

(C) the maturity of the purchased Collateral Obligation is no later than the maturity of the Collateral Obligation that was prepaid or the Credit Risk Obligation that was sold;

(D) such Unscheduled Principal Payments and Sale Proceeds of Credit Risk Obligations are reinvested by the last Business Day of the Due Period following the Due Period in which such amounts were received;

(E) the S&P rating of the purchased Collateral Obligation is no lower than the S&P rating of the Collateral Obligation that was prepaid or the Credit Risk Obligation that was sold;

(F) the purchase price of the purchased Collateral Obligation is no lower than 60% of its par amount;

(G) no Event of Default has occurred and is continuing;

(H) each Collateral Quality Test is satisfied, except that if the Diversity Test or the S&P CDO Monitor Test is not satisfied, it is maintained or improved;

(I) the Effective Date Overcollateralization Ratio is satisfied; and

(J) the Aggregate Principal Balance of Caa Collateral Obligations does not exceed 7.5% of the Portfolio Principal Balance.

For purposes of calculating compliance with the Reinvestment Requirements and Section 12.1(d), each proposed investment will be calculated on a *pro forma* basis after giving effect to all sales and purchases, based on outstanding Issuer orders, confirmations or executed assignments; *provided*, that the Reinvestment Requirements and Section 12.1(d) need not be satisfied with respect to one single reinvestment if they are satisfied on an aggregate basis for a series of reinvestments occurring within a two Business Days period so long as (i) the Investment Manager identifies to the Trustee the sales and purchases (the “identified reinvestments”) subject to this proviso; (ii) only one series of identified reinvestments is identified on any day; (iii) the Aggregate Principal Amount of such identified purchases does not exceed 5% of the Aggregate Principal Balance of the Collateral Obligations, (iv) the Investment Manager reasonably believes that the Reinvestment Requirements will be satisfied on an aggregate basis for such identified reinvestments and (v) if the Reinvestment Requirements are not satisfied with respect to any such identified reinvestment, notice will be provided to each Rating Agency and the Issuer shall get Rating Agency Confirmation from S&P for each subsequent reliance on this proviso until a subsequent use of this proviso (for which Rating Agency Confirmation from S&P was obtained) is successfully completed.

(f) Notwithstanding the restrictions of Section 12.1(a), the Investment Manager will no later than the Determination Date for the Stated Maturity, on behalf of the Issuer, direct the Trustee to sell (and the Trustee shall sell in the manner specified) for settlement in immediately available funds no later than two Business Days before the Stated Maturity any Collateral Obligations scheduled to mature after the Stated Maturity of the Notes and cause the liquidation of all assets held at each Tax Subsidiary and distribution of any proceeds thereof to the Issuer.