

## INTEREST EXCHANGE AGREEMENT

FOR USE BY INVESTORS IN BEAR STEARNS HIGH-GRADE STRUCTURED CREDIT STRATEGIES, L.P., THAT WISH TO EXCHANGE ALL OR A PORTION OF THEIR INTEREST THEREIN FOR AN INTEREST IN THE PARTNERSHIP

This Agreement ("Agreement") is made as of \_\_\_\_\_, 2006, by and among Financial Trust Company, Inc. (the "Investor"), Bear Stearns High-Grade Structured Credit Strategies, L.P. (the "High-Grade Fund") and Bear Stearns High-Grade Structured Credit Strategies Enhanced Leverage Fund, L.P. (the "Partnership").

WHEREAS, the Investor is the legal and beneficial owner of a limited partnership interest in Bear Stearns High-Grade Structured Credit Strategies, L.P. (the "High-Grade Fund" and the interest therein the "High-Grade Fund Interest") and desires as of the date of the Investor's subscription in the Partnership to which this Agreement relates (the "Transaction Effective Date") to effect an in-kind withdrawal of a portion of its High-Grade Fund Interest and apply the in-kind withdrawal proceeds thereof to the Subscription Amount payable in respect of an Interest in the Partnership.

NOW THEREFORE, in consideration of the premises, mutual covenants, representations, and warranties contained herein, the parties hereto agree as follows:

- (A) Definitions. All capitalized terms used (including in the Recitals) but not otherwise defined herein shall have the meanings ascribed to them in the Subscription Agreement to which this Agreement is attached.
- (B) In-Kind Withdrawal/Subscription. The Investor hereby requests the in-kind withdrawal of ALL or \_\_\_\_\_% [INVESTOR SHOULD SPECIFY ONLY ONE] of its High-Grade Fund Interest as of the Transaction Effective Date and to contribute the proceeds of such in-kind withdrawal to the Partnership as of the Transaction Effective Date in exchange for an Interest in the Partnership having a value equal to the value of the withdrawn portion of the Investor's High-Grade Fund Interest immediately prior to the effectiveness of such in-kind withdrawal. The Investor authorizes the High-Grade Fund or the High-Grade Structured Credit Strategies Master Fund Ltd. (the "High-Grade Master Fund") on its behalf to transfer assets representing the proceeds of such in-kind withdrawal to the Partnership or to the Master Fund, in accordance with the agreement reached pursuant to paragraph (C) below. The Investor acknowledges that, for the year 2006 and any year thereafter in which it is invested in both the Partnership and the High-Grade Fund, the Investor will be issued a separate schedule K-1 for each of the Partnership and the High-Grade Fund.
- (C) Acknowledgement of In-Kind Withdrawal/Subscription. The High-Grade Fund and the Partnership hereby acknowledge the transactions described in Section B above and shall agree separately to effect such transactions in conjunction with an in-kind transfer of assets of the High-Grade Fund or High-Grade Master Fund to the Partnership or the Master Fund in an amount proportionate to the percentage of the Investor's withdrawn interest in the High-Grade Fund.
- (D) Payment of Profit Share. The High-Grade Fund and the Partnership hereby agree that no additional fees shall be payable to the High-Grade Fund or Bear Stearns Asset Management Inc., the general partner of the High-Grade Fund (the "High-Grade Fund General Partner"), by the Investor in connection with the transactions described herein, and the High-Grade Fund General Partner shall not be allocated any profit share in respect of the High-Grade Fund on the Transaction Effective Date in respect of the withdrawn High-Grade Fund Interest. However, all profits accrued to the Transaction Effective Date with respect to the High-Grade Fund shall be included in determining the profit share allocable to the High-Grade Fund General Partner in respect of the Interest and any unrecouped losses of the High-Grade Fund Interest shall be maintained with respect to the Interest following the in-kind withdrawal and subscription described herein.
- (E) Representations and Warranties Made by the Investor.

Form W-9

Name Financial Trust Company, Inc 66-0567418

Name Social Security Number/EIN Number

Address 6100 Red Hook Qtr., Suite B-3, St Thomas, USVI 00802-340-775-2625

Telephone Number

Check appropriate box:

INDIVIDUAL

EXEMPT FROM BACKUP WITHHOLDING

TRUST

CORPORATION

OTHER-Please Specify: \_\_\_\_\_

Under penalties of perjury, I certify that:

1. The number shown on this form is my correct taxpayer identification number, **and**
2. I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service ("IRS") that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding, **and**
3. I am a U.S. Person.

Dated: July 26, 2006

Signature: \_\_\_\_\_

Title (if applicable): Jeffrey Epstein, President

IN WITNESS WHEREOF, this Agreement has been executed by the parties hereto as of \_\_\_\_\_, 2006.

BEAR STEARNS HIGH-GRADE STRUCTURED CREDIT STRATEGIES, L.P.

By: Bear Stearns Asset Management Inc., its general partner

By: \_\_\_\_\_

Name:

Title:

BEAR STEARNS HIGH-GRADE STRUCTURED CREDIT STRATEGIES ENHANCED LEVERAGE FUND, L.P.

By: Bear Stearns Asset Management Inc., its general partner

By: \_\_\_\_\_

Name:

Title:

Financial Trust Company, Inc.  
*Name of Investor*

By:   
Name: Jeffrey Epstein  
Title: President

- (1) In connection with the in-kind withdrawal and subscription transaction described herein, the Investor has completed a Subscription Agreement with respect to the Interest, and hereby affirms that all representations, warranties, acknowledgements and covenants made therein are true and correct as of the date hereof;
- (2) the Investor understands and acknowledges that none of the High-Grade Fund, the Partnership, the General Partner or the High-Grade Fund General Partner accepts any responsibility whatsoever for the tax, regulatory, or other consequences of the transactions described in Section B above and that the Investor should consult with professional advisers as to legal, tax, accounting and related consequences of such transactions; and
- (3) the Investor has made true, accurate, and complete representations and warranties herein, and agrees to inform the General Partner, the High-Grade Fund General Partner, the High-Grade Fund, and the Partnership should any of such representations and warranties in this Agreement no longer be true.

(F) Counterparts, Facsimile. This Agreement may be executed in one or more counterparts, each of which however shall constitute one document. Facsimile signature pages shall have the same binding effect as original copies of such signature pages.

(G) Entire Agreement. This Agreement and the Subscription Agreement contain the entire agreement and understanding of the parties hereto relating to the transactions described herein and supersedes any prior agreements and understandings of the parties relating to such transactions.

(H) GOVERNING LAW. Notwithstanding the place where this Agreement may be executed by any of the parties hereto, the parties expressly agree that this Agreement, and all terms and provisions hereof, shall be governed by and construed in accordance with the internal laws of the State of New York (without conflicts of laws principles) applicable to agreements made and to be performed in New York.