

The Depository Trust Company

IMPORTANT

B#: 1947

DATE: May 04, 2001

TO: All Participants
Managing Partner/Officer; Cashier and Operations

CATEGORY: Settlement/Underwriting

FROM: Denise Russo, Director, Underwriting Dept.

ATTENTION: Data Processing and Underwriting Managers

SUBJECT: Section 3(c)(7) Restrictions for Mammoth CBO 2001-1
Ltd. & Mammoth CBO 2001-1 (Delaware) Corp.
Floating Rate/Fixed Rate Notes

(A)	CUSIP Number:	Class A-1L 561526AA2	Class A-2L 561526AB0	Class A-3 561526AC8
		Class B-1 561526AD6	Class B-1LA 561526AE4	Class B-1LB 561526AF1
(B)	Security Description:	Mammoth CBO 2001-1 Ltd. & Mammoth CBO 2001-1 (Delaware) Corp.		
(C)	Offer Amount:	Class A-1L \$77,000,000	Class A-2L \$112,000,000	Class A-3 \$45,000,000
		Class B-1 \$15,000,000	Class B-1LA \$9,500,000	Class B-1LB \$9,500,000
(D)	Managing Underwriter:	Bear Stearns & Co., Inc.		
(E)	Paying Agent:	The Bank of New York		
(F)	Closing Date:	May 3, 2001		

Special Instructions:

Refer to the attachments for important instructions from the issuer.

MAMMOTH CBO 2001-1 LTD.
AND MAMMOTH CBO 2001-1 (DELAWARE) CORP.

RE: U.S.\$77,000,000 Class A-1L Floating Rate Notes Due June 2011 (CUSIP 561526 AA 2)
U.S.\$112,000,000 Class A-2L Floating Rate Notes Due June 2013 (CUSIP 561526 AB 0)
U.S.\$45,000,000 Class A-3 6.872% Notes Due June 2013 (CUSIP 561526 AC 8)
U.S.\$15,000,000 Class B-1 8.447% Notes Due June 2013 (CUSIP 561526 AD 6)
U.S.\$9,500,000 Class B-1LA Floating Rate Notes Due June 2013 (CUSIP 561526 AE 4)
U.S.\$9,500,000 Class B-1LB Floating Rate Notes Due June 2013 (CUSIP 561526 AF 1)

Mammoth CBO 2001-1 Ltd. (the "Issuer"), Mammoth CBO 2001-1 (Delaware) Corp. (the "Co-Issuer" and together with the Issuer, the "Co-Issuers") and the Bear, Stearns & Co. Inc. ("Bear, Stearns") are putting Participants on notice that they are required to follow these purchase and transfer restrictions with regard to the above-referenced securities (the "Canyon Capital Notes").

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 Sutter Notes (the "Securities") within the United States or to U.S. Persons may only be made in minimum denominations of \$200,000 and integral multiples of U.S. \$1 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 Securities (i) represents to and agrees with the Co-Issuers and Bear, Stearns 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 issuer; (vi) the purchaser, and each account for which it is purchasing, must hold at least the minimum denomination of securities; and (vii) 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 Securities outside the United States and (ii) acknowledges that the Co-Issuers have not been registered under the Investment Company Act and the Securities have not been registered under the Securities Act and represents to and agrees with the Co-Issuers and Bear, Stearns that, for so long as the Securities are outstanding, it will not offer, resell, pledge or otherwise transfer the Securities 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 Securities will bear a legend with respect to such transfer restrictions. See "Form, Transfer and Transfer Restrictions" in the Confidential Offering Circular related to the Securities dated April 2, 2001.

The charter, bylaws, organizational documents or securities issuance documents of the Issuer provide that the Issuer will have the right to (i) require any holder of Securities that is a U.S. Person who is determined not to be both a QIB and a QP to sell the Securities to a QIB that

Form of insert for DTC Reference Directory:

DTC Issuers Relying on Section 3(c)(7) of the Investment Company Act*

"3c7" : Indicates the issuer of the security has informed DTC that it is relying on the exemption from the definition of "investment company" provided by Section 3(c)(7) of the Investment Company Act of 1940, as amended (the "Investment Company Act"). DTC has been informed by counsel to certain of these issuers that:

Section 3(c)(7) requires that all holders of the outstanding securities of such an issuer (or, in the case of a non-U.S. issuer, all holders that are U.S. Persons) are "qualified purchasers" ("QPs"), as defined in Section 2(a)(51)(A) of the Investment Company Act and related rules. Under the rules, the issuer must have a "reasonable belief" that all holders of its outstanding securities (or, in the case of a non-U.S. issuer, all holders that are U.S. Persons), including transferees, are QPs. Consequently, all sales and resales of the securities (or, in the case of non-U.S. issuers, all sales and resales in the United States or to U.S. Persons) must be made pursuant to Rule 144A under the Securities Act of 1933, as amended (the "Securities Act"), solely to purchasers that are "qualified institutional buyers" ("QIBs") within the meaning of Rule 144A and are also QPs ("QIB/QPs"). Each purchaser will also be deemed to represent that: (i) the purchaser is 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 issuer; (vi) the purchaser, and each account for which it is purchasing, must hold at least the minimum denomination of securities; and (vii) the purchaser will provide notice of the transfer restrictions to any subsequent transferees.

The charter, bylaws, organizational documents or securities issuance documents of an issuer relying on Section 3(c)(7) of the Investment Company Act and Rule 144A of the Securities Act with respect to an offering of securities typically provide that the issuer will have the right to (i) require any holder of securities (or, in the case of a non-U.S. issuer, any holder that is a U.S. Person) that is determined not to be both a QIB and a QP to sell the securities to a QIB that is also a QP or (ii) redeem any securities held by such a holder on specified terms. In addition, such an issuer typically has the right to refuse to register or otherwise honor a transfer of securities to a proposed transferee (or, in the case of a non-U.S. issuer, a proposed transferee that is a U.S. Person) that 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.

DTC does not represent or warrant the accuracy of the information set forth above, and takes no responsibility for such information.

is also a QP or (ii) redeem any Securities held by such a holder on specified terms. In addition, the Issuer has the right to refuse to register or otherwise honor a transfer of Securities 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 issuer (outlined above) will be reflected under the notation "3c7" in DTC's User Manuals and in upcoming editions of DTC's Reference Directory.

Any questions or comments regarding this subject may be directed to the Issuer c/o Maples and Calder, Ugland House, P.O. Box 309, South Church Street, Grand Cayman, Cayman Islands, British West Indies, Attention: The Secretary.