

### Legislative and Regulatory Changes; Bank Holding Company Act

Proposed regulations by the SEC, if enacted, would significantly alter the manner in which asset-backed securities, including securities similar to the Securities, are issued and structured and increase the reporting obligations of the issuers of such securities. Proposed changes to Regulation AB under the Securities Act have the potential to impose new disclosure requirements that would be burdensome in connection with the issuance and sale of any additional Facility or any Refinancing. Also, while the Issuer will be structured to comply with the EU Risk Retention Rules regarding risk retention by sponsors of securitizations in connection with the intended Refinancing, future changes to such rules or similar requirements in the United States could potentially impact the Issuer's ability to undertake any Refinancing.

In particular, the Dodd-Frank Act imposes a new regulatory framework on the U.S. financial services industry and the credit markets in general, and includes provisions that are expected to have a broad impact on the financial markets. Section 619 of the Dodd-Frank Act added a provision to federal banking law, commonly referred to as the "Volcker Rule", which amends the BHCA and, subject to limited exceptions, prohibits banking entities and their subsidiaries and affiliates from engaging in proprietary trading or from acquiring or retaining an ownership interest in, or sponsoring or having certain relationships with, a hedge fund or private equity fund.

A "covered fund" is any entity that would be an investment company but for the exemption provided by Section 3(c) (1) or Section 3(c) (7) of the Investment Company Act. Therefore, absent an exclusion from the definition of "covered fund", the Issuer would be a covered fund. The applicable regulations contain an exclusion applicable to loan securitizations and under such exclusion only loans and certain related assets are permitted to be held by the relevant fund. The Facility documentation will provide that none of the Collateral Obligations may consist of Bonds. Notwithstanding the foregoing, no assurance can be made that the Issuer will qualify for such loan securitization exclusion or for any other exclusion that might be available under the Volcker Rule and its implementing regulations.

If the Issuer were determined to be a "covered fund", there would be significant limitations on the ability of banking entities to purchase or hold any class of its securities deemed to be an "ownership interest", which would be expected to include the Preferred Shares. Moreover, if the Issuer were a "covered fund" and an Initial Facility Lender were determined to have been an investment manager, investment adviser or sponsor, such Initial Facility Lender and affiliates thereof may not be permitted to engage in certain transactions with the Issuer. Investors should consult their own legal advisors in determining whether the Volcker Rule would prohibit or restrict them from acquiring an interest in any Preferred Shares, or would require them to subsequently divest such interest.

The Federal Deposit Insurance Corporation approved final rules under Section 941 of the Dodd-Frank Act (the "**US Risk Retention Regulations**") regarding risk retention by sponsors of asset-backed securities, and these rules became fully effective with respect to collateralized loan obligation transactions on December 24, 2016. The US Risk Retention Regulations contain provisions that limit the ability of the Issuer to issue an additional Facility or undertake any Refinancing (or refinancing of the Refinancing) in the future.

Compliance with such rules and regulations could impose significant costs and restrictions on the Issuer and/or Deutsche Bank and its affiliates, and no assurance can be made that the impact of such changes or any further legislative or regulatory action would not have a material adverse effect on the Issuer, including the Issuer's ability to affect a Refinancing.

The foregoing is not an exhaustive discussion of the potential risks the Dodd-Frank Act and other regulatory changes pose for Deutsche Bank, the Issuer, the Portfolio Advisor and the Preferred Shareholders. See Section 14, "Certain Legal, ERISA and Tax Matters". No assurance can be made that the United States federal government or any U.S. regulatory body (or other authority or regulatory body) will not continue to take further legislative or regulatory action in response to the economic crisis in recent years or otherwise, and the effect of such actions, if any, cannot be known or predicted.