

Avenue Income Credit Strategies Fund  
Form 497AD  
December 30, 2011

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Rule 482 Ad

For Immediate Release

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AVENUE INCOME CREDIT STRATEGIES FUND  
ANNOUNCES FILING FOR A POTENTIAL RIGHTS OFFERING

NEW YORK, NY, December 30, 2011 – Avenue Income Credit Strategies Fund (NYSE: ACP) (the “Fund”) announced that it filed a preliminary registration statement with the Securities and Exchange Commission relating to the potential offering of additional common shares of beneficial interest of the Fund (the “Shares”) pursuant to a potential rights offering.

The Board of Trustees (the “Board”) of the Fund has not yet approved a rights offering. No rights offering will be made unless the Fund’s Board approves such rights offering and the definitive terms of the offering, which may differ from those currently set forth in the preliminary registration statement.

The preliminary registration statement contemplates that the Fund will issue to holders of Shares (the “Shareholders”) rights to acquire new Shares based on the number of Shares owned by such Shareholders on a record date to be set by the Fund’s Board.

The Fund is a recently organized, non-diversified, closed-end management investment company. The Fund’s primary investment objective is to seek a high level of current income with a secondary objective of capital appreciation. Depending on current market conditions and the Fund’s outlook over time, the Fund seeks to achieve its investment objectives by opportunistically investing primarily in loan and debt instruments (and loan-related or debt-related instruments, including repurchase and reverse repurchase agreements and derivative instruments) of issuers that operate in a variety of industries and geographic regions. The Fund’s investment adviser is Avenue Capital Management II, L.P. (the “Adviser”) and the Fund’s subadviser is Avenue Europe International Management, L.P. (the “Subadviser”). The Adviser and the Subadviser are both part of Avenue Capital Group.

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Investors should consider the Fund’s investment objectives, risks, charges and expenses carefully before investing. The Fund’s prospectus will contain this and other information about the Fund and should be read carefully before investing. When it is available, investors may obtain copies of the prospectus from the Fund.

The information in this communication is not complete and may be changed. The Fund may not sell these securities until the registration statement filed with the Securities and Exchange Commission is effective. This communication is not an offer to sell these securities and is not soliciting an offer to buy these securities in any state where the offer or sale is not permitted.

2

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;  
417

Adjusted Free Cash Flow

114

160

215

269

126

208

202

63

21

55

758

599

Adjusted Free Cash Flow (after interest)

89

119

201

241

109

150

192

(17  
)

(14  
)

44

650

434

Net Debt

2,079

1,964

1,768

1,526

1,415

1,081

887

906

919

893

1,526

906

Cellular Subscriber Base (Thousands)

2,692

2,700

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2,693

2,686

2,658

2,662

2,677

2,674

2,667

2,645

2,686

2,674

Post-Paid Subscriber Base (Thousands)

2,174

2,191

2,215

2,241

2,259

2,273

2,306

2,320

2,336

2,345

2,241

2,320

Pre-Paid Subscriber Base (Thousands)

518

509

478

445

399

389

371

354

331

300

445

354

Cellular ARPU (NIS)

67

65

66

62

61

62

64

59

58

57

65

62

Cellular Churn Rate (%)

11.2

%

9.8  
%

9.7  
%

9.4  
%

9.8  
%

9.0  
%

9.3  
%

9.9  
%

8.8  
%

10.0  
%

40  
%

38  
%

Number of Employees (FTE)

2,827

2,740

2,742

2,686

2,580

2,582

2,696

2,797

2,778

2,808

2,686

2,797

\* See footnote 2 regarding use of non-GAAP measures. Figures from 2017 include impact of adoption of IFRS15.

22

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Disclosure for notes holders as of June 30, 2018

Information regarding the notes series issued by the Company, in million NIS

Series	Original issuance date	Principal on the date of issuance	As of 30.06.2018			Market value	Interest rate	Principal repayment dates		Interest repayment dates	L
			Principal book value	Linked principal book value	Interest accumulated in books			From	To		
C	25.04.10 24.02.11*	200 444	196	215	4	219	3.35% + CPI	30.12.16	30.12.18	30.6, 30.12	L C
D	25.04.10 04.05.11*	400 146	437	437	1	441	1.328%  (MAKAM+1.2%)	30.12.17	30.12.21	30.3, 30.6, 30.9, 30.12	V in M (2
F (1)	20.07.17 12.12.17	255 389	644	644	**	634	2.16%	25.06.20	25.06.24	25.6, 25.12	N L

(1) In July 2017, the Company issued Series F Notes in a principal amount of NIS 255 million. In December 11, 2017, the Company issued an additional Series F Notes in a principal amount of NIS 389 million. Regarding Series F Notes, the Company is required to comply with a financial covenant that the ratio of Net Debt to Adjusted EBITDA shall not exceed 5. Compliance will be examined and reported on a quarterly basis. For the definitions of Net Debt and Adjusted EBITDA see 'Use of non-GAAP measures' section above. For the purpose of the covenant, Adjusted EBITDA is calculated as the sum total for the last 12 month period, excluding adjustable one-time items. As of June 30, 2018, the ratio of Net Debt to Adjusted EBITDA was 1.2. Additional stipulations regarding Series F Notes mainly include: shareholders' equity shall not decrease below NIS 400 million; the Company shall not create floating liens subject to certain terms; the Company has the right for early redemption under certain conditions; the Company shall pay additional annual interest of 0.5% in the case of a two-notch downgrade in the Notes rating and an additional annual interest of 0.25% for each further single-notch downgrade, up to a maximum additional interest of 1%; the



Company shall pay additional annual interest of 0.25% during a period in which there is a breach of the financial covenant.

In the reporting period, the Company was in compliance with all financial covenants and obligations and no cause for early repayment occurred.

In September 2017, December 2017 and January 2018, the Company entered into agreements with Israeli institutional investors to issue in December 2018, December 2019 and December 2019, respectively, in the framework of a private placement, additional Series F notes, in an aggregate principal amount of NIS 150 million, NIS 100 million and NIS 127 million, respectively. S&P Maalot has rated the additional deferred issuances with an 'ilA+' rating. For additional details see the Company's press releases dated September 13 and 17, 2017, December 27, 2017 and January 9, 2018.

(2) 'MAKAM' is a variable interest based on the yield of 12 month government bonds issued by the government of Israel. The interest rate is updated on a quarterly basis.

(\* ) On these dates additional Notes of the series were issued. The information in the table refers to the full series.

(\*\*) Representing an amount of less than NIS 1 million.

Disclosure for Notes holders as of June 30, 2018 (cont.)

Notes Rating Details\*

Series	Rating Company	Rating as of 30.06.2018 and 15.08.2018 (1)	Rating assigned upon issuance of the Series	Recent date of rating as of 30.06.2018 and 15.08.2018	Additional ratings between the original issuance date and the recent date of rating (2)	
					Date	Rating
C	S&P Maalot	ilA+	ilAA-	08/2018	07/2010, 09/2010, 10/2010,	ilAA-/Stable, ilAA-/Stable, ilAA-/Negative,
D	S&P Maalot	ilA+	ilAA-	08/2018	09/2012, 12/2012, 06/2013, 07/2014,	ilAA-/Watch Neg, ilAA-/Negative, ilAA-/Stable, ilAA-/Stable,
E	S&P Maalot	ilA+	ilAA-	08/2018	07/2015, 07/2016, 07/2017, 08/2018	ilA+/Stable, ilA+/Stable, ilA+/Stable, ilA+/Stable
F	S&P Maalot	ilA+	ilA+	08/2018	07/2017, 09/2017, 12/2017, 01/2018, 08/2018	ilA+/Stable, ilA+/Stable, ilA+/Stable, ilA+/Stable, ilA+/Stable

(1) In August 2018, S&P Maalot affirmed the Company's rating of "ilA+/Stable".

(2) For details regarding the rating of the notes see the S&P Maalot report dated August 13, 2018.

\* A securities rating is not a recommendation to buy, sell or hold securities. Ratings may be subject to suspension, revision or withdrawal at any time, and each rating should be evaluated independently of any other rating

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Summary of Financial Undertakings (according to repayment dates) as of June 30, 2018

Notes issued to the public by the Company and held by the public, excluding such notes held by the Company's a. parent company, by a controlling shareholder, by companies controlled by them, or by companies controlled by the Company, based on the Company's "Solo" financial data (in thousand NIS).

	Principal payments					Gross interest payments (without deduction of tax)
	ILS linked to CPI	ILS not linked to CPI	Euro	Dollar	Other	
First year	214,634	109,228	-	-	-	27,858
Second year	-	238,035	-	-	-	17,701
Third year	-	238,035	-	-	-	13,403
Fourth year	-	238,035	-	-	-	9,105
Fifth year and on	-	257,613	-	-	-	8,347
Total	214,634	1,080,946	-	-	-	76,414

Private notes and other non-bank credit, excluding such notes held by the Company's parent company, by a b. controlling shareholder, by companies controlled by them, or by companies controlled by the Company, based on the Company's "Solo" financial data – None.

c. Credit from banks in Israel based on the Company's "Solo" financial data (in thousand NIS).

	Principal payments					Gross interest payments (without deduction of tax)
	ILS linked to CPI	ILS not linked to CPI	Euro	Dollar	Other	
First year	-	33,419	-	-	-	5,933
Second year	-	52,132	-	-	-	4,823
Third year	-	52,132	-	-	-	3,542
Fourth year	-	52,132	-	-	-	2,282
Fifth year and on	-	60,185	-	-	-	1,412
Total	-	250,000	-	-	-	17,992

Summary of Financial Undertakings (according to repayment dates) as of June 30, 2018 (cont.)

d. Credit from banks abroad based on the Company's "Solo" financial data – None.

e. Total of sections a - d above, total credit from banks, non-bank credit and notes based on the Company's "Solo" financial data (in thousand NIS).

	Principal payments					Gross interest payments (without deduction of tax)
	ILS linked to CPI	ILS not linked to CPI	Euro	Dollar	Other	
First year	214,634	142,647	-	-	-	33,791
Second year	-	290,167	-	-	-	22,524
Third year	-	290,167	-	-	-	16,945
Fourth year	-	290,167	-	-	-	11,387
Fifth year and on	-	317,798	-	-	-	9,759
Total	214,634	1,330,946	-	-	-	94,406

f. Off-balance sheet Credit exposure based on the Company's "Solo" financial data (in thousand NIS) – 50,000 (Guarantees on behalf of an associate, without expiration date).

g. Off-balance sheet Credit exposure of all the Company's consolidated companies, excluding companies that are reporting corporations and excluding the Company's data presented in section f above – None.

h. Total balances of the credit from banks, non-bank credit and notes of all the consolidated companies, excluding companies that are reporting corporations and excluding Company's data presented in sections a - d above - None.

i. Total balances of credit granted to the Company by the parent company or a controlling shareholder and balances of notes offered by the Company held by the parent company or the controlling shareholder - None.

j. Total balances of credit granted to the Company by companies held by the parent company or the controlling shareholder, which are not controlled by the Company, and balances of notes offered by the Company held by companies held by the parent company or the controlling shareholder, which are not controlled by the Company – None.

k. Total balances of credit granted to the Company by consolidated companies and balances of notes offered by the Company held by the consolidated companies - None.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this Current Report to be signed on its behalf by the undersigned, thereunto duly authorized.

Partner Communications  
Company Ltd.

By: /s/ Tamir Amar  
Name: Tamir Amar  
Title: Chief Financial Officer

Dated: August 15, 2018

27

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