

Class), (4) clause (xi), (5) clause (xii) (only if the Class D Notes are the Controlling Class), and (6) clause (xiii).

(ii) In the event of an Effective Date Ratings Confirmation Failure, to the purchase of Collateral Obligations, until Rating Agency Confirmation is obtained.

(iii) If a Special Redemption is directed by the Investment Manager, to the payment of principal of each Class of Rated Notes in accordance with the Principal Payment Sequence in an amount equal to the Special Redemption Amount.

(iv) On any Rated Notes Redemption Date, to the payment of (A) the Redemption Price for the Rated Notes in accordance with the Principal Payment Sequence; then (B) the items described under clauses (xvi) through (xviii) under the Priority of Interest Proceeds to the extent not paid from Interest Proceeds on such Distribution Date; then (C) until the Target Return has been achieved, any remaining Principal Proceeds to the Subordinated Securities (allocated in accordance with the Subordinated Securities Allocation); and then (D) if the Target Return has been achieved (on or prior to such Distribution Date), (x) 80% of the remaining Principal Proceeds to the Subordinated Securities (allocated in accordance with the Subordinated Securities Allocation) and (y) 20% of the remaining Principal Proceeds to the Investment Manager in respect of the Investment Manager Incentive Fee Amount.

(v) (A) During the Reinvestment Period any remaining Principal Proceeds or (B) after the Reinvestment Period at the option of the Investment Manager, Unscheduled Principal Proceeds and Sale Proceeds of Credit Risk Obligations, to the Collection Account for the purchase of Collateral Obligations (or Eligible Investments pending purchase of Collateral Obligations).

(vi) After the Reinvestment Period, to the payment of (A) principal of the Rated Notes in accordance with the Principal Payment Sequence; then (B) the items described under clauses (xvi) through (xviii) under the Priority of Interest Proceeds to the extent not paid from Interest Proceeds on such Distribution Date; then (C) until the Target Return has been achieved, any remaining Principal Proceeds to the Subordinated Securities (allocated in accordance with the Subordinated Securities Allocation); and then (D) if the Target Return has been achieved (on or prior to such Distribution Date), (x) 80% of the remaining Principal Proceeds to the Subordinated Securities (allocated in accordance with the Subordinated Securities Allocation) and (y) 20% of the remaining Principal Proceeds to the Investment Manager in respect of the Investment Manager Incentive Fee Amount.

Payments of principal of Classes of Rated Notes will be paid in the following order of priority ("Principal Payment Sequence"): (a) first, on the Class A-1 Notes; (b) after the Class A-1 Notes are retired, the Class A-2 Notes; (c) after the Class A Notes are retired, the Class B Notes; (d) after the Class B Notes are retired, the Class C Notes; and (e) after the Class C Notes are retired, the Class D Notes.

(c) If any Event of Default has occurred and has not been cured or waived and acceleration occurs in accordance with the Indenture, then on each Distribution Date, Interest Proceeds and Principal Proceeds will be distributed in the following order of priority (the "Priority of Post-Acceleration Payments"):

(i) To the payment of the taxes (including any stamp taxes), governmental fees (including annual fees) and registered office fees payable by the Co-Issuers (as certified by an Authorized Officer of the Issuer to the Trustee and the Investment Manager), if any.

(ii) To the payment of accrued and unpaid Administrative Expenses (in the order specified in the definition thereof); *provided* that such payments (together with any amounts distributed pursuant to the Indenture since the immediately preceding Distribution Date) will not exceed on any Distribution Date the Administrative Expense Senior Cap.

(iii) To the payment of (A) the Senior Investment Management Fee for such Distribution Date minus any Deferred Senior Fee; and then (B) any unpaid Deferred Senior Fee that the Investment Manager has elected to be paid.