



B #:	0249-14
Date:	January 29, 2014
To:	All Participants
Category:	Underwriting
From:	Jeanne Mauro, Underwriting Vice President
Attention:	Managing Partner/Officer; Cashier, Operations, Data Processing, and Underwriting Managers
Subject:	Section 3 (c) (7) restrictions for owners of: MidOcean Credit CLO II and MidOcean Credit CLO II LLC

(A) CUSIP Number(s): 59863KAA5
59863KAC1
59863KAE7
59863KAG2

(B) Security Description: MidOcean Credit CLO II and MidOcean Credit CLO II LLC:
U.S.\$250,000,000 Class A Senior Secured Floating Rate Notes due 2025
U.S.\$56,000,000 Class B Senior Secured Floating Rate Notes due 2025
U.S.\$25,000,000 Class C Secured Deferrable Floating Rate Notes due 2025
U.S.\$21,000,000 Class D Secured Deferrable Floating Rate Notes due 2025

(C) Offer Amount: \$352,000,000

(D) Managing Underwriter: Jefferies LLC

(E) Paying Agent: Wells Fargo Bank, National Association

(F) Closing Date: January 29, 2014

Special Instructions:

Refer to the attachments for important instructions from the Co-Issuers.

MidOcean Credit CLO II
c/o Cayman Trust Limited
Landmark Square, First Floor
64 Earth Close
PO Box 715
Grand Cayman KY1-1107, Cayman Islands

MidOcean Credit CLO II LLC
c/o Puglisi & Associates
850 Library Avenue, Suite 204
Newark, Delaware 19711

MidOcean Credit CLO II (the “Issuer”) and MidOcean Credit CLO II LLC (the “Co-Issuer” and, together with the Issuer, the “Co-Issuers”):

U.S.\$250,000,000 Class A Senior Secured Floating Rate Notes due 2025 (“Class A Notes”)
U.S.\$56,000,000 Class B Senior Secured Floating Rate Notes due 2025 (“Class B Notes”)
U.S.\$25,000,000 Class C Secured Deferrable Floating Rate Notes due 2025 (“Class C Notes”)
U.S.\$21,000,000 Class D Secured Deferrable Floating Rate Notes due 2025 (“Class D Notes”)

CUSIP 59863KAA5 (Class A Notes)
CUSIP 59863KAC1 (Class B Notes)
CUSIP 59863KAE7 (Class C Notes)
CUSIP 59863KAG2 (Class D Notes)

The Co-Issuers and Jefferies LLC (the “Initial Purchaser”) are putting Participants on notice that they are required to follow these purchase and transfer restrictions with regard to the above-referenced securities.

In order to qualify for the exemption provided by Section 3(c)(7) under the Investment Company Act of 1940, as amended (the “Investment Company Act”), and the exemption provided by Rule 144A under the Securities Act of 1933, as amended (the “Securities Act”), offers, sales and resales of the securities listed above (the “Co-Issued Notes”) within the United States or to U.S. Persons may only be made in minimum denominations of \$250,000 and integral multiples of \$1,000 in excess thereof, to “qualified institutional buyers” (“QIBs”) within the meaning of Rule 144A that are also “qualified purchasers” (“QPs”) within the meaning of Section 2(a)(51)(A) of the Investment Company Act. Each purchaser of Co-Issued Notes (1) represents to and agrees with the Co-Issuers and the Initial Purchaser that (A) (i) the purchaser is a QIB who is a QP (a “QIB/QP”); (ii) the purchaser is not a broker-dealer which owns and invests on a discretionary basis less than \$25 million in securities of unaffiliated issuers; (iii) the purchaser is not a participant-directed employee plan, such as a 401(k) plan; (iv) the QIB/QP is acting for its own account, or the account of another QIB/QP; (v) the purchaser is not formed for the purpose of investing in the Co-Issuers; (vi) the purchaser, and each account for which it is purchasing, will hold and transfer at least the minimum denomination of Co-Issued Notes; (vii) the purchaser understands that the Co-Issuers may receive a list of participants holding positions in its securities from one or more book-entry depositaries; and (viii) the purchaser will provide notice of the transfer restrictions to any subsequent transferees; or (B) it is not a U.S. Person and is purchasing the

Co-Issued Notes outside the United States and (2) acknowledges that the Co-Issuers have not been registered under the Investment Company Act and the Co-Issued Notes have not been registered under the Securities Act and represents to and agrees with the Co-Issuers and the Initial Purchaser that, for so long as the Co-Issued Notes are outstanding, it will not offer, resell, pledge or otherwise transfer the Co-Issued Notes in the United States or to a U.S. Person except to a QIB that is also a QP in a transaction meeting the requirements of Rule 144A. Each purchaser further understands that the Co-Issued Notes will bear a legend with respect to such transfer restrictions. See “Transfer Restrictions” in the Final Offering Circular, dated as of January 27, 2013, relating to the Co-Issued Notes and other classes of notes issued solely by the Issuer.

The charter, bylaws, organizational documents or securities issuance documents of the Co-Issuers provide that the Co-Issuers will have the right to (i) require any holder of Co-Issued Notes that is a U.S. Person who is determined not to be both a QIB and a QP to sell the Co-Issued Notes to a QIB that is also a QP or (ii) redeem any Co-Issued Notes held by such a holder on specified terms. In addition, the Co-Issuers have the right to refuse to register or otherwise honor a transfer of Co-Issued Notes to a proposed transferee that is a U.S. Person who is not both a QIB and a QP. As used herein, the terms “United States” and “U.S. Person” have the meanings given such terms in Regulation S under the Securities Act.

The restrictions on transfer required by the Co-Issuers (outlined above) will be reflected under the notation “3c7” in DTC’s User Manuals and DTC’s Reference Directory.

Any questions or comments regarding this subject may be directed to the Issuer at +1 (345) 769-9358.