ABS CLO Business Plan

Liffey Credit Management

DOCUMENT GUIDE

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A complete business plan and its supporting financial model.

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How to read this plan

A proposed Dublin euro loan CLO manager for founding shareholders and institutional counterparties. Read issuer investor risk separately from manager operating results. No commitments or approvals are represented as secured.

Forecasts are author assumptions dated 3 October 2026. The workbook uses EUR, monthly company periods 2027 to 2029 and annual vehicle periods 2027 to 2036. Personal budget and commercial term gaps remain disclosed.

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Executive summary

The proposal

Liffey Credit Management is a proposed Dublin manager of euro senior secured loan collateralised loan obligations (CLOs). We plan a first €400m collateral vehicle in July 2027 and a second in January 2029. The operating company and bankruptcy-remote issuer are financially distinct. This plan is for prospective founding shareholders and institutional counterparties, not an offer of securities. Base manager fee revenue is €700,000 in 2027 and EBITDA is (€359,000). Minimum monthly manager cash is €2,060,500; December 2029 cash is €4,064,645, conditional on proposed equity and two closes. Vehicle equity distributions total €79,766,765 over ten years with annual IRR 9.9%. Downside has total vehicle equity loss, EUR16m unpaid principal and about EUR11.6m unpaid interest at maturity.

Why it can work

The decision is to fund diligence and recruitment only after experienced principals, a suitable regulatory perimeter, an eligible retention provider and credible warehouse and equity commitments are established. The €3m manager equity proposal does not fund €44m of first-vehicle equity or the arranger warehouse. No mandate, rating or financing is secured.

Key fact	Verified Base result
Planned first close	July 2027
Manager proposed equity	€3m
Issuer proposed equity	€44m separate
2027 manager fees	€700,000
Minimum manager cash	€2,060,500

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Business details

Business activity

The working name is Liffey Credit Management. An Irish private company limited by shares is the planning structure, subject to counsel and name clearance. The company would manage collateral under a negotiated investment management agreement. The issuer would hold the loans and issue notes through separate Irish arrangements.

Planning item	Evidence or assumption
Name	Liffey Credit Management proposed
Activity	Institutional euro CLO collateral management
Address	Dublin financial services district shortlist
Legal status	Incorporation pending
Owner contacts	Not supplied
Registration	Pending
Tax status	Advice required
Online presence	Private institutional materials planned
Advisers	Counsel auditor compliance provider to appoint

Exact address, director names, contact details, company number and tax registrations are pending. No personal credentials are invented. The first underwriting decision concerns the people and permissions rather than office location. All fees and financial statements are in EUR. No retail distribution or consumer lending is proposed.

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Business concept and objectives

Investment mandate

The manager will select and monitor diversified euro senior secured leveraged loans for institutional securitisation vehicles. Investment policy would prohibit resecuritisation and constrain single obligor, sector and non-euro exposure. Exact eligibility and concentration tests belong in transaction documents and a rating analysis.

First year priorities

The first-year priorities are principal verification, investment committee controls, compliant retention arrangements and a first close. Two vehicles are an operating capacity target, not evidence of demand. New launches require a separate equity book and enough analysts to maintain monitoring quality.

Period	Evidence or assumption	Owner
Months 1 to 3	Verify principals and counsel perimeter	Founder
Months 4 to 6	Secure retention equity and warehouse	Investment committee
Month 7	First close contingent	Arranger and founder
Month 25	Second close contingent	Board

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Business model canvas

Scope and evidence

Institutional fee revenue comes from collateral management, not from gross loan interest. Loan coupons belong to the issuer and are allocated to noteholders through the waterfall. The manager earns a proposed 20bp senior and 15bp subordinated fee on collateral. Subordinated revenue is at risk when coverage tests fail.

Canvas area	Operating choice	Evidence needed
Partners	Arranger trustee eligible originator	Signed scopes pending
Activities	Underwriting surveillance reporting	Procedures to test
Resources	Five paid people plus secure systems	Principal evidence pending
Value	Disciplined senior loan selection	Investor interviews required
Relationships	Institutional diligence and reporting	No mandates
Channels	Professional placement and direct meetings	Arranger terms pending
Customers	Equity sponsors and professional note investors	No retail offer
Costs	Payroll overhead data and controls	Quote estimates
Revenue	20bp senior plus15bp junior fee	Negotiated contract required

Source: model version 1.0 and retained planning data. Business model canvas

The operating model depends on skilled underwriting, recurring surveillance, arranger access and investor confidence. Major resources are a four-person employee team plus founder, data systems and outsourced independent support. The illustrative manager assumes no incentive fee, trading gains or retained equity investment.

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SWOT and longer term goals

SWOT assessment

S1 is a deliberately narrow euro senior-loan mandate that permits a consistent investment process. S2 is an operating model that separates issuer cash from company revenue. These are design strengths rather than an established track record. W1 is absence of verified principal experience and W2 is first-deal concentration.

Years three to five

O1 is demonstrable European CLO issuance activity. T1 is cyclical defaults and T2 is inability to obtain equity, retention or warehousing. By year three the target is two €400m vehicles. Years four and five growth is conditional on performance, staffing and capital; no later revenue forecast is claimed.

Planning item	Evidence or assumption	Action
S1 S2	Focused mandate and clear economics	Protect discipline
W1 W2	New team and one initial vehicle	Verify hires and diversify launches
O1	European placed CLO activity	Test institutional interest
T1 T2	Credit stress and financing failure	Stage spending
Year three	Two €400m vehicles target	Confirm workload and capital
Year five	Selective repeat issuance	Extend model before expansion

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TOWS strategy matrix

Scope and evidence

The TOWS actions connect numbered SWOT findings to commitments. They are investment and launch controls, not marketing slogans. A wide issuance market cannot substitute for a manager track record, so investor conversations must test specific underwriting evidence and governance.

Source: model version 1.0 and retained planning data. TOWS strategy matrix

Strategy	Action	SWOT basis	Owner
SO	Use narrow euro-loan mandate to test institutional fit	S1 O1	Founder
WO	Hire experienced principal before marketing track record	W1 O1	Board
ST	Report issuer and manager stress separately	S2 T1	Risk lead
WT	Delay permanent commitments without financing	W2 T2	Board

S1 with O1 supports a focused first vehicle. W1 with O1 requires a hiring gate before investor materials. S2 with T1 supports transparent stress reporting. W2 with T2 supports a cash reserve and a hard stop when financing milestones slip.

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Owner and management

Ownership and experience

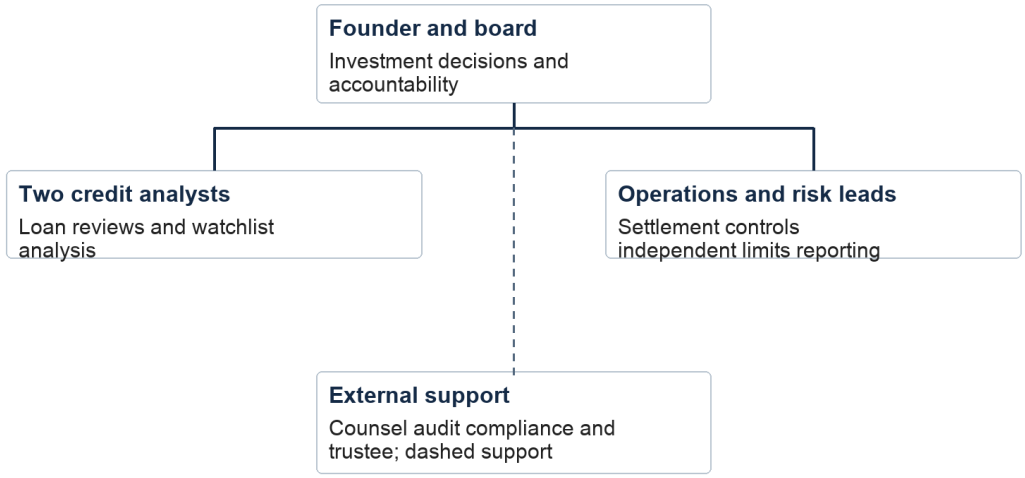
A proposed founder investment lead will chair weekly investment meetings and take responsibility for portfolio construction, counterparty selection and investor relationships. An independent board and compliance oversight must challenge conflicts and investment exceptions. No founder identity, CV or previous return history has been provided.

Management responsibilities

The four paid employees are two credit analysts, a portfolio operations specialist and a risk and reporting lead. The founder is paid separately. Outsourced counsel, audit and compliance advise but do not replace management accountability. External directors and retention-provider arrangements need signed scope and pricing.

Role	Main responsibility	Gross annual pay
Founder	Investment lead and relationships	€120k
Two analysts	Loan and sector coverage	€260k total
Operations lead	Settlement and trustee reconciliation	€130k
Risk reporting lead	Independent limits and escalation	€150k

Proposed reporting and independent support



Source: model version 1.0 and retained planning data. Owner and management

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Owner and key personnel profiles

Relevant background

Principal selection requires verified employment history, sector coverage, credit loss experience, references, qualification claims and ability to meet applicable fitness requirements. These are diligence requests, not statements about an unnamed founder. Shareholding percentages and source of the €3m equity remain open.

Other owners and shareholders

Each principal must disclose external mandates, potential conflicts, availability and succession coverage. Investment discretion should not reside with one person without challenge. Personal salary history is not provided and does not determine the manager cost forecast. The founder pay estimate is a company expense assumption.

Planning item	Evidence or assumption
Name	Not supplied
Ownership	Cap table pending
Responsibilities	Investment lead and board reporting
Previous employment	Evidence requested
Industry experience	Credit and CLO experience to verify
Key skills	Underwriting governance institutional sales
Qualifications	Verify actual credentials
Current personal income	Not disclosed

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Target customers

Priority customers

The first target is professional CLO equity investors able to commit to a new manager and bear subordinated risk. Rated note investors are the second group, accessed through an arranger. Neither group is a local Dublin retail catchment. Eligibility, diligence and distribution restrictions need transaction-specific advice.

Investment decision points

Customer decisions occur at warehouse commitment, marketing, pricing, close, refinancing and reset. A manager appointment is earned through underwriting capability and operational controls. Borrowers are collateral counterparties rather than paying management-fee customers. No retail savings, advisory subscription or direct loan origination revenue is assumed.

Planning item	Evidence or assumption	Action
Equity investors	First loss and residual cash	Anchor commitments required
Rated note investors	Priority coupon and principal	Arranger diligence and placement
Arranger	Warehouse structuring and placement	Negotiated counterparty terms

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Segmentation targeting and positioning

Scope and evidence

Segment by investor mandate, capital horizon and diligence requirements rather than demographic profile. Prioritise professional equity sponsors who accept a new manager with verified people and strong control design. Professional note investors require eligibility, credit protection and transparent collateral information.

Source: model version 1.0 and retained planning data. Segmentation targeting and positioning

Segment	Need	Target status	Position
Equity sponsor	Loss visibility and distribution analysis	Primary	Transparent first-loss underwriting
Note investor	Credit protection and eligibility	Secondary	Constrained collateral process
Arranger	Execution-ready team and capital	Partner	Clear closing gates

The positioning hypothesis is disciplined euro senior-loan selection with readable stress reporting. It has no proven performance premium. Success will be measured by actual diligence progression and signed commitments, not meeting counts alone. Claims about historical performance require attributable verified records and permission to use them.

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Value proposition canvas

Scope and evidence

Investors need to allocate capital, assess risk and monitor holdings. Their pains include opaque collateral changes, credit deterioration and operational exceptions. The proposed service combines repeatable underwriting, understandable reporting and early escalation. Benefits remain hypotheses until institutional interviews establish their importance.

Planning item	Evidence or assumption
Customer jobs	Capital allocation and portfolio monitoring
Pains	Unclear defaults conflicts and coverage exceptions
Gains	Timely understandable risk reporting
Products and services	Defined underwriting and professional surveillance
Pain relievers	Coverage exceptions escalated through clear controls and loss scenarios
Gain creators	Repeatable reporting and loan evidence support timely allocation reviews

Source: model version 1.0 and retained planning data. Value proposition canvas

Investor diligence packs will include the mandate, sample loan memo, conflicts policy, risk dashboard and model limitations. We will not promise a fixed equity yield. The vehicle base IRR is an illustrative ten-year output that can become negative under credit stress.

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Market size and trends

Market scope and trends

AFME reports €17.8bn of pan-European CLO placed issuance in Q1 2025 and €12.3bn in Q2 2025. The €30.1bn half-year total establishes market activity, not available manager demand. It is a historical issuance proxy, not annual market revenue or a validated 2027 TAM.

Sizing method

TAM here is that bounded H1 2025 issuance proxy. SAM, the portion open to new independent euro managers with this mandate, is unknown. SOM is the first planned €400m close, a capacity and financing target. It must not be divided by the historical proxy and presented as achieved or validated share. A current manager-accessible market study is required before launch.

Scope	Size and period	Method and evidence
TAM proxy	€30.1bn H1 2025	AFME Q1 17.8 plus Q2 12.3
SAM	Unavailable	New-manager accessible issuance not measured
SOM target	€400m 2027	One close conditional on commitments

Market scope and evidence limits



Source: model version 1.0 and retained planning data. Market size and trends

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PESTLE analysis

Scope and evidence

The six external categories below identify conditions that can change loan credit, execution or operating cost. Regulatory requirements are cited to official sources. Default rates, fee levels, pay and office costs are planning inputs requiring independent validation.

PESTLE for the proposed euro loan manager

Political EU securitisation reforms require monitoring before reliance.	**Economic** Defaults and recoveries drive equity loss and junior fees.	**Social** Institutional trust depends on verified people and fair disclosure.
Technology Secure data and dual controls protect operations and reports.	**Legal** Retention transparency permissions and notifications require counsel.	**Environmental** Borrower transition risks belong in sector underwriting.

Source: model version 1.0 and retained planning data. PESTLE analysis

Political reform cannot be treated as already effective law. Economic stress is tested through lower yield, more defaults and poorer recoveries. Technology and environment influence borrower diligence and manager controls. Legal counsel must establish the perimeter before any investment service or issuance.

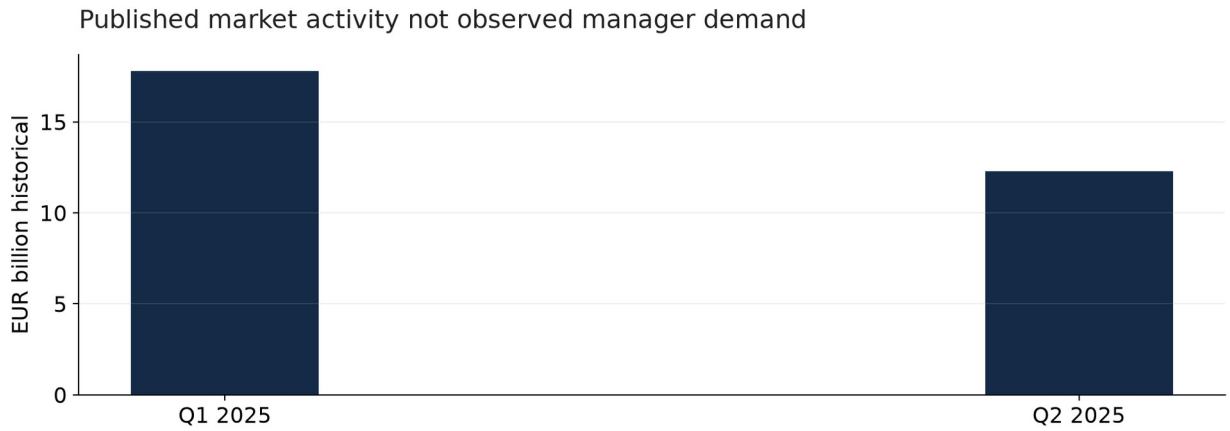
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Investor demand and evidence

Institutional demand

There is no observed local customer footfall for this institutional business. Demand evidence is professional investor research. AFME issuance data is an external activity benchmark; it does not establish willingness to fund Liffey Credit. No investor interviews or signed indications exist.

Planning item	Evidence or assumption	Action
Published activity	AFME Q1 Q2 2025	Historical market benchmark
Investor interviews	Not yet conducted	Owner to log dated responses



Source: model version 1.0 and retained planning data. Investor demand and evidence

Before hiring the full team, interview at least ten qualified equity prospects and several arrangers using a consistent diligence questionnaire. Record mandate fit, ticket size, track-record requirements and conditions for an indication. Report disconfirming feedback. The July close assumption is replaced only with evidence and realistic execution dates.

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Competitors and positioning

Investor alternatives

Established CLO managers, competing new managers and other credit allocation options compete for investor capital. Ares European direct and liquid credit activity is a named capability comparator from its official materials. Its scale and track record differ from this proposal. We do not assign invented competitor ratings or infer fee quotes.

Our position

The relevant gap to test is whether investors value a focused mandate and transparent reporting enough to appoint a new team. Track record, loss management and execution certainty are likely decisive diligence topics. Investors may prefer incumbent franchises even if our reports are clear.

Planning item	Evidence or assumption	Action
Established CLO manager	Verified franchise and teams	Public manager materials; incomparable scale
New independent manager	Potential mandate focus	Current competitors need mapping
Direct loan fund	Alternative credit allocation	Different liquidity and risk structure

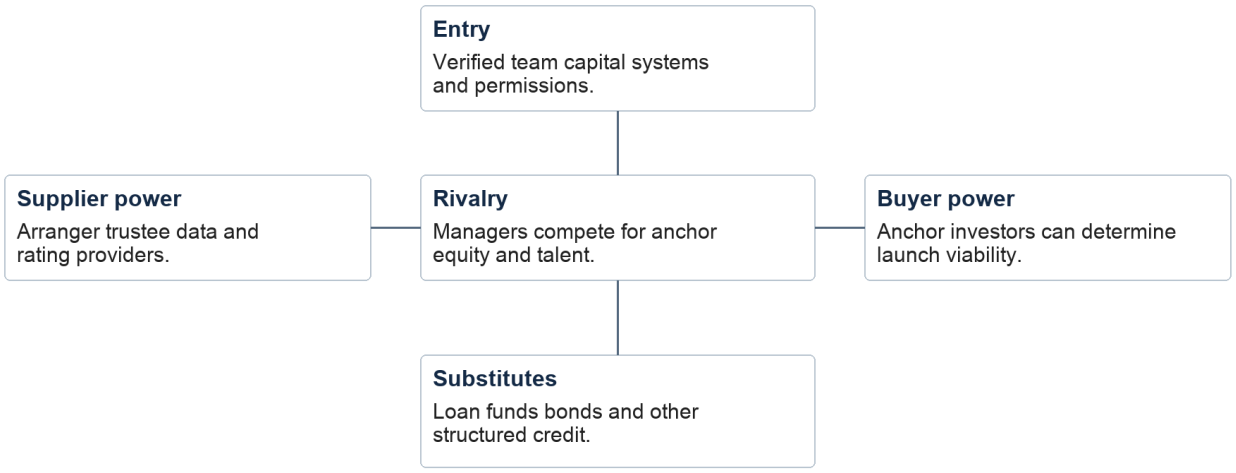
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Porter five forces

Scope and evidence

Rivalry for equity anchors and experienced personnel is substantial in the proposed launch. Buyer power is concentrated because one or two anchors can determine viability. Suppliers include loan sellers, data providers, trustee, ratings firms and arranger. Substitutes include loan funds and other structured credit exposures.

Five forces affecting the first close



Source: model version 1.0 and retained planning data. Porter five forces

Planning item	Evidence or assumption	Action	Owner
Rivalry	Incumbents compete for capital	Show actual loan process	Founder
Buyers	Anchor can veto launch	Obtain several indications	Founder
Suppliers	Arranger data trustee costs	Compare quotes and continuity	Operations
Substitutes	Funds and bonds	Explain liquidity and loss order	Sales
Entry	Team capital controls	Close readiness checklist	Board

Entry barriers include experienced staff, capital, operational systems, regulatory advice and counterparty confidence. The response is to verify credentials, obtain multiple service quotes and stage spending until commitments exist. Force assessments are qualitative hypotheses, not measured market scores.

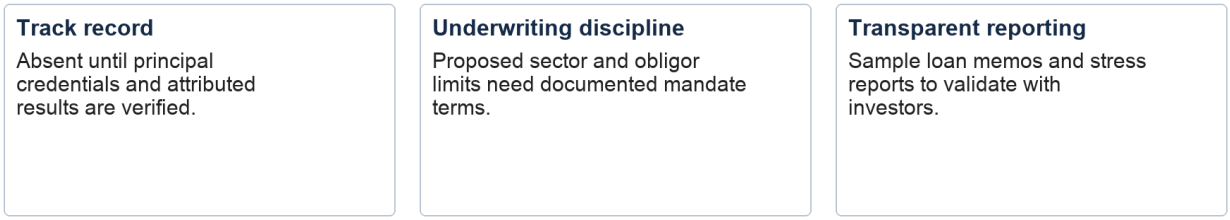
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Strategy canvas

Scope and evidence

The canvas compares proposed design priorities with investor diligence questions. It is not a numerical rating of competitors. We deliberately emphasise portfolio transparency, concentration discipline and response to defaults. We cannot compete on a verified long track record until one exists.

Proposed strategic emphasis without competitor scores



Source: model version 1.0 and retained planning data. Strategy canvas

Attribute	Our intended emphasis	Incumbent comparison	Evidence needed
Track record	Currently absent	Must inspect attributed records	Principal diligence
Transparency	Detailed loan and test reporting	No score assigned	Sample reports
Concentration	Documented limits	No score assigned	Mandate terms
Execution	Stage gates	No score assigned	Counterparty commitments
Cost	35bp fee hypothesis	No public quote	Negotiated terms

Each attribute requires evidence: sample reports, exception logs, defined approval limits and staff CVs. After interviews, replace hypotheses with attributed qualitative findings. Do not use this chart as proof that our service is superior or as a substitute for net performance.

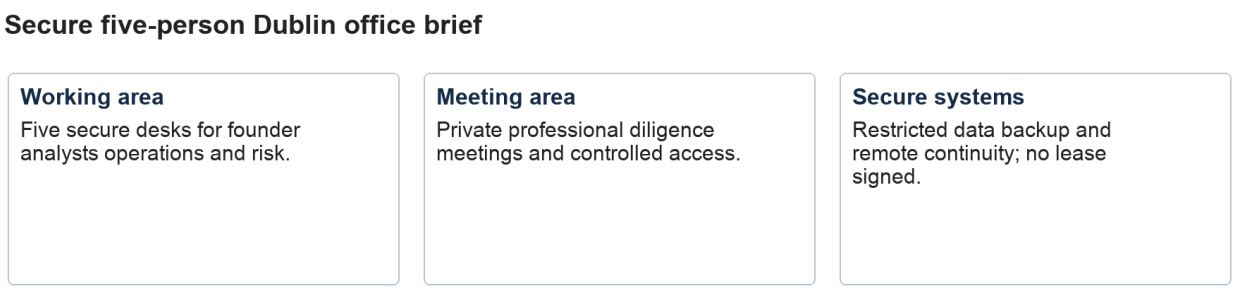
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Location and secure premises

Site assessment

Dublin provides a relevant Irish operating and issuer context. The proposal uses a small secure office or serviced premises with five working desks and meeting access. No lease has been selected. Annual €60k rent is contained within €300k overhead and is a planning estimate including occupancy charges.

Planning item	Evidence or assumption
Premises	Dublin secure five-desk office shortlist
Occupancy budget	€60k annual included in overhead
Lease	No signed lease or quote



Source: model version 1.0 and retained planning data. Location and secure premises

Sensitive borrower and investor information requires access control, secure networks, retention policies and backup capability. Premises visibility and pedestrian access do not drive revenue. Avoid a long lease until principal hiring and capital gates are met. Flexible space is the preferred early-stage approach.

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Equipment and resource plan

Equipment decisions

Initial equipment is €60k of computers, security hardware and office resources, depreciated over 36 months. It is separate from data licences and software operating expense. Data, monitoring tools and secure reporting are central production resources, with €120k annual data and systems allocation within overhead.

Resource	Required by	Cost and funding
Computers and security	Before January 2027	€40k estimate
Office IT and resources	Before January 2027	€20k estimate
Data licences	Hiring to launch	€120k annual overhead
Legal compliance setup	Before activities	Startup expense allowance
Backups and continuity	Before confidential access	Within systems budget
Audit trustee interfaces	Before close	Service terms pending
Capital assets total	January 2027	€60k proposed purchase

Obtain vendor quotes for loan data, security, business continuity and reporting tools. Define data ownership and export rights before contracting. No proprietary underwriting platform or automated credit decision is assumed. Technology supports qualified people and documented investment judgement.

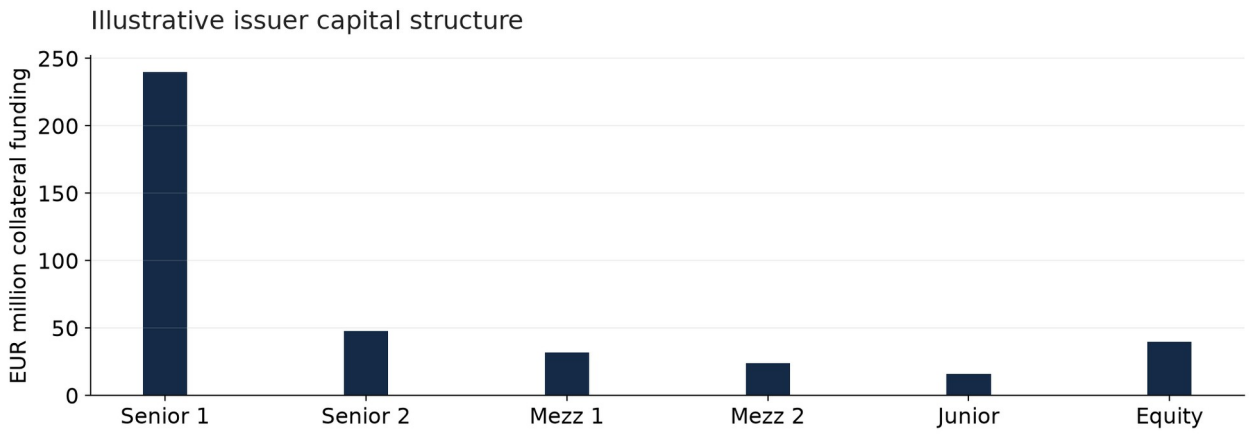
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Product and vehicle strategy

Launch vehicle

The launch product is one euro senior secured loan CLO with €400m collateral and five illustrative debt classes plus first-loss equity. Indicative rating labels are targets only. The initial collateral pool is funded with €360m debt and €40m collateral equity, plus €4m issue-cost equity. No class has a rating or placement commitment.

Planning item	Evidence or assumption	Action
Senior loan CLO	First institutional product	€400m proposed collateral
Refinance reset	Possible later transaction	No model revenue
Other ABS	Outside launch scope	New model and diligence required



Source: model version 1.0 and retained planning data. Product and vehicle strategy

ABS expansion is outside the launch case. An ABS pool would require distinct origination, servicing, cash mechanics and investor diligence. Refinancing and resets may become later options but no revenue from them is in the manager forecast. The base vehicle reinvests for four years then amortises.

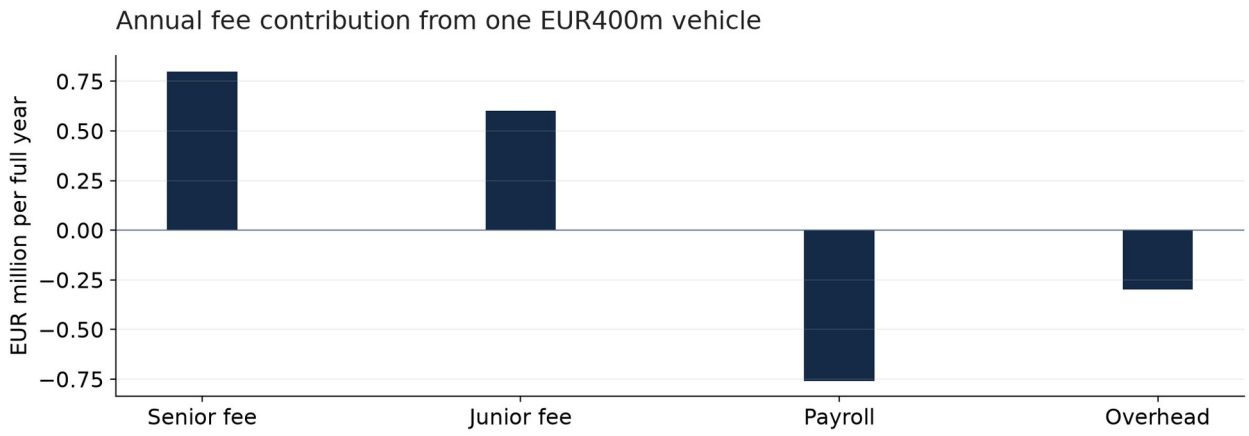
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Fees and unit economics

Fees and collection

The price is a management-fee schedule of 20bp senior plus 15bp subordinated annually on fee-paying collateral. At €400m this generates €1.4m annually if both fees are collected. Fee accrual and payment terms need agreement. The base first vehicle closes in month seven, producing six months of first-year revenue.

Planning item	Evidence or assumption
Senior fee	20bp annually on AUM
Junior fee	15bp conditional on coverage
Full year one vehicle revenue	€1.4m before manager costs



Source: model version 1.0 and retained planning data. Fees and unit economics

Gross fee capacity is not an equity return. Borrower interest and note coupons belong to the issuer. The manager annual payroll including founder and employer allowance is €759k at launch, plus €300k overhead. Gross-fee break even is about €303m before depreciation and tax; loss of the junior fee materially increases that threshold.

Comparable fee terms

Pricing method

No negotiated competitor fee schedules are available. The 35bp aggregate fee is an author assumption based on the reference model structure, not an observed winning quote. Public manager materials describe capabilities but do not establish comparable net fee terms or a new-manager discount.

Reasons for price differences

Arrange a confidential market check through prospective institutional counterparties. Compare seniority, collateral basis, deferral, incentive terms and services, not just headline basis points. This forecast contains no incentive fee. Lower fees must be tested against operating costs and coverage-dependent collection.

Planning item	Evidence or assumption	Action
Senior management	Our 20bp estimate	Comparator terms unavailable
Junior management	Our 15bp estimate	Comparator terms unavailable
Incentive fee	Excluded	Contract may differ
Issue and arranger fees	1% vehicle estimate	Obtain deal quotes

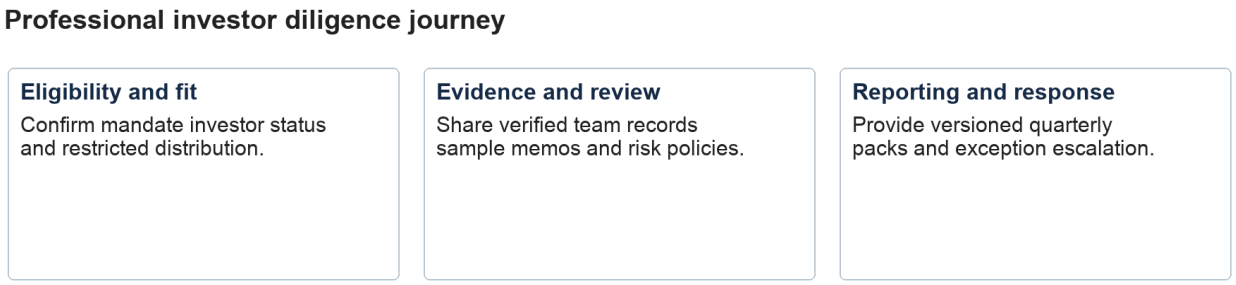
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Brand and customer experience

Experience standards

Institutional confidence will depend on precise materials and dependable execution. The brand will present an accountable underwriting team, plain-language reports and clearly stated model limitations. Trade-name clearance and website materials are pending.

Planning item	Evidence or assumption	Owner
Diligence	Consistent versioned data room	Risk lead
Reporting	Quarterly pack and exception alerts	Operations
Claims	Verified credentials and performance only	Board



Source: model version 1.0 and retained planning data. Brand and customer experience

Respond to professional diligence requests within agreed deadlines and retain version control. Escalate material credit deterioration promptly to the appropriate parties. Performance disclosures must be attributable and fair. The name cannot imply deposits, guarantees or a regulated status that the entity does not hold.

Sales channels and process

How we sell

Arranger-led note placement and direct professional meetings with equity anchors are the planned channels. Each prospect passes eligibility checks, conflict screening and controlled diligence before commitments. No unsolicited retail channel is included. Distribution responsibilities and permissions must be agreed with counsel and arranger.

Channel assumptions

A staged pipeline records initial meeting, mandate fit, diligence, indication, final documents and funded closing. Meetings do not count as revenue. The manager recognises recurring fees only from the close month. A second vehicle is added in month 25 only in the planning case; no double-counted upfront fee exists.

Planning item	Evidence or assumption	Action
Equity anchors	Direct professional diligence	No commitment yet
Rated notes	Arranger-led placement	No placement agreement
Manager appointment	Signed management agreement	35bp planning rate
Refinance reset	Future professional channel	Excluded from forecast

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Launch marketing

Before opening

The annual €30k marketing allocation within overhead funds professional materials, meetings and appropriate industry events. It does not finance retail advertising. Startup expenses include setup and diligence material preparation. No third-party marketing claims or conversion benchmark is assumed.

Opening activity

Before full staffing, verify a credible investor pipeline and arranger interest. At launch, a controlled data room holds principal evidence, sample memos, investment policy, operating procedures and stress results. Marketing success is progression to documented commitments that meet closing conditions, with costs logged against budget.

Period	Activity	Owner	Budget
Quarter one	Principal materials and policy pack	Founder	€10k annual budget portion
Quarter two	Equity and arranger diligence	Founder	€10k portion
Quarter three	Closing professional meetings	Operations	€5k portion
Quarter four	Investor reporting meetings	Risk lead	€5k portion

Retention and ongoing sales

Repeat business

Repeat issuance depends on collateral performance, operational quality and continuing investor fit. Provide scheduled reports, answer exceptions and document how adverse credit developments were handled. No repeat appointment is forecast as secured. The second close requires a new financing and capacity review.

Sales experiments

Do not spend manager cash on supporting a retention structure unless the legal eligibility, source of capital and risk are explicitly modelled. The proposal assumes a separately capitalised eligible originator. Retention is a legal and funding requirement distinct from marketing loyalty or repeat sales.

Planning item	Evidence or assumption	Owner
Reporting	Quarterly investor packs	Risk and operations
Portfolio review	Defaults limits and watchlists	Weekly investment committee
Second close	New capital and capacity gate	Board

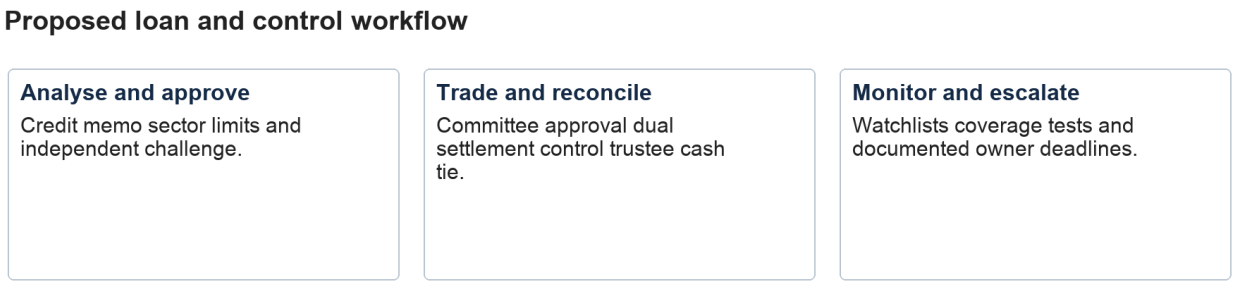
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Daily operations and suppliers

Operating routine

Analysts maintain issuer-level coverage, update borrower credit memos and flag watchlist changes. The investment committee approves trades within documented limits. Operations reconciles settlements, trustee records and cash, while the risk lead independently monitors concentrations and coverage tests. Exceptions are logged with owners and deadlines.

Planning item	Evidence or assumption	Action
Data and systems	Annual licence estimates	Backup provider and export rights
Trustee administrator	Issuer 5bp expense allowance	Counterparty quote required
Counsel compliance audit	Manager overhead and startup	Independent scopes required



Source: model version 1.0 and retained planning data. Daily operations and suppliers

Daily access controls and dual approval protect payments and confidential data. Trustee, data provider, compliance counsel and auditor appointments require service scope, business continuity and pricing review. Supplier credit is not assumed: manager salaries and overhead are paid in the month incurred. Issuer expenses are separately deducted before note payments.

Sustainability practices

Planned practices

Borrower environmental exposure is a credit diligence issue. Sector reviews will identify physical and transition risks where material to repayment and recovery. We will not call the vehicle sustainable or green without supported criteria and disclosures. No yield premium or cost saving from an ESG label is in the model.

Measurement and responsibilities

Manager operations can track travel, energy and secure electronic reporting. The risk lead records sector exclusions and exceptions approved by committee. Data limitations are stated in reports. Environmental screening does not override solvency analysis, and investor mandates may impose additional constraints.

Planning item	Evidence or assumption	Owner
Borrower risk	Material physical transition factors	Analyst review
Concentration	Sector policy and exceptions	Risk lead
Travel	Annual baseline after launch	Operations
Reports	Secure electronic delivery	Operations
Claims	No certification asserted	Board

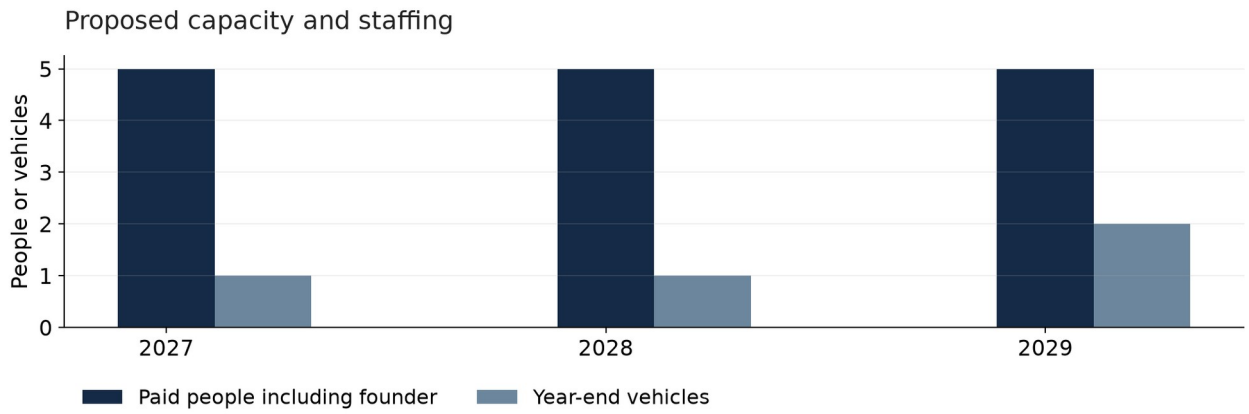
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Staffing and training

Roles compensation and training

The manager starts with four paid employees plus a full-time founder. Employee gross pay totals €540k: two analysts at €130k each, operations €130k and risk/reporting €150k. Founder gross pay is €120k. Employer and benefit allowance is 15%, taking launch annual payroll to €759k. Costs increase 3% each January.

Role	Paid people	Gross annual pay
Founder investment lead	1 full-time paid owner	€120k gross
Credit analysts	2 full-time employees	€260k gross total
Operations and risk	2 full-time employees	€280k gross total



Source: model version 1.0 and retained planning data. Staffing and training

One initial vehicle gives capacity for close monitoring and launch execution. Two vehicles is the planned ceiling in this forecast, not a validated productivity ratio. Training covers loan underwriting, compliance, conflicts, settlement control, coverage tests and incident response. Staff salary estimates require market quotes and contracts.

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Staff skills and fair work

Experience and qualifications

Hire analysts with evidenced leveraged credit skills and an operations lead with settlement and trustee reconciliation experience. The risk lead needs independence, controls expertise and clear authority to escalate. Verify qualifications and employment history. No credentials are invented to satisfy the plan.

Fair work practices

Contracts should provide clear compensation, leave, working hours, grievance channels and paid training. Peak closing deadlines require realistic cover rather than permanent unpaid overtime. Applicable Irish employment and payroll requirements must be confirmed before hiring. The 15% employer allowance is a forecast estimate, not a statutory PRSI rate.

Planning item	Evidence or assumption	Action
Founder	Investment leadership and conflicts judgement	Verify prior roles
Analysts	Credit memo modelling and sector diligence	Paid onboarding
Operations	Settlement dual control and reconciliation	Continuity drills
Risk lead	Independent limits and reporting	Incident and compliance training

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Legal and insurance requirements

Applicable requirements

Central Bank guidance identifies risk retention, transparency, credit granting and investor diligence requirements for in-scope securitisations. Irish originators, sponsors and SSPEs face notification requirements, generally no later than 15 working days after issue. Relevant SSPE registration may fulfil notification. Counsel must establish each entity role and applicable permission before activity.

How requirements will be met

EU risk retention is at least 5%, with permitted forms and eligibility requirements. The plan assumes an external eligible originator and separately funded retention, not automatic eligibility for a shell entity. Do not claim STS status for this managed loan CLO. Manager trading tax provision is 12.5%; issuer taxation, VAT and legal structures require separate advice.

Requirement	Action and owner	Status
Entity formation	Board and counsel	Pending incorporation
Regulatory perimeter	Counsel before any service	No authorisation claimed
Retention	Eligible external party and funds	No agreement
Notification FVC	Issuer counsel and administrator	15 working days guidance
Data privacy security	Operations and counsel	Policies pending
Insurance	Professional cyber directors cover	Quotes required

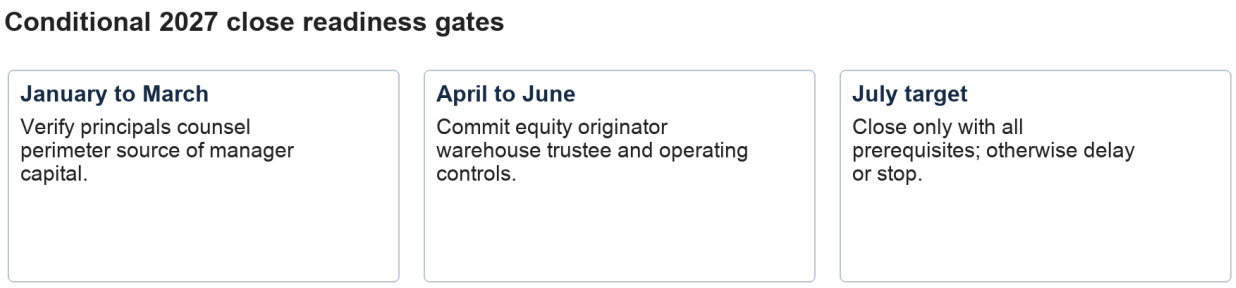
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Launch roadmap

Opening sequence

January to March 2027 is a proposed preparation period. Verify founder, obtain counsel perimeter analysis and price critical services before recruiting the full team. April to June requires investor diligence, a suitable originator, warehouse agreement, trustee/rating appointments and collateral eligibility work. July close remains conditional.

Planning item	Evidence or assumption	Action
Prepare January March	Principal counsel capital evidence	Board gate
Commit April June	Warehouse originator equity and systems	Close readiness gate



Source: model version 1.0 and retained planning data. Launch roadmap

The board should suspend hiring and discretionary expenditure when commitments are absent at the approval gate. Model Downside shifts close to January 2028 and excludes the second vehicle within the manager forecast. Credit stress and legal blockers can require abandoning launch rather than merely moving a date.

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Risks and management actions

Management priorities

Funding and first-deal concentration dominate manager risk. The company can retain cash while the issuer equity loses value, so the two risk results must be reported separately. Downside manager cash remains positive only under the stated €3m capital and expense assumptions; it is not evidence that finance is secured.

Risk	Response	Owner
No launch capital	Do not sign irreversible commitments	Board
Weak principal evidence	Do not market a fabricated track record	Founder
Default recovery stress	Watchlists sector limits stress tests	Risk lead
Test breach	Divert cash and report junior shortfalls	Trustee manager
Cyber or operational failure	Dual control backups continuity	Operations

Vehicle risk includes default, recovery lag, interest shortfalls and coverage diversion. The annual aggregate test is a simplified underwriting screen. Deal documents require class-specific tests, collateral haircuts, hedges and settlement timing. The founder owns an escalation register with explicit decision triggers and independent board challenge.

Research and evidence

Evidence notes

The evidence register distinguishes official legal and tax context from external market activity and author-selected estimates. Sources were reviewed on 3 October 2026. AFME H1 2025 data is historical and bounded. No interview, loan tape, supplier quote, rating analysis or investment performance has been collected.

Evidence	Source location	Use and limitations
Central Bank guidance	Open official source	Reviewed 3 October 2026
EU Regulation	Open official source	Risk retention and transparency
Revenue tax basis	Open official source	Trading rate assumption
AFME H1 2025 activity	Open official source	Historical 30.1bn proxy
Ares capability context	Open official source	Official European CLO strategy role; no fee comparison
Retained source	build_model.mjs plus inputs.json	Rebuilt ABS CLO reference concepts

Central Bank and EU material support the regulatory diligence agenda, not an approval finding. Revenue supports the distinction between trading and non-trading corporation tax. All fee, salary, portfolio, timing and loss assumptions require validation before commitment. The retained model source documents reference-inspired construction honestly.

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Quotes and assumptions

Outstanding inputs

No independent price quotes are available for office rent, systems, insurance, staff, arranger, trustee, rating or legal costs. The estimate register is therefore a list of author assumptions with outstanding evidence, not a quotation book. Replace estimates and rebuild model and plan together when commercial terms arrive.

Planning item	Evidence or assumption	Action
Salary and hiring	€660k employee plus founder gross	Market offers required
Manager overhead	€300k annual	Supplier lease insurance quotes
Manager startup	€350k plus €60k assets	Setup and IT quotes
Vehicle funding	€360m notes plus €44m equity	Term sheets absent
Portfolio economics	6.5% coupon 2% defaults 65% recovery	Loan tape rating diligence

Principal CVs, cap table, source of capital, manager permission, issuer structure, retention eligibility, collateral loan tape and anchor commitments are launch prerequisites. The financial case excludes warehouse mark-to-market, leverage borrowing at manager, incentive fees, FX hedges, restructuring expenses and investor-level taxes. These omissions can materially worsen returns.

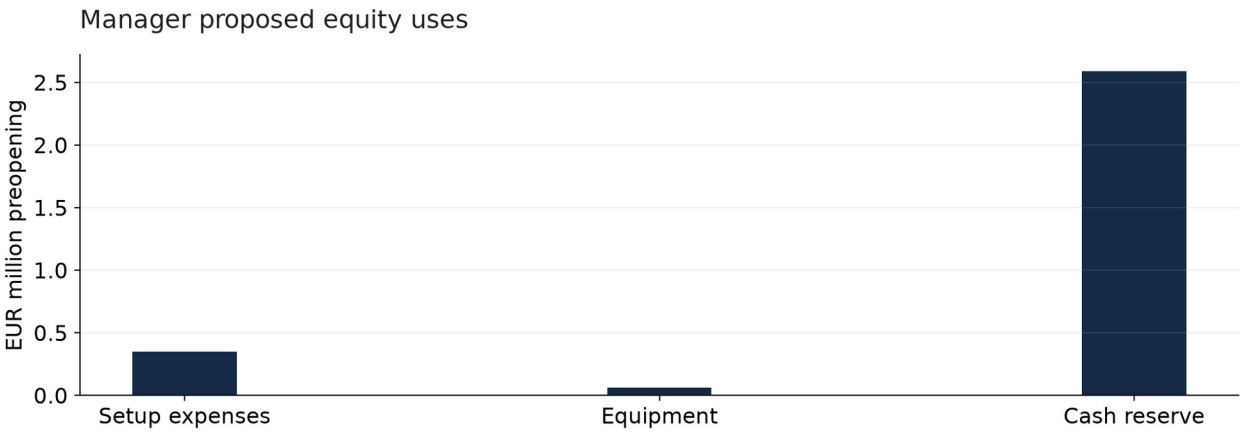
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Startup costs and funding

Funding requirement

The manager proposes €3m of equity, with €350k preopening expense and €60k equipment, leaving €2.59m cash at January 2027. Reserve is remaining cash, not a second expense. Startup losses reduce opening retained earnings. The financial model contains no company debt or invented investor commitment.

Manager use	Amount	Timing and status
Manager expenses	€350k	Before January 2027
Manager equipment	€60k	January 2027
Manager opening reserve	€2.59m	Remaining proposed capital
Manager equity source	€3m proposed	No funding proof



Source: model version 1.0 and retained planning data. Startup costs and funding

The issuer separately raises €360m note principal and €44m equity: €400m collateral purchase plus €4m issue expenses. This is a proposed sources-and-uses structure. The eligible external retention party and warehouse need separate committed capital. Manager cash cannot be represented as issuer retention funding.

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Itemized startup costs

Startup cost basis

Manager preopening expense totals €350k. The allocations below are planning estimates with no invoices. Only €60k equipment is capitalised over 36 months. Legal and recruiting setup is expensed, while remaining cash is reserve. No stock, loan inventory or office deposit is added to the manager balance sheet.

Startup use	Amount	Basis
Legal structure compliance	€150k	Estimate preopening
Recruiting onboarding	€80k	Estimate preopening
System implementation	€70k	Expense before opening
Diligence materials	€50k	Expense before opening
Computers security	€40k	Capital asset
Office IT resources	€20k	Capital asset
Manager expenses total	**€350k**	**Retained earnings charge**
Equipment total	**€60k**	**36 months depreciation**
Manager cash reserve	€2.59m	Unspent proposed equity
Manager equity total	**€3m**	**Uncommitted**
Issuer issue costs separately	€4m	Extra issuer equity

The vehicle’s €4m issue cost is a separate issuer-equity use and not counted in manager startup costs. The base assumes no warehouse cost borne by the manager. If contract terms allocate any such exposure to the company, the budget and capital requirement must be revised before signature.

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Owner personal survival budget

Personal spending and other income

No founder household data has been supplied. A personal survival budget is therefore unresolved. It must include monthly housing, utilities, dependants, transport, insurance, debt, savings and taxes, then deduct reliable external income. Do not invent expenditure or take-home pay to justify compensation.

Income required from the business

The model uses €120k annual gross founder pay, or €10k monthly before personal tax and contributions. This is already included in company payroll. The 15% employer allowance is separate. Confirm whether the proposed founder can meet household needs after actual payroll deductions; no owner drawings or additional company distributions are forecast.

Planning item	Evidence or assumption
Housing taxes	Not supplied
Utilities food communications	Not supplied
Insurance travel dependants	Not supplied
Personal debt	Not supplied
Savings pension contingency	Not supplied
Personal deductions	Payroll advice required
Total household expenditure	**Unavailable**
Reliable other income	Not supplied
Required net business income	Unavailable
Company gross founder pay	€10k per month assumption

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Financing terms and security

Funding gap and timing

There is no manager borrowing in the model, so company loan amortisation and personal guarantees are not forecast. €3m is proposed shareholder equity; source and availability must be verified. Cash reserve funds salaries and operating costs before fee income begins. It is not a bank facility or evidence of lender support.

Proposed security

Issuer notes are serviced from collateral interest and principal. The five note classes total 90% of €400m collateral. First-loss capital and €4m expenses require €44m equity. Indicative labels and coupons are assumptions; collateral security and limited recourse, warehouse terms and retention structure need counsel and arranger documents.

Planning item	Evidence or assumption	
Manager needs		€3m proposed equity
Confirmed contributions	None evidenced	
Company borrowing	None forecast	
Issuer notes		€360m uncommitted
Issuer equity		€44m uncommitted
Warehouse	Terms and capital pending	
Company personal guarantee	None assumed	
Security status	No legal documents executed	

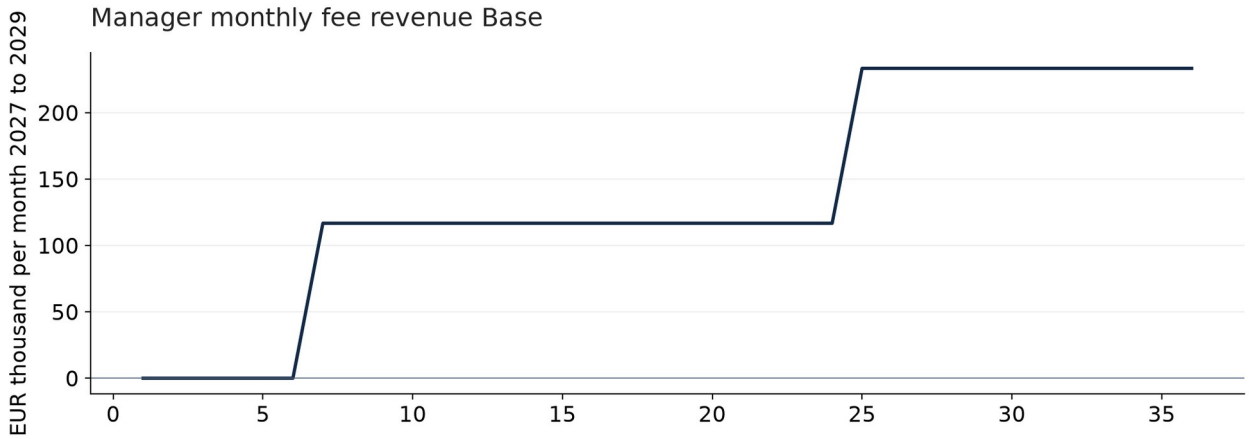
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Fee revenue and management capacity

Revenue drivers

Manager fee revenue begins at the close month and is calculated as fee-paying AUM times annual fee rate divided by 12. Base has one €400m vehicle from July 2027 and a second from January 2029. Manager AUM remains level through 2029 as both are within their reinvestment windows. AUM is distinct from cumulative issuance.

Manager forecast	Year 2027	Year 2028	Year 2029
Senior manager fees	€400,000	€800,000	€1,600,000
Junior manager fees	€300,000	€600,000	€1,200,000
Total manager revenue	**€700,000**	**€1,400,000**	**€2,800,000**



Source: model version 1.0 and retained planning data. Fee revenue and management capacity

The issuer schedule runs ten annual periods 2027 to 2036 with four reinvestment years, one-year recovery lag and terminal sale at 95% of performing pool and expected recovery claims. It is an annual illustration rather than transaction payment dates. The manager junior collection proxy is gated by first-year aggregate vehicle tests; actual multiple-vehicle cash collection requires deal-specific schedules.

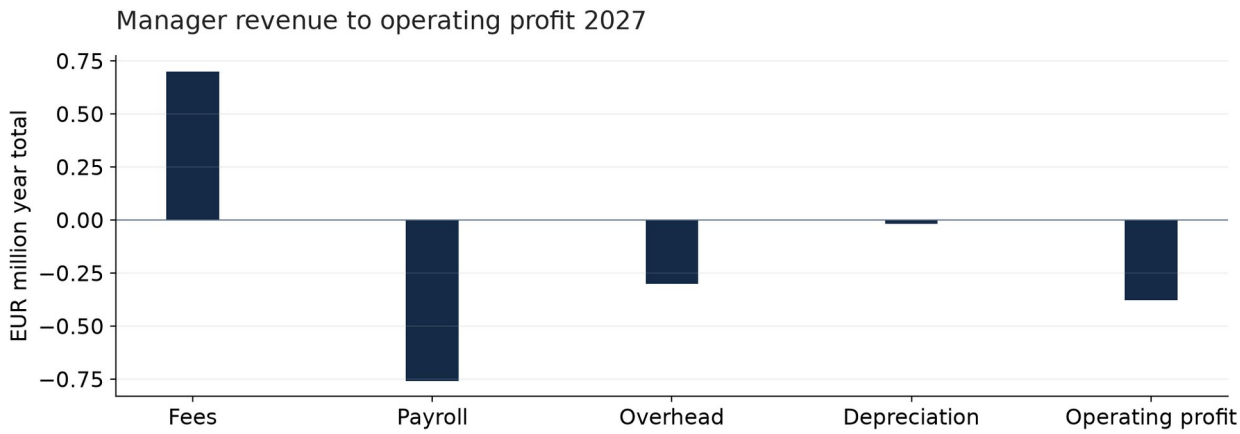
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Costs and projected profit

Cost structure

Payroll and data resources drive manager operating costs. The model separates employee gross, founder gross, employer allowance and fixed overhead. Founder pay is included even when the first close is delayed. Fixed costs step up 3% at each January. Equipment depreciation is noncash and included in profit.

Annual cost EUR	2027	2028	2029
Gross employee and founder	€660k	€679.8k	€700.2k
Employer allowance	€99k	€102.0k	€105.0k
Fixed overhead	€300k	€309k	€318.3k



Source: model version 1.0 and retained planning data. Costs and projected profit

Manager tax is an illustrative 12.5% provision on taxable profit after brought-forward startup and trading losses, paid in the same month for conservatism. No deferred tax asset exists. VAT recoverability and issuer tax are not modelled: obtain advice and increase costs if nonrecoverable charges are material.

Profit and loss forecast

Forecast basis

The manager profit forecast is monthly January 2027 to December 2029, summarised annually below. It contains fee revenue only, not issuer loan coupons. Expenses include paid founder and employees, employer allowance and overhead. €350k preopening expenses are in opening retained earnings, outside operating-period P and L.

Manager EUR	Year 2027	Year 2028	Year 2029
Senior management fees	€400,000	€800,000	€1,600,000
Junior management fees	€300,000	€600,000	€1,200,000
Total fee revenue	**€700,000**	**€1,400,000**	**€2,800,000**
Employee gross payroll	€540,000	€556,200	€572,886
Founder gross pay	€120,000	€123,600	€127,308
Employer allowance	€99,000	€101,970	€105,029
Fixed overhead	€300,000	€309,000	€318,270
EBITDA	**(€359,000)**	**€309,230**	**€1,676,507**
Depreciation	€20,000	€20,000	€20,000
Operating profit	**(€379,000)**	**€289,230**	**€1,656,507**
Tax provision	–	–	€152,092
Net profit	**(€379,000)**	**€289,230**	**€1,504,415**

The issuer schedule is presented separately through its waterfall, debt and equity cash. It is not consolidated into company statements. Loan defaults change collateral and investor returns; the manager may continue to receive senior fees while junior distributions stop.

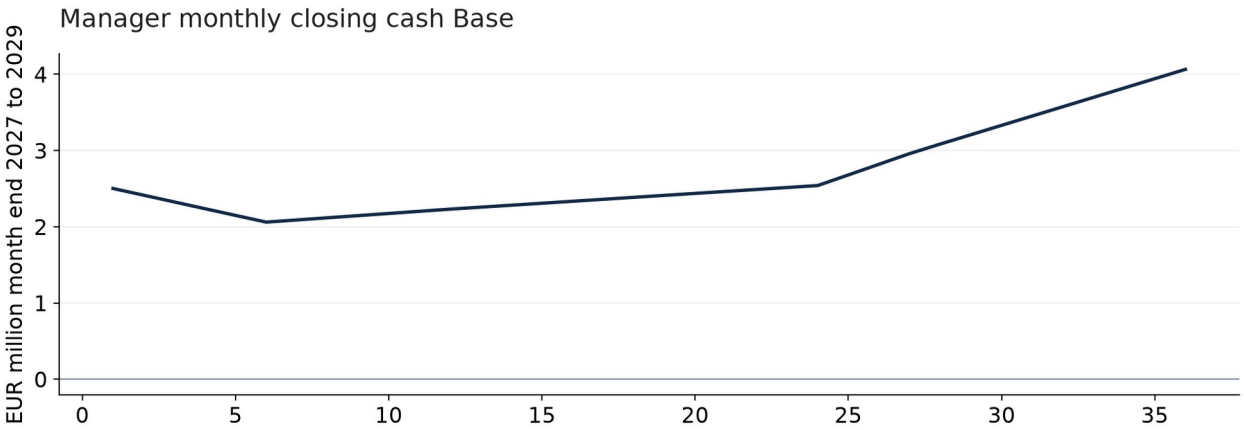
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Cash flow and financial position

Cash requirements

Manager opening cash is €2.59m after €3m proposed equity, €350k startup expense and €60k equipment. Fee receipts, operating payments and tax provision are assumed paid in the same month. No receivables, supplier credit, debt or dividends are modelled. Actual quarterly trustee fee settlements would require working-capital scheduling.

Planning item	Evidence or assumption
Opening cash	€2.59m proposed after setup
Collection timing	Same-month planning proxy
Company debt	None assumed



Source: model version 1.0 and retained planning data. Cash flow and financial position

Cash closes by adding net profit and depreciation to opening cash. Equipment reduces at €1,667 monthly. Retained earnings start at minus €350k and accumulate monthly net profits. Negative cash, if a revised input creates it, remains visible rather than being filled with funding. Minimum cash measures period-end balances and may miss intramonth needs.

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Cash flow forecast months one to six

Opening cash and payment timing

January to June 2027 has no manager fees in Base. Full salaries and overhead are paid while founder and team prepare the launch. Equipment and preopening expenses were paid before the opening cash balance. No further borrowing or equity is assumed in these months.

Manager EUR000	Jan 2027	Feb 2027	Mar 2027	Apr 2027	May 2027	Jun 2027
Opening cash	**2,590.0**	**2,501.8**	**2,413.5**	**2,325.2**	**2,237.0**	**2,148.8**
Senior fee receipts	–	–	–	–	–	–
Junior fee receipts	–	–	–	–	–	–
Payroll employee founder employer	(63.2)	(63.2)	(63.2)	(63.2)	(63.2)	(63.2)
Overhead paid	(25.0)	(25.0)	(25.0)	(25.0)	(25.0)	(25.0)
Tax paid	–	–	–	–	–	–
Net cash change	**(88.2)**	**(88.2)**	**(88.2)**	**(88.2)**	**(88.2)**	**(88.2)**
Closing cash	**2,501.8**	**2,413.5**	**2,325.2**	**2,237.0**	**2,148.8**	**2,060.5**

Monthly cash is a planning approximation; staffing is retained throughout. A staggered hiring decision could reduce the cash cost but has not been assumed. Any spending reduction must preserve launch controls and be applied consistently to the financial model and narrative.

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Cash flow forecast months seven to twelve

Cash forecast review

July 2027 is the first planned close. At €400m AUM and 35bp annual gross fees, the manager collects about €116,667 monthly while salaries and overhead continue. No guarantee exists that fees are received on those dates. Fees not collected monthly would create receivables and reduce available cash.

Manager EUR000	Jul 2027	Aug 2027	Sep 2027	Oct 2027	Nov 2027	Dec 2027
Opening cash	**2,060.5**	**2,088.9**	**2,117.3**	**2,145.8**	**2,174.2**	**2,202.6**
Senior fee receipts	66.7	66.7	66.7	66.7	66.7	66.7
Junior fee receipts	50.0	50.0	50.0	50.0	50.0	50.0
Payroll employee founder employer	(63.2)	(63.2)	(63.2)	(63.2)	(63.2)	(63.2)
Overhead paid	(25.0)	(25.0)	(25.0)	(25.0)	(25.0)	(25.0)
Tax paid	–	–	–	–	–	–
Net cash change	**28.4**	**28.4**	**28.4**	**28.4**	**28.4**	**28.4**
Closing cash	**2,088.9**	**2,117.3**	**2,145.8**	**2,174.2**	**2,202.6**	**2,231.0**

The month-seven opening balance must equal month-six closing cash. This schedule keeps payment and expense assumptions consistent and does not add loan coupons to company receipts. Issuer note payments belong to the separate annual waterfall.

Financial position summary

Balance sheet basis

The manager balance sheet contains cash and depreciating equipment. Liabilities are zero under the same-month payment, no-debt assumptions. Equity is paid capital plus retained earnings. Opening retained losses reflect the startup expenses. There is no balancing asset, tax-loss asset or plug.

Manager EUR	Year 2027	Year 2028	Year 2029
Cash	€2,231,000	€2,540,230	€4,064,645
Net equipment	€40,000	€20,000	–
Total assets	**€2,271,000**	**€2,560,230**	**€4,064,645**
Paid equity	€3,000,000	€3,000,000	€3,000,000
Retained earnings	(€729,000)	(€439,770)	€1,064,645
Total equity	**€2,271,000**	**€2,560,230**	**€4,064,645**
Balance difference	0.00	0.00	0.00

The issuer collateral pool and note debt are disclosed in the vehicle schedule, not manager assets and liabilities. Retention and investor equity investments are outside this company forecast. A legal ownership or funding change requires consolidation and accounting advice before any combined statement.

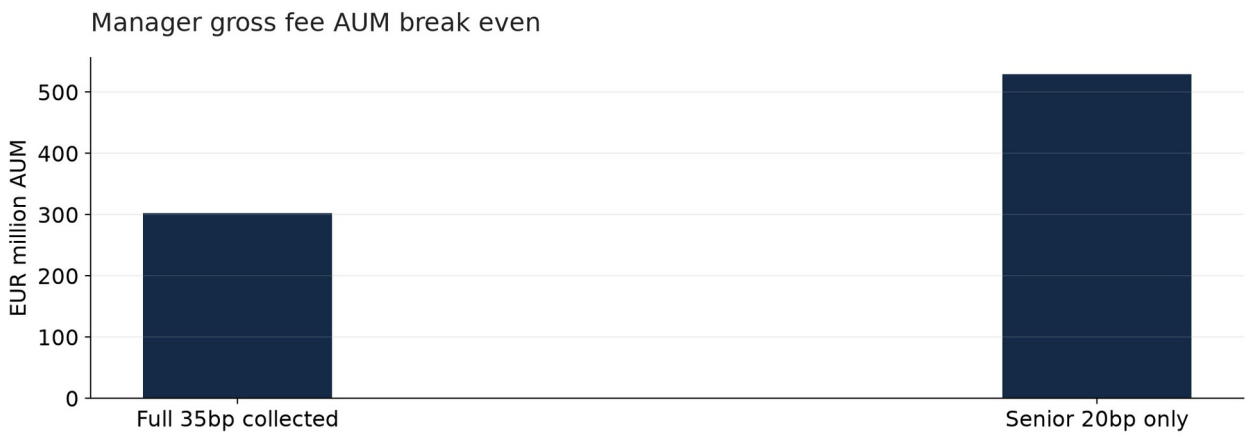
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Break even and scenarios

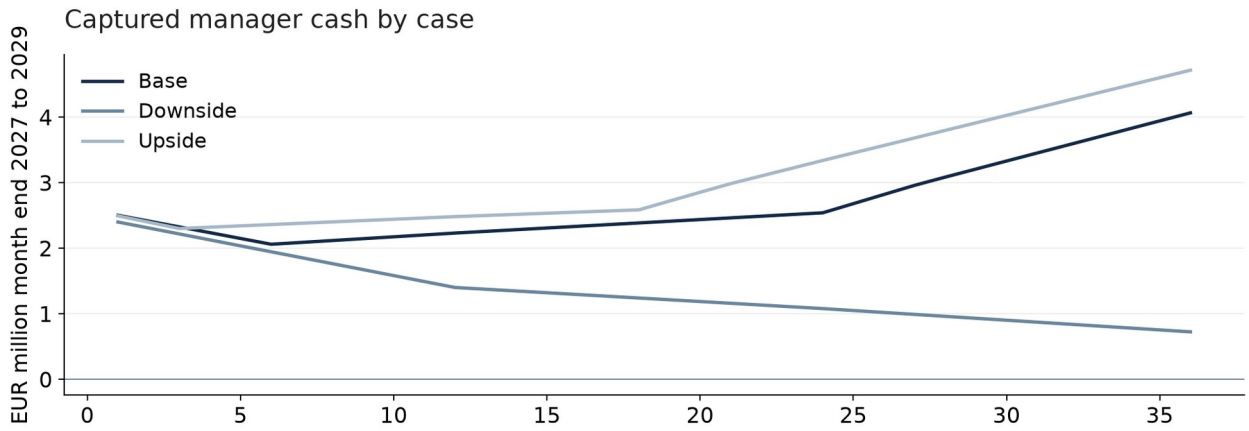
Break even and downside

Manager EBITDA break even is annual payroll plus overhead divided by collected fee rate. At launch €1.059m costs and 35bp, the gross-fee AUM threshold is about €303m; depreciation and income taxes are excluded. At only 20bp senior collection it rises to roughly €530m. One €400m vehicle is then insufficient.

Captured case	Manager liquidity	Issuer equity
Base	Minimum manager cash €2,060,500	Equity IRR 9.9%
Downside	Minimum manager cash €724,010	Total issuer equity loss; IRR n.a.
Upside	Minimum manager cash €2,300,500	Equity IRR 17.2%



Source: model version 1.0 and retained planning data. Break even and scenarios



Source: model version 1.0 and retained planning data. Break even and scenarios

Downside delays the first close to month13, excludes a second within three years, lowers collateral yield to 5.5%, increases defaults to 6% and lowers recoveries to 45%. Downside equity receives no distributions and loses its entire initial investment; IRR is unavailable without a positive cash flow. Manager cash remains positive under proposed capital. Scenarios are correlated assumptions, not probabilities. Captures flag stale changes to inputs.

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Model guide and completion

Using the model

The companion workbook has Inputs, monthly Manager, annual Vehicle, Waterfall, Dashboard, Cases and Checks. Blue inputs are editable. Selector 1 2 3 changes the active scenario. Manager and issuer outputs remain distinct. Native charts link to workbook ranges. Saved case comparisons are dated captures with an input-change flag.

Before sharing

Transfer accepted workbook input edits to financial-model/working/inputs.json before rebuilding; driver values are ordered Base, Downside, Upside. Rebuild with retained build_model.mjs, inspect reconciliation differences and refresh model-results.json and document charts together. The vehicle uses one aggregate OC and IC gate, senior-first interest and principal, unpaid interest carry without compounding, and terminal sale. Class-specific indenture tests, haircuts, hedges, rating analysis, warehouse economics and exact payments remain required before an investment decision.

Planning item	Evidence or assumption
Currency periods	EUR manager 36 months vehicle 10 years
Cases	Base Downside Upside selector
Startup	Manager expenses assets reserve distinct
Staff	4 employees plus paid founder
Tax	12.5% trading planning provision
Vehicle	Annual aggregate tests and terminal sale
Validation	Reconciliations and changed-input checks
Reference	Inspected ABS CLO workbook rebuilt in JS
Approvals	No finance ratings or permissions secured
Refresh	Model source results visuals and Word together