

at law for a Default by a Member and that damages resulting from such Default may be impossible to ascertain at the time of such Default.

3.4.5 Notwithstanding anything to the contrary in this Agreement, the Manager may, but shall not be obligated to, waive any Default, permit a Default to be cured by a Defaulting Member or advance funds on behalf of a Defaulting Member without interest, on such terms and conditions as the Manager deems appropriate in its sole discretion.

**3.5 Capital Accounts.** A separate Capital Account shall be maintained for each Member on the books of the Fund and shall be adjusted from time to time pursuant to the terms of this Agreement.

**3.6 Return of Capital Contributions.** No Member shall be entitled to receive any interest on its Capital Contributions except as specifically provided herein. The Members shall not have the right to demand return of their Capital Contributions, nor shall the Members have the right to demand and receive property other than cash in return for their Capital Contributions.

#### **4. DISTRIBUTIONS**

**4.1 Distributions Generally.** Subject to the other provisions of this **Article IV**, the Manager shall cause the Fund to distribute to the Members any Distributable Proceeds received by the Fund within five (5) Business Days after the Fund's receipt thereof.

##### **4.2 Distributions of Distributable Proceeds.**

4.2.1 Any distribution of Distributable Proceeds pursuant to Section 4.1 shall be made as follows:

(i) first, Distributable Proceeds shall be divided among all Members pro rata based on their respective Percentage Interests;

(ii) second, the Distributable Proceeds apportioned to the Affiliated Members pursuant to clause (i) above shall be distributed to such Persons, and the Distributable Proceeds apportioned to each Unaffiliated Member pursuant to clause (i) above (the "**Reapportionable Proceeds**") shall be distributed between such Unaffiliated Member and the Manager as follows:

(a) first, 100% to such Unaffiliated Member, until such Unaffiliated Member's Adjusted Capital Contribution is reduced to zero (0) by distributions made to such Unaffiliated Member pursuant to this clause (a) on or prior to such distribution date and unused capital returned to such Unaffiliated Member pursuant to Section 3.3.3 on or prior to such distribution date;

(b) second, 100% to such Unaffiliated Member, until such Unaffiliated Member's Unpaid Preferred Return is reduced to zero (0);

(c) third:

(I) until the sum of the remaining Reapportionable Proceeds and the cumulative amount of all distributions made to such Unaffiliated Member pursuant to this clause (c)(I) is equal to the Hurdle Amount