

Managing Member's sole discretion, to Departed Non-Managing Members). Advances of loans (including the Loans) may be made to some but not all Non-Managing Members as determined by the Managing Member in his sole discretion, the amount of a loan (including the Loans) made to a Non-Managing Member shall be determined by the Managing Member in his sole discretion and the loans (including the Loans) to Non-Managing Members need not be made pro rata to Vested Capital Account Balances. The Company shall use amounts that would be distributable under Sections 11b, 11c, 11d, 11h and 11i and, during a Note Default Event under the applicable Note (or similar event relating to any other loan(s)), 11f, to the Non-Managing Members that receive Loans to repay the Citi Loan (or that receive, directly or indirectly, the proceeds of any other loan) to the extent possible. In addition, the Company may (x) hold amounts in reserve (from Profit Share and/or from the Citi Loan) to pay fees, principal and interest on any loan, including the Citi Loan, including any mandatory or voluntary pre-payments (the amount required to be held in reserve under the Citi Loan from proceeds of the Citi Loan being the "Interest Reserve" and other amounts reserved being general liquidity reserves) and (y) reduce distributions otherwise payable to the Members to pay fees, principal and interest on the loans, including the Citi Loan (including any mandatory or voluntary pre-payments).

7. Representations, Warranties and Covenants. The Managing Member hereby represents, warrants and covenants as follows:

a. Financial Reporting. The Managing Member will cause to be delivered to each of the Non-Managing Members financial information of the Company as agreed to with the Compensation Committee.

b. No Conflicts. There are no agreements, contracts or obligations binding on the Managing Member or his Affiliates that conflict with the effectiveness or