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Lender Survey: Compared to the historical average, loan recoveries will be:

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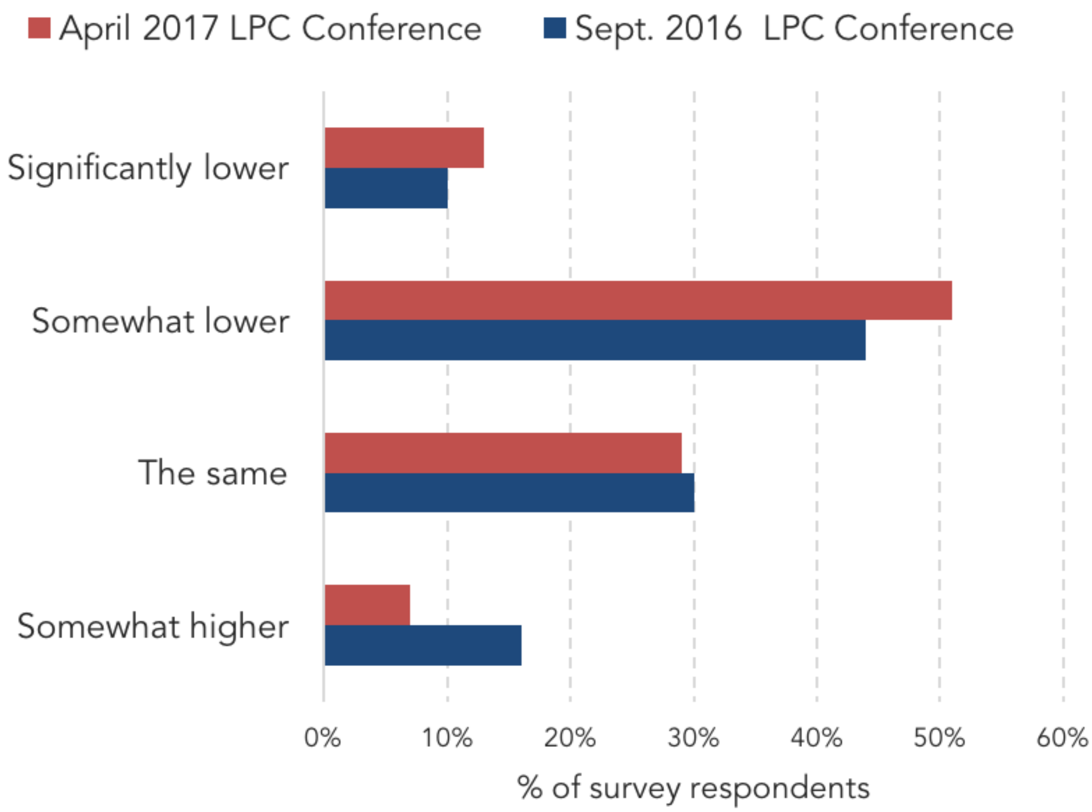

Many investors have a wish list for rolling back structural deterioration with, not surprising, bringing back covenants with clean historical EBITDA definition meaning capped add-backs and no inclusion of projected results or cost savings at the top of the list. Although a lower spread impacts the immediate economics of a deal, erosion in structures has the potential to affect loss and recovery. And as such, recoveries will be somewhat lower compared to historical norms said 51% of the audience polled at TR LPC's 5th Annual Middle Market Conference. This is up from 44% of the audience polled at TR LPC's 22nd Annual Loan Market Conference in September. Roughly one third of the audience at both events said that recoveries will remain consistent with historical norms. The share of those who believed they could be even higher dropped from 16% in September to 7% on April 27th. Conversely, 13% expect recoveries to be significantly lower, up from 10% of the audience in September.

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