

The Initial Purchaser takes no responsibility for, and has no obligations in respect of, the Issuer and will have no obligation to monitor the performance of the Collateral or the actions of the Investment Manager or the Issuer and will have no authority to advise the Investment Manager or the Issuer or to direct their actions, which will be solely the responsibility of the Investment Manager and the Issuer. If the Initial Purchaser or its Affiliates owns Securities, it will have no responsibility to consider the interests of any other holders of Securities in actions it takes or refrains from taking in such capacity.

The Initial Purchaser or any of its Affiliates or employees may purchase Securities (either upon initial issuance or through secondary transfers), buy credit protection on Securities, or exercise any Voting Rights to which such Securities are entitled.

THE INDENTURE AND THE FISCAL AGENCY AGREEMENT

Events of Default; Acceleration

Events of Default

Each of the following events constitutes an "Event of Default" under the Indenture:

(a) a default in the payment of any interest on the Class A Notes (so long as the Class A Notes are Outstanding), and thereafter interest on any Rated Notes of the Controlling Class, in each case, when due and payable and such default continues for five Business Days;

(b) a default in the payment of principal on (i) any Class of Rated Notes when due and payable at Stated Maturity or on any Rated Notes Redemption Date or (ii) the Subordinated Notes at Stated Maturity; *provided*, that in the case of any default resulting from an administrative error or omission, only to the extent that such default continues for five days;

(c) the Issuer does not perform or comply with any one or more of its other obligations under the Indenture (other than (i) a covenant or agreement, a default in the performance of which is addressed in other Events of Default or in certain other provisions of the Indenture or (ii) any failure to meet any of the Collateral Quality Tests, Supplemental Diversion Test, Reinvestment Requirements or Coverage Tests), or any representation or warranty of either of the Co-Issuers under the Indenture fails to be correct in any respect when made, which default or failure has a material adverse effect on the holders of the Notes and is incapable of remedy or, if capable of remedy, is not remedied within 30 days after notice of such default or failure has been given to the Issuer by the Trustee or by holders of at least 25% of the Aggregate Outstanding Amount of any Class of Notes;

(d) the Event of Default Par Ratio is less than 102.5% as of any Measurement Date;

(e) either of the Co-Issuers or the pool of Collateral becomes an investment company required to be registered under the Investment Company Act; or

(f) either of the Co-Issuers becomes subject to certain events of bankruptcy or insolvency.

Acceleration of Maturity

If an Event of Default occurs and is continuing, the Trustee may, with the consent of the Controlling Party, and shall, upon written direction of the Controlling Party, by notice to the Issuer (with a copy to the Investment Manager, each holder of Securities and any Hedge Counterparty) declare the principal of all of the Notes to be immediately due and payable. Upon any such declaration, such principal, together with all accrued and unpaid interest thereon and any other amounts payable in respect thereof, shall become immediately due and payable (except that in the case of an Event of Default resulting from bankruptcy or insolvency, such an acceleration will occur automatically) and upon such declaration, the Reinvestment Period will terminate. Any declaration of acceleration may under certain circumstances be rescinded by the Controlling Party.