

“Minimum Weighted Average Spread”: As of any Measurement Date, (a) the greater of (x) 1.50% and (y) the applicable number set forth in the column entitled “Spread” in the Collateral Matrix based on the row/column combination selected by the Investment Manager with notice to the Collateral Administrator (or linear interpolation between two rows and/or two columns, as applicable) *minus* (b) the Moody’s Spread Modifier.

“Moody’s”: Moody’s Investors Service.

“Moody’s Weighted Average Recovery Rate”: The number obtained by (i) summing the products obtained by multiplying the Principal Balance of each Collateral Obligation (other than a Defaulted Obligation) by its respective Moody’s Recovery Rate, (ii) dividing such sum by the Aggregate Principal Balance of all such Collateral Obligations (other than Defaulted Obligations), (iii) multiplying the result by 100 and (iv) rounding up to the first decimal place.

“Offer”: With respect to any security, (i) any offer by the issuer in respect of such security or by any other Person made to all of the holders of such security to purchase or otherwise acquire such security (other than pursuant to any redemption in accordance with the terms of the related Underlying Instruments) or to convert or exchange such security into or for cash, securities or any other type of consideration or (ii) any solicitation by the issuer in respect of such security or by any other Person to amend, modify or waive any provision of such security or any related Underlying Instrument.

“Ongoing Expense Excess Amount”: On any Distribution Date, an amount equal to the excess, if any, of (i) the Administrative Expense Senior Cap, over (ii) the sum of (without duplication) (x) all amounts paid pursuant to clause (ii) of the Priority of Interest Proceeds on such Distribution Date plus (y) all Administration Expenses paid during the related Due Period pursuant to the Indenture.

“Ongoing Expense Reserve Ceiling”: On any Distribution Date, the excess, if any, of \$50,000 over the amount then on deposit in the expense reserve account without giving effect to any deposit thereto on such Distribution Date pursuant to subclause (iii) of the Priority of Interest Proceeds.

“Operating Guidelines”: The operating guidelines attached to the Investment Management Agreement as Annex A.

“Ordinary Shares”: The ordinary shares, \$1.00 par value per share of the Issuer which have been issued by the Issuer and are outstanding from time to time.

“Outstanding”: Any Securities that are outstanding under the Indenture.

“Overcollateralization Ratio”: As of any Measurement Date, the ratio (expressed as a percentage) obtained by dividing:

- (a) the sum of:
 - (i) the Aggregate Principal Balance of the Collateral Obligations; and
 - (ii) the Aggregate Principal Balance of any Eligible Principal Investments (other than Eligible Principal Investments in the Credit Facility Reserve Account); by
- (b) the Aggregate Outstanding Amount of the Applicable Notes.

“Overcollateralization Test”: Each of the Class A Overcollateralization Test, the Class B Overcollateralization Test, the Class C Overcollateralization Test and the Class D Overcollateralization Test.

“Partial PIK Security”: Any obligation on which interest, in accordance with its related Underlying Instrument, may be (a) partly paid in cash and (b) partly deferred, or paid by the issuance of additional obligations identical to such obligation or through additions to the principal amount thereof; *provided* that the Underlying Instrument requires such payment in cash to be at a per annum rate that is equal to or greater than LIBOR at the time of issuance of such obligation for a maturity corresponding to the frequency of the reset dates for such obligation.