

“Moody’s Recovery Amount”: With respect to any Collateral Obligation which is a Defaulted Obligation or a Deferring PIK Obligation, the amount equal to the product of (i) the applicable recovery rate set forth in the table under the definition of “Moody’s Recovery Rate” and (ii) the principal balance of such Defaulted Obligation or Deferring PIK Obligation, or such higher amount as is approved by Moody’s; *provided* that the “Moody’s Recovery Amount” of any Synthetic Security which is a Defaulted Obligation or a Deferring PIK Obligation will be the amount determined by Moody’s.

“Moody’s Recovery Rate”: With respect to a Collateral Obligation that is a Loan or Bond as of any date of determination, the recovery rate determined in accordance with the following, in the following order of priority:

- (i) if the Loan or Bond has been specifically assigned a recovery rate by Moody’s (for example, in connection with the assignment by Moody’s of an estimated rating), such recovery rate;
- (ii) if the preceding clause does not apply to the Loan or Bond and the Loan is a Moody’s Senior Secured Loan or a Moody’s Non Senior Secured Loan, the rate determined pursuant to the table below based on the number of rating subcategories difference between the Loan’s or Bond’s Moody’s Obligation Rating and its Moody’s Default Probability Rating (for purposes of clarification, if the Moody’s Obligation Rating is higher than the Moody’s Default Probability Rating, the rating subcategories difference will be positive and if it is lower, negative):

Number of Moody’s Ratings Subcategories Difference Between the Moody’s Obligation Rating and the Moody’s Default Probability Rating	Moody’s Senior Secured Loans	Moody’s Non Senior Secured Loans	Bonds
+2 or more	60.0%	45.0%	40.0%
+1	50.0%	42.5%	35.0%
0	45.0%	40.0%	30.0%
-1	40.0%	30.0%	15.0%
-2	30.0%	15.0%	10.0%
-3 or less	20.0%	10.0%	2.0%

or

- (iii) if no recovery rate has been specifically assigned with respect to a Loan pursuant to clauses (i) above, and the Loan is a DIP Loan, 50%.

With respect to a Collateral Obligation that is a Structured Finance Obligation, the Moody’s Structured Finance Recovery Rate therefor.

With respect to a Collateral Obligation that is a Synthetic Security, the rate assigned by Moody’s on a case-by-case basis.