

(y) (A) including any accrued interest (other than such described in clause (B) below) received in connection with a sale of any Collateral Obligation or Eligible Investment during the related Collection Period and (B) excluding any interest received by the Issuer during the related Collection Period that represents Principal Financed Accrued Interest; (ii) all principal and interest payments on Eligible Investments purchased with Interest Proceeds; (iii) all amendment and waiver fees, late payment fees and other similar fees; (iv) any amounts, other than Principal Proceeds, deposited in the Interest Collection Subaccount during such Collection Period from the Revolving Reserve Account, or, at the discretion of the Collateral Manager, the Expense Reserve Account; and (v) scheduled commitment fees received on Unfunded Commitments and other similar fees actually received by the Issuer during such Collection Period in respect of Revolving Loans; provided that (a) interest accrued on Collateral Obligations or Eligible Investments (I) prior to the Closing Date or (II) prior to the date of acquisition thereof in the case of Collateral Obligations or Eligible Investments purchased on or after the Closing Date with Principal Proceeds shall not constitute Interest Proceeds and (b) interest, dividends, fees or other income received in respect of any Defaulted Obligation (other than a Current Pay Obligation) shall not constitute Interest Proceeds until the aggregate of all collections in respect of such Defaulted Obligation since it became a Defaulted Obligation equals the outstanding principal balance of such Defaulted Obligation when it became a Defaulted Obligation.

“Interest Rate”: The Class A-1 Interest Rate, the Class A-2 Interest Rate, the Class B Interest Rate, the Class C Interest Rate and the Class D Interest Rate, as the context requires.

“Investment Company Act”: The U.S. Investment Company Act of 1940, as amended.

“Investment Criteria”: As defined in *“Security for the Notes—Sales and Purchases of Collateral Obligations.”*

“IRS”: The Internal Revenue Service.

“Issuer”: Clear Lake CLO, Ltd., a recently formed exempted company incorporated with limited liability under the laws of the Cayman Islands, and its permitted successors and assigns.

“Knowledgeable Employee”: A “knowledgeable employee” as defined in Rule 3c-5 under the Investment Company Act.

“LIBOR”: The London interbank offered rate, as determined (unless the context otherwise requires) pursuant to *“Description of the Notes—Payments.”*

“LIBOR Determination Date”: The second London Business Day prior to the commencement of a Periodic Interest Accrual Period.

“Loan”: A loan obligation (or, in the reasonable business judgment of the Collateral Manager, other similar instrument) of any corporation, company, partnership or trust in respect of which the lender (or the agent for the lender) is a bank, financial institution or other institution lending in the ordinary course of its business.

“Loan Credit Default Swap”: Any credit default swap transaction referencing a Loan that is documented under a “loan only” credit default swap confirmation substantially in a form published by the International Swaps and Derivatives Association, Inc.

“London Business Day”: Any Business Day on which commercial banks are open for dealings in deposits in U.S. Dollars in the London interbank market.

“Majority”: With respect to any Class or Classes of Securities, the Holders of more than 50% of the Aggregate Principal Amount of the Securities of such Class or Classes.

“Margin Loan”: An extension of credit that is “purpose credit” within the meaning of Regulation U issued by the Federal Reserve Board.

“Margin Stock”: “Margin Stock” as defined under Regulation U issued by the Federal Reserve Board.