported income attributable to his Shares exceeds the amount actually distributed in respect of the Shares for that period (the "**excess reporting income amount**").

The issuance of Scrip Shares would not be considered as a distribution by the Company for these purposes. To the extent that the total distributions made by the Company are less than the reportable income in respect of a given accounting period, then a Shareholder may be subject to tax on more income than he receives in respect of their Ordinary Shares. In this respect, if Scrip Shares are taken up by Shareholders and as a result, fewer distributions are made then the excess reportable income would be higher (in the absence of additional distributions being made by the Company).

Distributions received and any relevant excess reporting income amount will be taxed as if they were payments of interest at the applicable marginal rate of tax for the individual.

The Company provides details of any excess reporting income amount per Ordinary Share to Shareholders who hold an investment in the Company at the end of the relevant reporting period. Reporting periods will generally be the same as the Company's accounting periods.

### ***Corporate Shareholders***

For Shareholders within the charge to corporation tax, the Ordinary Shares would (for each accounting period of the Shareholder during which the shares have at any time been a bond fund) be treated as if they were a creditor relationship under the "loan relationships regime". For these purposes, the credits and debits to be brought into account would fall to be determined on the basis of fair value accounting, and the Shareholder would be taxed (or obtain relief from tax) in accordance with such accounting treatment. Accordingly, such persons may be subject to corporation tax on an unrealized increase in the value of their Ordinary Shares or, as the case may be, obtain relief against corporation tax by reference to an unrealised reduction in the value of their Ordinary Shares.

### ***UK Stamp Duty***

There is no stamp duty payable in the UK on the issue of the Scrip Shares.

**This summary of the tax treatment is neither exhaustive nor does it consider the position of any Shareholder who for tax purposes is treated as not resident in the United Kingdom. It is based on current UK tax law and published practice which may be subject to change, including with retrospective effect. Shareholders who are in any doubt as to their tax position are strongly recommended to consult their professional tax advisers immediately.**

## **9. Jersey Taxation Considerations**

This section 9 summarises the Jersey tax treatment for Shareholders acquiring, holding or disposing of Scrip Shares. This summary is based on current Jersey taxation law and practice in force as at the date of this document. This section is intended as a general guide only and does not constitute legal or tax advice. Shareholders should consult their professional advisers on the implications of acquiring, buying, selling or otherwise disposing of Ordinary Shares under the laws of the jurisdiction in which they may be liable to taxation.

### ***Taxation of Jersey Resident Shareholders***

A Jersey resident Shareholder will be subject to Jersey income tax on dividends received from the Company. With effect from 1 January 2013 scrip dividends are not taxable by concession.

### ***Taxation of non-Jersey Resident Shareholders***

Holders of Ordinary Shares (other than residents of Jersey) are not subject to any tax in Jersey in respect of the holding, sale or other disposition of such Ordinary Shares. Dividends on the Ordinary Shares may be paid by the Company without withholding or deduction for or on account of Jersey income tax.

### ***No stamp duty***

No stamp duty is levied in Jersey on the issue of shares. Accordingly, no stamp duty will be payable in Jersey on the issue of the Scrip Shares.

## **10. Registrar**

Further copies of this document and Mandate Forms may be obtained up to and including the Mandate Delivery Deadline from the Registrar at: Computershare Investor Services (Jersey) Limited, Queensway House, Hilgrove Street, St Helier, Jersey JE1 1ES.

## PART III

### ILLUSTRATIVE EXAMPLE

#### Illustrative example Scrip Reference Price (using Sterling Shares)

Pursuant to the Articles a Shareholder's entitlement to Scrip Shares for a Relevant Dividend is calculated by taking the amount of cash dividend to which it is entitled (i.e. the number of Shares held by that Shareholder at the Relevant Record Date multiplied by the cash value of that dividend per Sterling Share) and dividing it by the relevant Scrip Reference Price.

The Scrip Reference Price for a Sterling Share will be calculated by using the higher of: (i) the prevailing average mid-market quotation of the Sterling Shares on the Daily Official List of the London Stock Exchange over five trading days following and including the relevant ex-dividend date; or (ii) the Net Asset Value per Sterling Share at the date selected by the Directors for such purposes.

The number of sterling denominated Scrip Shares that the Shareholder would receive is calculated as follows:

$$\frac{\text{(Sterling Shares held on the Relevant Record Date x dividend cash value per Sterling Share)}}{\text{Scrip Reference Price}}$$

By way of example, assume the following in relation to Sterling Shares:

- Relevant Dividend with a cash value of 1p per Sterling Share
- Shareholder holds 1,000 Sterling Shares on the Relevant Record Date;
- Scrip Reference Price is to be calculated using the 5-day mid-market quotation of the Sterling Shares (i.e. point (i) above), which is £1.14 (being the average price of a Sterling Share across the five business days preceding publication of this document).

The Shareholder would be entitled to a total amount of cash dividend of £10.00 (i.e. 1,000 Ordinary Shares multiplied by the 1p cash value of the Relevant Dividend). The total cash value to be applied towards Scrip Shares for that Shareholder would therefore be £10.00. The number of Scrip Shares that the Shareholder would receive pursuant to the Scrip Dividend Scheme would be calculated as follows:

$$\frac{(1,000 \times 1p)}{\pounds 1.14} = \mathbf{8.77}$$

The Shareholder would be entitled to 8 Scrip Shares (i.e. 8.77 rounded down to the nearest whole number) with a total value of £9.12. A residual cash balance of 88p, being the total cash value being applied for the Shareholder (£10) less the value of the Scrip Shares at the Scrip Reference Price (£9.12), would be accrued for the benefit of the Company.

**PART IV**  
**ACTION TO BE TAKEN**

**Shareholders should note that holdings in certificated form will be treated as separate to holdings in uncertificated form for the purposes of calculating rights to dividends. Therefore Shareholders should take action relating to Ordinary Shares held in certified form as set out in section A and take action relating to Ordinary Shares held in uncertificated form in accordance with section B.**

**A. Shareholders holding Ordinary Shares in certificated form:**

Holders of Ordinary Shares held in certificated form who wish to participate in the Scrip Dividend Scheme should ensure that they have carefully read and understood this document.

- If you wish to elect to participate in the Scrip Dividend Scheme and therefore receive Scrip Shares in lieu of cash for Relevant Dividends, please complete Part B of the enclosed Mandate Form and return it to the Company's registrar, Computershare Investor Services (Jersey) Limited, Queensway House, Hilgrove Street, St Helier, Jersey JE1 1ES (the "**Registrar**") by no later than 5.00 p.m. (London time) on the Mandate Delivery Deadline.
- Shareholders should note that once a Mandate Form has been returned it will be treated as an election to participate in the Scrip Dividend Scheme until further notice and will thereafter be deemed valid for all Relevant Dividends.
- If you later decide that you no longer wish to participate in the Scrip Dividend Scheme you should write to the Registrar by no later than the Mandate Delivery Deadline for the Relevant Dividend to notify the Registrar that you wish to revoke your election and instead wish to receive a cash dividend. A notification will take effect once received and processed by the Registrar.
- Mandate Forms will only be accepted in relation to an entire holding of Ordinary Shares. Partial elections are not permitted in respect of Ordinary Shares held in certificated form.
- **If you do not wish to participate in the Scrip Dividend Scheme then no further action is required and you will instead receive a cash dividend.**

**B. Shareholders holding Ordinary Shares in uncertificated form in CREST:**

Holders of Ordinary Shares held in uncertificated form in CREST who wish to participate in the Scrip Dividend Scheme should ensure that they have carefully read and understood this document.

- Shareholders wishing to participate in the Scrip Dividend Scheme and therefore receive Scrip Shares in lieu of cash for Relevant Dividends will need to make a specific election by means of the CREST election procedure. This is done by submitting a CREST Dividend Election Input Message and answering "yes" to the Evergreen field in accordance with the Crest Manual. To participate in a Relevant Dividend the CREST election must be made by no later than 5.00 p.m. (London time) on the Mandate Delivery Deadline. This will be treated as an election to participate in the Scrip Dividend Scheme until further notice and will thereafter be deemed valid for all Relevant Dividends until:
  - (i) the Shareholder deletes its Dividend Election Input Message and that deletion is accepted in accordance with the CREST procedures by the Company;
  - (ii) the Shareholder transfers its shareholding in CREST or converts it in to certificated form;

- (iii) the Shareholder sells or otherwise transfers to another person their holding of Ordinary Shares;
  - (iv) a Shareholder converts its entire holding of shares of a class pursuant to the Company's share conversion facility and has not elected to receive Scrip Shares in relation to the converted class;
  - (v) the death, bankruptcy or insanity of a Shareholder unless that Shareholder is a joint Shareholder and the other joint Shareholder(s) is/are not similarly affected, in which case the mandate will continue; or
  - (vi) the scrip dividend facility is withdrawn by the Directors.
- If you are a CREST Personal Member, or other CREST Sponsored Member, you should consult your CREST Sponsor, who will be able to take appropriate action on your behalf.
  - The Company will permit partial elections, only where a Shareholder who holds his Ordinary Shares through CREST is acting on behalf of more than one beneficial holder (i.e. where such Shareholder is acting as a nominee holder).
  - **If you do not wish to participate in the Scrip Dividend Scheme then no further action is required and you will instead receive a cash dividend.**

**PART V**  
**DEFINITIONS**

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| <b>"Admission"</b>                               | admission of the Scrip Shares to listing on the premium listing segment of the Official List of the UK Listing Authority and to trading on the London Stock Exchange's main market for listed securities                                 |
| <b>"Articles" or "Articles of Incorporation"</b> | the articles of incorporation of the Company adopted from time to time   |
| <b>"Board" or "Directors"</b>                    | the board of directors of the Company  |
| <b>"Business Day"</b>                            | a day on which the London Stock Exchange and banks in Jersey are normally open for business  |
| <b>"Companies Law"</b>                           | The Companies (Jersey) Law, 1991, as amended from time to time   |
| <b>"Company"</b>                                 | CVC Credit Partners European Opportunities Limited   |
| <b>"CREST"</b>                                   | the facilities and procedures for the time being of the relevant system of which Euroclear UK and Ireland Limited has been approved as operator pursuant to the Uncertificated Securities Regulations 2001, as amended from time to time |
| <b>"Daily Official List"</b>                     | the daily publication of official quotations for all securities traded on the London Stock Exchange  |
| <b>"Electing Shareholder"</b>                    | a Shareholder electing to participate in the Scrip Dividend Scheme as set out in Part I of this document   |
| <b>"Euro Shares"</b>                             | Ordinary Shares denominated in Euros   |
| <b>"Euros" or "€"</b>                            | the lawful currency of the European Union  |
| <b>"Listing Rules"</b>                           | the Listing Rules made by the UK Listing Authority pursuant to Part VI of the UK Financial Services and Markets Act 2000, as amended from time to time   |
| <b>"London Stock Exchange" or "LSE"</b>          | London Stock Exchange plc  |
| <b>"Mandate Delivery Deadline"</b>               | the deadline, as set out in the Relevant Timetable, by which an election or cancellation must be made in order for it to be effective in relation to a Relevant Dividend   |
| <b>"Mandate Form"</b>                            | the form accompanying this document to be signed and completed by Electing Shareholders holding their Ordinary Shares in certificated form   |
| <b>"Net Asset Value per Ordinary Share"</b>      | the net asset value per Ordinary Share of a class as calculated in accordance with the Company's valuation policy  |

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|---|--|
| <b>"Official List"</b>                  | the Official List maintained by the UK Listing Authority pursuant to Part VI of the Financial Services and Markets Act 2000, as amended from time to time  |
| <b>"Ordinary Shares "</b>               | redeemable ordinary shares of no par value in the capital of the Company issued as "Ordinary Shares" of such classes (denominated in such currencies) as the Directors may determine in accordance with the Articles, and having such rights and being subject to such restrictions as contained in the Articles |
| <b>"Registrar"</b>                      | Computershare Investor Services (Jersey) Limited   |
| <b>"Regulatory Information Service"</b> | a regulatory information service, being one of the service providers listed in Schedule 12 of the Listing Rules  |
| <b>"Relevant Dividend Payment Date"</b> | the date, as set out in the Relevant Timetable, on which a Relevant Dividend will be paid to Shareholders  |
| <b>"Relevant Dividend"</b>              | has the meaning given to it in PART I of this document   |
| <b>"Relevant Record Date"</b>           | the record date, as set out in the Relevant Timetable, on which Ordinary Shares must be held for a Shareholder to be eligible to receive any Relevant Dividend   |
| <b>"Relevant Timetable"</b>             | as announced by the Company, in relation to each Relevant Dividend, via a Regulatory Information Service and made available on the Company's website <a href="http://www.ccpeol.com">www.ccpeol.com</a>  |
| <b>"Restricted Territory"</b>           | Canada, Japan, South Africa, or the United States, or any other jurisdiction outside the United Kingdom in which an offer of the right to elect to receive Scrip Shares would require compliance by the Company with any governmental or regulatory procedures or any similar formalities                        |
| <b>"Scrip Dividend Scheme"</b>          | the Company's scrip dividend scheme comprising the terms and conditions contained in this document, as may be amended, supplemented or replaced from time to time  |
| <b>"Scrip Reference Price"</b>          | has the meaning given in the paragraph entitled "Entitlement" in Part I of this document   |
| <b>"Scrip Shares"</b>                   | the new Euro Shares and/or Sterling Shares (as the case may be) to be issued pursuant to the Scrip Dividend Scheme   |
| <b>"Shareholder"</b>                    | a holder of Ordinary Shares  |
| <b>"Sterling Shares"</b>                | Ordinary Shares denominated in Sterling  |
| <b>"Sterling"</b>                       | the lawful currency of the United Kingdom  |
| <b>"UK Listing Authority"</b>           | the Financial Services Authority as the competent authority for listing under Part VI of the Financial Services and Markets Act 2000, as amended from time to time   |