UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 8-K

CURRENT REPORT

PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

Date of Report (Date of earliest event reported): September 26, 2012

FS Investment Corporation

(Exact name of Registrant as specified in its charter)

Maryland	**814-00757**	**26-1630040**
(State or other jurisdiction of incorporation)	**(Commission File Number)**	**(I.R.S. Employer Identification No.)**

Cira Centre **2929 Arch Street, Suite 675** **Philadelphia, Pennsylvania** **(Address of principal executive offices)**	**19104** **(Zip Code)**

Registrant's telephone number, including area code: (215) 495-1150

None
(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 1.01 Entry into a Material Definitive Agreement.

On September 26, 2012, FS Investment Corporation ("FSIC"), through its two wholly-owned, special-purpose, bankruptcy-remote subsidiaries, Locust Street Funding LLC ("Locust Street") and Race Street Funding LLC ("Race Street"), amended its debt financing arrangement with JPMorgan Chase Bank, N.A., London Branch ("JPM"), to increase the amount of debt financing available under the arrangement from $400 million to $700 million.

In connection with the increase in the amount available under the debt financing arrangement, in addition to assets sold or contributed by FSIC to Locust Street in connection with the existing financing arrangement, FSIC may sell from time to time additional loans in its portfolio having an aggregate market value of approximately $500 million to Locust Street pursuant to an Amended and Restated Asset Transfer Agreement, dated as of September 26, 2012 (the "Locust Asset Transfer Agreement"), between FSIC and Locust Street. Under the Locust Asset Transfer Agreement, on September 26, 2012, FSIC sold loans to Locust Street for a purchase price of approximately $380 million, all of which consisted of an increase in the value of FSIC's limited liability company interest in Locust Street. It is expected that the aggregate amount of loans held by Locust Street when the financing arrangement is fully-ramped will be approximately $1.3 billion.

The loans held by Locust Street will secure the obligations of Locust Street under Class A Floating Rate Notes (the "Class A Notes") issued and to be issued by Locust Street from time to time to Race Street pursuant to an Amended and Restated Indenture, dated as of September 26, 2012, with Citibank, N.A., as trustee (the "Indenture"). Pursuant to the Indenture, the aggregate principal amount of Class A Notes to be issued by Locust Street from time to time was increased from $560 million to $840 million. Principal on the Class A Notes will be due and payable on the stated maturity date of October 15, 2023. Race Street will purchase the issued Class A Notes from time to time at a purchase price equal to their par value.

Pursuant to the Indenture, Locust Street has made certain representations and warranties and is required to comply with various covenants, reporting requirements and other customary requirements for similar transactions. In addition to customary events of default included in similar transactions, the Indenture contains the following events of default: (a) the failure to make principal payments on the Class A Notes at their stated maturity or redemption date or to make interest payments on the Class A Notes within five business days of when due; (b) the failure of the aggregate outstanding principal balance (subject to certain reductions) of the loans securing the Class A Notes to be at least 130% of the outstanding principal amount of the Class A Notes; and (c) GSO / Blackstone Debt Funds Management LLC ceasing to be the sub-adviser to FSIC's investment adviser, FB Income Advisor, LLC.

Race Street, in turn, has entered into an amended repurchase transaction with JPM, pursuant to the terms of an Amended and Restated Master Repurchase Agreement and the related Annex and Amended and Restated Confirmation thereto, each dated as of September 26, 2012 (collectively, the "JPM Facility"). Pursuant to the JPM Facility, JPM from time to time will purchase Class A Notes held by Race Street for an aggregate purchase price equal to approximately 83% of the principal amount of Class A Notes purchased. Subject to certain conditions, the maximum principal amount of Class A Notes that may be purchased under the JPM Facility is $840 million. Accordingly, the maximum amount payable at any time to Race Street under the JPM Facility will not exceed $700 million. Under the JPM Facility, Race Street will, on a quarterly basis, repurchase the Class A Notes sold to JPM under the JPM Facility and subsequently resell such Class A Notes to JPM. The final repurchase transaction must occur no later than October 15, 2016. The repurchase price paid by Race Street to JPM for each repurchase of the Class A Notes will be equal to the purchase price paid by JPM for such Class A Notes, plus interest thereon accrued at a fixed rate of 3.25% per annum. Commencing October 15, 2014, Race Street is permitted to reduce (based on certain thresholds) the aggregate principal amount of Class A Notes subject to the JPM Facility. Such reductions, and any other reductions of the principal amount of Class A Notes, including upon an event of default, will be subject to breakage fees in an amount equal to the present value of 1.25% per annum over the remaining term of the JPM Facility applied to the amount of such reduction.

If at any time during the term of the JPM Facility the market value of the loans held by Locust Street securing the Class A Notes declines by an amount greater than 27% of their initial aggregate purchase price (the "Margin Threshold"), Race Street will be required to post cash collateral with JPM in an amount at least equal to the amount by which the market value of such loans at such time is less than the Margin Threshold. In such event, in order to

satisfy any such margin-posting requirements, Race Street intends to borrow funds from FSIC pursuant to a Revolving Credit Agreement, dated as of July 21, 2011 and as amended as of September 26, 2012, between Race Street, as borrower, and FSIC, as lender (collectively, the "Revolving Credit Agreement"). FSIC may, in its sole discretion, make such loans from time to time to Race Street pursuant to the terms of the Revolving Credit Agreement. Borrowings under the Revolving Credit Agreement will accrue interest at a rate equal to the one-month London Interbank Offered Rate plus a spread of 0.75% per annum.

In connection with the increase in the amount available under the JPM Facility, FSIC may sell from time to time loans in its portfolio having an aggregate market value of approximately $600 million to Race Street pursuant to an asset transfer agreement, dated as of September 26, 2012, between FSIC and Race Street (the "Race Asset Transfer Agreement"). The loans purchased by Race Street from FSIC will secure the obligations of Race Street under the JPM Facility. Under the Race Asset Transfer Agreement, on September 26, 2012, FSIC sold loans to Race Street for a purchase price of approximately $535 million, all of which consisted of an increase in the value of FSIC's limited liability company interest in Race Street.

Pursuant to the JPM Facility, Race Street has made certain representations and warranties and is required to comply with various covenants, reporting requirements and other customary requirements for similar transactions. In addition to customary events of default included in similar transactions, the JPM Facility contains the following events of default: (a) the failure to pay the repurchase price upon the applicable payment dates; (b) the failure to post required cash collateral with JPM as discussed above; and (c) the occurrence of an event of default under the Indenture.

In connection with the Class A Notes and the Indenture, Locust Street also entered into (i) an Amended and Restated Collateral Management Agreement with FSIC, as collateral manager, dated as of September 26, 2012 (the "Locust Management Agreement"), pursuant to which FSIC will manage the assets of Locust Street; and (ii) an Amended and Restated Collateral Administration Agreement with Virtus Group, LP ("Virtus"), as collateral administrator, and FSIC, as collateral manager, dated as of September 26, 2012 (the "Administration Agreement"), pursuant to which Virtus will perform certain administrative services with respect to the assets of Locust Street. In connection with the JPM Facility, Race Street also entered into a Collateral Management Agreement with FSIC, as collateral manager, dated as of September 26, 2012 (the "Race Management Agreement"), pursuant to which FSIC will manage the assets of Race Street.

In connection with the amendments described above, on September 26, 2012, Locust Street issued an additional Class A Note to Race Street in the principal amount of $66 million. Following such issuance, Class A Notes in the aggregate principal amount of $626 million had been purchased by Race Street from Locust Street and subsequently sold to JPM under the JPM Facility for aggregate proceeds of approximately $521.7 million.

The foregoing descriptions of the Locust Asset Transfer Agreement, the Indenture, the Class A Notes, the JPM Facility, the Revolving Credit Agreement, the Race Asset Transfer Agreement, the Locust Management Agreement, the Administration Agreement and the Race Management Agreement, as set forth in this Item 1.01, are summaries only and are each qualified in their entirety by reference to the text of the agreements which are filed as Exhibits 10.1 through 10.9 and are incorporated herein by reference.

Item 2.03 Creation of a Direct Financial Obligation or an Obligation under an Off-Balance Sheet Arrangement of a Registrant.

The information in Item 1.01 of this Current Report on Form 8-K is incorporated by reference into this Item 2.03.

Item 8.01 Other Events.

On October 1, 2012, FSIC issued shares under its Distribution Reinvestment Program and repurchased shares under its Share Repurchase Program at a price equal to $9.90 per share. The $9.90 share price represents an amount equal to 90% of an implied public offering price of $11.00 per share, which would be the offering price per share of FSIC's common stock were FSIC still conducting its continuous public offering of common stock. FSIC closed its public offering to new investors in May 2012. The last offering price at which FSIC's shares were issued in the public offering was $10.80 per share.

Forward-Looking Statements

This Current Report on Form 8-K may contain certain forward-looking statements, including statements with regard to the future performance of FSIC. Words such as “believes,” “expects,” “projects,” and “future” or similar expressions are intended to identify forward-looking statements. These forward-looking statements are subject to the inherent uncertainties in predicting future results and conditions. Certain factors could cause actual results to differ materially from those projected in these forward-looking statements, and some of these factors are enumerated in the filings FSIC makes with the Securities and Exchange Commission. FSIC undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits.

EXHIBIT NUMBER	DESCRIPTION
10.1	Amended and Restated Asset Transfer Agreement, dated as of September 26, 2012, by and between FS Investment Corporation and Locust Street Funding LLC.
10.2	Amended and Restated Indenture, dated as of September 26, 2012, by and between Locust Street Funding LLC and Citibank, N.A., as trustee.
10.3	Locust Street Funding LLC Class A Floating Rate Secured Note, due 2023.
10.4	TBMA/ISMA 2000 Amended and Restated Global Master Repurchase Agreement by and between JPMorgan Chase Bank, N.A., London Branch and Race Street Funding LLC, together with the related Annex and Amended and Restated Confirmation thereto, each dated as of September 26, 2012.
10.5	Amendment to Credit Agreement, dated as of September 26, 2012, by and between Race Street Funding LLC and FS Investment Corporation.
10.6	Asset Transfer Agreement, dated as of September 26, 2012, by and between FS Investment Corporation and Race Street Funding LLC.
10.7	Amended and Restated Collateral Management Agreement, dated as of September 26, 2012, by and between Locust Street Funding LLC and FS Investment Corporation.
10.8	Amended and Restated Collateral Administration Agreement, dated as of September 26, 2012, by and among Locust Street Funding LLC, FS Investment Corporation and Virtus Group, LP.
10.9	Collateral Management Agreement, dated as of September 26, 2012, by and between Race Street Funding LLC and FS Investment Corporation.

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, as amended, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

FS Investment Corporation

Date: October 1, 2012

By: /s/ Michael C. Forman
Michael C. Forman
President and Chief Executive Officer

EXHIBIT INDEX

EXHIBIT NUMBER	DESCRIPTION
10.1	Amended and Restated Asset Transfer Agreement, dated as of September 26, 2012, by and between FS Investment Corporation and Locust Street Funding LLC.
10.2	Amended and Restated Indenture, dated as of September 26, 2012, by and between Locust Street Funding LLC and Citibank, N.A., as trustee.
10.3	Locust Street Funding LLC Class A Floating Rate Secured Note, due 2023.
10.4	TBMA/ISMA 2000 Amended and Restated Global Master Repurchase Agreement by and between JPMorgan Chase Bank, N.A., London Branch and Race Street Funding LLC, together with the related Annex and Amended and Restated Confirmation thereto, each dated as of September 26, 2012.
10.5	Amendment to Credit Agreement, dated as of September 26, 2012, by and between Race Street Funding LLC and FS Investment Corporation.
10.6	Asset Transfer Agreement, dated as of September 26, 2012, by and between FS Investment Corporation and Race Street Funding LLC.
10.7	Amended and Restated Collateral Management Agreement, dated as of September 26, 2012, by and between Locust Street Funding LLC and FS Investment Corporation.
10.8	Amended and Restated Collateral Administration Agreement, dated as of September 26, 2012, by and among Locust Street Funding LLC, FS Investment Corporation and Virtus Group, LP.
10.9	Collateral Management Agreement, dated as of September 26, 2012, by and between Race Street Funding LLC and FS Investment Corporation.

Exhibit 10.1

AMENDED AND RESTATED ASSET TRANSFER AGREEMENT

This AMENDED AND RESTATED ASSET TRANSFER AGREEMENT (this **"Agreement"**), dated as of September 26, 2012, is entered into by and between FS Investment Corporation (the **"Seller"**) and Locust Street Funding LLC (the **"Issuer"**).

RECITALS

WHEREAS, the Seller owns certain loans or interests in loans (each, a **"Collateral Obligation"**);

WHEREAS, the Seller desires from time to time to sell to the Issuer, and the Issuer desires from time to time to purchase from the Seller, each Collateral Obligation (each such Collateral Obligation, a **"Sold Asset,"** and collectively, the **"Sold Assets**") owned by the Seller and described on the related supplement to this Agreement between the Seller and the Issuer substantially in the form attached hereto as Exhibit A (the **"Transfer Supplement**"**);**

WHEREAS, the Seller and the Issuer would like to confirm and evidence their intent that all right, title and interest in each Sold Asset be sold and transferred to the Issuer;

WHEREAS, the Issuer has issued certain notes and on the date hereof, the Issuer will issue certain notes (the "**Notes**") in each case pursuant to an amended and restated indenture dated as of the date hereof (the "**Indenture**"), by and between the Issuer and Citibank, N.A., as trustee (the **"Trustee**"); and

WHEREAS, except as otherwise specified herein or as the context may otherwise require, the terms not defined in this Agreement have the respective meanings set forth in the Indenture.

NOW THEREFORE, in consideration of the recitals and mutual promises herein and other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the parties agree as follows:

1. Sales of Sold Assets.

(a) The Seller hereby agrees to sell, transfer, assign, set over, quitclaim, and otherwise convey to the Issuer, without recourse, representation or warranty except as provided herein, and the Issuer agrees to purchase from the Seller on each date set forth on the related Transfer Supplement (each such date, the "**Transfer Date**") all of the right, title and interest of the Seller, in and to the related Sold Assets, including all distributions thereon and collections thereof received or due on or after the applicable Transfer Date. The purchase price for the sale of the applicable Sold Assets on such Transfer Date, the receipt of which by the Seller is hereby acknowledged by the parties to be good and valuable consideration, in an amount equal to the fair market value thereof, consists of cash; provided, that if such Transfer Date occurs (i) on the Closing Date, the purchase price for the applicable Sold Assets shall only consist of the issuance to the Seller by the Issuer of limited liability company interests in the Issuer, (ii) on or within one hundred eighty (180) days of the Transfer Date occurring on the date hereof, the consideration

for the applicable Sold Assets may in whole or in part consist of an increase in the value of the Seller's limited liability company interests in the Issuer as well as any benefit derived in connection with the increase in the aggregate outstanding principal amount of the Class A Notes on such Transfer Date and (iii) on any Transfer Date occurring more than one hundred eighty (180) days after the date hereof, the consideration for the applicable Sold Assets may in whole or in part consist of notes issued by the Issuer issued in accordance with Section 2.14 of the Indenture in an amount equal to the fair market value of the related Sold Asset less any cash paid as part of the purchase price.

(b) After the effectiveness of the transfer of a Sold Asset, the Seller agrees that such Sold Asset shall not be part of the Seller's property for any purposes under state or federal law. It is the intention of the parties hereto that the arrangements with respect to the Sold Assets shall constitute a purchase and sale of the Sold Assets and not a loan. In the event, however, that a court were to hold that the transactions evidenced hereby constitute a loan and not a purchase and sale, it is the intention of the parties hereto that this Agreement shall be deemed to have created and does hereby create in favor of the Issuer a first-priority perfected security interest in all of the Seller's right, title and interest, whether now owned or hereafter acquired, in, to and under the Sold Assets and all proceeds thereof, to secure the obligations of the Seller hereunder and a loan in the amount of the purchase price of the Sold Assets plus all interest accrued on and all proceeds of the Sold Assets.

(c) The Seller hereby authorizes the filing of any financing statements or continuation statements, and amendments to financing statements, in any jurisdictions and with any filing offices as the Issuer may determine, in its sole discretion, are necessary or advisable to perfect the security interest described in the preceding paragraph. Such financing statements may describe the collateral in the same manner as described in this Agreement or in any other security agreement, assignment, transfer document or pledge agreement entered into by the parties in connection herewith.

2. Representations, Warranties and Covenants of the Seller. The Seller hereby represents, warrants and covenants to the Issuer, its successors and assigns, that:

(a) Organization. It is duly incorporated, validly existing and in good standing under the laws and regulations of its jurisdiction of incorporation and is duly qualified, and in good standing in every jurisdiction where such qualification is necessary for the transaction of its business except where the failure to do so would not have a material adverse effect on the transactions contemplated hereby or the Seller's ability to perform its obligations hereunder. It has the power to own and hold the assets it purports to own and hold, and to carry on its business as now being conducted and proposed to be conducted, in each case, except where the failure to do so would not have a material adverse effect on the transactions contemplated hereby or the Seller's ability to perform its obligations hereunder.

(b) Due Execution; Enforceability. It has the full power and authority to execute and deliver this Agreement and to carry out its terms; it has full power, authority and right under its constituent documents to sell, convey, transfer, set over, and otherwise assign the Sold Assets to the Issuer; and it has duly authorized such by all necessary entity action. This Agreement has been duly executed and delivered by the Seller, and constitutes the legal, valid and binding

obligations of the Seller, enforceable against the Seller in accordance with its terms, subject to bankruptcy, insolvency, and other limitations on creditors' rights generally, to any applicable law imposing limitations upon, or otherwise affecting, the availability or enforcement of rights to indemnification hereunder and to equitable principles.

(c) Non-Contravention. Neither the execution and delivery of this Agreement, nor consummation by the Seller of the transactions contemplated by this Agreement, nor compliance by Seller with the terms, conditions and provisions of this Agreement will conflict with or result in a breach of any of the terms, conditions or provisions of any of the following in a manner which would have a material adverse effect on the Seller's ability to perform its obligations hereunder: (i) the organizational documents of the Seller, (ii) any contractual obligation to which the Seller is now a party or the rights under which have been assigned to the Seller or the obligations under which have been assumed by the Seller or to which the assets of the Seller are subject or constitute a default thereunder in any material respect, or result thereunder in the creation or imposition of any lien upon any of the assets of the Seller, other than pursuant to this Agreement, (iii) any judgment or order, writ, injunction, decree or demand of any court applicable to the Seller or (iv) any applicable requirement of law. The Seller has all necessary licenses, permits and other consents from governmental authorities necessary to acquire, own and sell the Sold Assets and for the performance of its obligations under this Agreement except where the failure to have any such license, permit or consent would not have a material adverse effect on the Seller's ability to perform its obligations hereunder.

(d) Litigation, Requirements of Law. (i) There is no action, suit, proceeding, investigation, or arbitration pending or, to the best knowledge of the Seller, threatened, against the Seller with respect to the Sold Assets, (ii) Seller is in compliance in all material respects with all requirements of law to which the Seller is subject with respect to the Sold Assets and (iii) Seller is not in default in any material respect with respect to any judgment, order, writ, injunction, decree, rule or regulation of any arbitrator or governmental authority, in each of the foregoing instances, except where such action, suit, proceeding, investigation, or arbitration, non compliance or default would not have a material adverse effect on any Sold Asset or Seller's ability to perform its obligations hereunder.

(e) Good Title to Sold Assets. The Seller has not assigned, pledged, or otherwise conveyed or encumbered any interest in the Sold Assets to any other person, which assignment, pledge, conveyance or encumbrance remains effective as of the applicable Transfer Date. Immediately prior to the purchase of any of the Sold Assets by the Issuer from the Seller, such Sold Assets are free and clear of any lien, encumbrance or impediment to transfer created by Seller (including any "adverse claim" as defined in
Section 8-102(a)(1) of the Uniform Commercial Code), and the Seller is the sole record and beneficial owner of and has good and marketable title to and the right to sell and transfer such Sold Assets to the Issuer and, upon transfer of such Sold Asset to the Issuer, the Issuer shall be the sole owner of such Sold Assets free of any adverse claim created by the Seller. In the event the transactions contemplated hereby are recharacterized as a secured financing of the Sold Assets, the provisions of this Agreement are effective to create in favor of the Issuer a valid security interest in all rights, title and interest of the Seller in, to and under the Sold Assets and the Issuer shall have a valid, perfected first priority security interest in the Sold Assets.

(f) Characteristics of Sold Assets. The information set forth with respect to each Collateral Obligation in the Schedule of Collateral Obligations is correct, and each such Collateral Obligation satisfies the requirements of the definition of "Collateral Obligation" set forth in the Indenture.

(g) No Default. No default shall have occurred and be continuing with respect to any Collateral Obligation as of the applicable Transfer Date.

(h) Sale Accounting. The Seller will treat each transfer of the Sold Assets to the Issuer as a sale for legal purposes, but not for accounting purposes.

(i) Solvency. The Seller is generally able to pay, and as of the applicable Transfer Date is paying, its debts as they come due. The Seller's assets at a fair valuation exceeds its liabilities. The Seller has not entered into this Agreement or the transactions effectuated hereby in contemplation of insolvency or with intent to hinder, delay or defraud any creditor.

(j) Seller's Undertakings as to Sold Assets. The sale of each Sold Asset shall be a separate transaction (each, a "**Transaction**") and for each Transaction with respect to a Sold Asset that is of a type normally traded thereby, except as herein expressly provided, this Agreement shall constitute a "Confirmation" with respect to each Transaction and shall be governed by the Standard Terms and Conditions for Par/Near Par Trade Confirmations (the "**LSTA Standard Terms and Conditions**") published by the Loan Syndication and Trading Association, Inc. (the "**LSTA**") as of August, 2010; provided, that (a) no "Delayed Compensation" (as defined in the LSTA Standard Terms and Conditions) shall be payable in respect of any Transaction; (b) "Credit Documentation" (as defined in the LSTA Standard Terms and Conditions) shall be provided by the Seller to the Issuer; and (c) "Assignment" (as defined in the LSTA Standard Terms and Conditions) shall apply unless a consent to the related Transaction is not timely obtained to permit consummation of such Assignment on or before the related settlement date, in which case the Transaction shall be settled by a Participation with Elevation applicable thereto. The Issuer agrees to pay the "purchase price" to the Seller for each such Sold Asset on the related settlement date by payment of the consideration specified for such Sold Asset in the related Transfer Supplement.

3. Repurchase of Collateral Obligations. Each party to this Agreement shall give notice to the other party promptly, in writing, upon the discovery of any breach of the Seller's representations and warranties made pursuant to Section 2 hereof which has a material adverse effect on the interest of the Issuer in any Collateral Obligation. In the event of such a material breach, the Seller shall promptly cure or repurchase any affected Collateral Obligation from the Issuer at an amount equal to (i) 100% of the "purchase price" (expressed as a percentage) paid by the Issuer and multiplied by the principal amount of each such Collateral Obligation and (ii) all accrued and unpaid interest thereon.

4. Representations, Warranties and Covenants of the Issuer. The Issuer hereby represents, warrants and covenants to the Seller, its successors and assigns, that:

(a) Organization. It is duly formed, validly existing and in good standing under the laws and regulations of its jurisdiction of formation and is duly licensed, qualified, and in good

standing in every jurisdiction where such licensing or qualification is necessary for the transaction of its business except where the failure to do so would not have a material adverse effect on the transaction of the Issuer's business or its ability to perform its obligations hereunder. It has the power to own and hold the assets it purports to own and hold, and to carry on its business as now being conducted and proposed to be conducted, in each case, except where the failure to do so would not have a material adverse effect on the transactions contemplated hereby or on the Issuer's ability to perform its obligations hereunder.

(b) Due Execution, Enforceability. This Agreement has been duly executed and delivered by the Issuer, and constitutes the legal, valid and binding obligations of the Issuer, enforceable against the Issuer in accordance with its terms, subject to bankruptcy, insolvency, and other limitations on creditors' rights generally, to any applicable law imposing limitations upon, or otherwise affecting, the availability or enforcement of rights to indemnification hereunder and to equitable principles.

(c) Litigation; Requirements of Law. (i) There is no action, suit, proceeding, investigation, or arbitration pending or, to the best knowledge of the Issuer, threatened, against the Issuer or any of its assets; (ii) the Issuer is in compliance in all material respects with all requirements of law to which the Issuer is subject; and (iii) the Issuer is not in default in any material respect with respect to any judgment, order, writ, injunction, decree, rule or regulation of any arbitrator or governmental authority, in each of the foregoing instances, except where such action, suit, proceeding, investigation or arbitration, non-compliance or default would not have a material adverse effect on any Sold Asset or on the Issuer's ability to perform its obligations hereunder.

(d) No Broker. The Issuer has not dealt with any broker, investment banker, agent, or other person (other than the Seller or an affiliate of the Seller) who may be entitled to any commission or compensation in connection with the sale of the Sold Assets pursuant to this Agreement.

(e) Consents. No consent, approval or other action of, or filing by the Issuer with, any governmental authority or any other person is required to authorize, or is otherwise required in connection with, the execution, delivery and performance of this Agreement (other than consents, approvals and filings that have been obtained or made, as applicable).

(f) Sale. Accounting. The Issuer will treat the transfer of the Sold Assets to it as a purchase for legal purposes, but not for accounting purposes.

(g) Solvency. Immediately prior to each transfer on any Transfer Date on or after the Second Amendment Date, the Issuer is able to pay its debts as they come due and the Issuer's assets at a fair valuation exceeds its liabilities.

5. Closing. The closing of a sale of Sold Assets shall be held on the applicable Transfer Date at the time and place mutually agreed upon by the parties.

The closing shall be subject to each of the following conditions:

(a) all of the representations, warranties and covenants of the Issuer and the Seller specified herein shall be true and correct in all material respects as of the applicable Transfer Date (or such other date specifically provided in the particular representation or warranty);

(b) the applicable Transfer Supplement shall be duly executed by the Seller and the Issuer;

(c) the Collateral Obligations constituting the Sold Assets and any applicable transfer documents that are requested by the Trustee shall be delivered to the Trustee (or otherwise at the direction of the Issuer); and

(d) all other terms and conditions of this Agreement required to be complied with on or before the applicable Transfer Date shall have been complied with.

Each of the parties hereto agrees to use all reasonable commercial efforts to perform its respective obligations hereunder in a manner that will enable the Issuer to purchase the Sold Assets on the applicable Transfer Date.

6. Undertaking and Assumption. To the extent that any Collateral Obligation requires that any transferee of an interest therein must execute an assignment and assumption agreement whereby such transferee assumes all of the obligations of the holder thereof with respect to such Collateral Obligation or portion thereof being transferred, and such an agreement has not already been executed and delivered, the parties hereto intend that this Agreement shall constitute such an assignment and assumption agreement (within the meaning of such Collateral Obligation) with respect to the transfer of such Collateral Obligation to the Issuer and the Issuer may enter into an omnibus assignment and assumption agreement to evidence such assignment and assumption pursuant to this Agreement.

The Issuer hereby assumes and undertakes to perform, pay or discharge in accordance with the terms and conditions thereof all obligations of the Seller in its capacity as the holder of each Sold Asset under the related Collateral Obligation, to the extent such obligations are to be performed, paid or discharged after the effectiveness of the transfer of each such Sold Asset and related Collateral Obligation to the Issuer. The Issuer hereby agrees to be bound by the terms, provisions, covenants and conditions in each Collateral Obligation applicable to the holder of each such Sold Asset. The Seller hereby retains and undertakes to perform, pay or discharge in accordance with the terms and conditions under such Collateral Obligation all of the obligations of the holder of the Sold Asset to the extent such obligations arose or accrued prior to the effectiveness of such transfer. The Issuer agrees to execute and deliver all such further assurances as may be reasonably requested by the Seller in order to effect the assumption by the Issuer of the obligations of the Seller under such Collateral Obligation with respect to the Sold Assets as contemplated herein. Except as may otherwise have been agreed to between the parties with respect to any particular Sold Asset, (i) the Seller hereby represents, warrants and agrees that any amounts received by it with respect to any Sold Asset and which accrue from and after the effectiveness of the transfer of such Sold Asset shall be held in trust for the benefit of and shall be promptly remitted to the Issuer upon receipt thereof, and (ii) the Issuer hereby represents, warrants and agrees that any amounts received by it with respect to a Sold Asset which accrue with respect to the period prior to the effectiveness of such transfer of such Sold Asset shall be held in trust for the benefit of and shall be promptly remitted to the Seller upon receipt thereof.

7. Notices. Any notice under this Agreement shall be in writing and sent by facsimile, confirmed by telephonic communication, or addressed and delivered or mailed postage paid to the other party at such address as such other party may designate for the receipt of such notice. Notice shall be deemed to have been duly given, made or received when delivered against receipt or upon actual receipt of registered or certificated mail, postage prepaid, return receipt requested, or in the case of facsimile notices, when received in legible form. Until further notice to the other party, it is agreed that the address of:

(a) the Seller for this purpose shall be:

FS Investment Corporation
Cira Centre
2929 Arch Street, Suite 675
Philadelphia, Pennsylvania 19104
Telephone: (215) 495-1169
Telecopy: (215) 222-4649
Attention: Gerald F. Stahlecker

(b) the Issuer for this purpose shall be:

Locust Street Funding LLC
Cira Centre
2929 Arch Street, Suite 675
Philadelphia, Pennsylvania 19104
Telephone: (215) 495-1169
Telecopy: (215) 222-4649
Attention: Gerald F. Stahlecker

8. GOVERNING LAW. THIS AGREEMENT SHALL BE GOVERNED BY AND INTERPRETED UNDER AND IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK APPLICABLE TO CONTRACTS MADE AND TO BE PERFORMED WHOLLY THEREIN, WITHOUT GIVING EFFECT TO THE PRINCIPLES OF CONFLICTS OF LAW.

9. Survival. The Seller and the Issuer agrees that the representations, warranties and agreements made by it herein and in any certificate or other instrument delivered pursuant hereto shall be deemed to have been relied upon by the Issuer and the Seller, respectively, notwithstanding any investigation heretofore or hereafter made by the other party or on the other party's behalf, and that the representations, warranties and agreements made by the Seller herein or in any such certificate or other instrument and Sections 17 and 18 of this Agreement, shall survive the delivery of and payment for the Sold Assets.

10. Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original, but all of which together shall constitute one instrument.

11. Acknowledgement of Assignment. The Seller hereby acknowledges that the Issuer is assigning all of its right, title and interest in, to and under this Agreement to the Trustee. The Trustee shall be considered a third-party beneficiary of this Agreement and may enforce this Agreement against the Seller.

12. Entire Agreement. This Agreement constitutes the entire understanding and agreement among the parties and supersedes all other prior understandings and agreements, whether written or oral, among the parties concerning this subject matter.

13. Severability. In the event any court of competent jurisdiction shall hold any provision of this Agreement invalid or unenforceable, such holding shall not invalidate or render unenforceable any other provisions hereof.

14. Captions. The captions in this Agreement are included for convenience only and in no way define or limit any of the provisions hereof or otherwise affect their construction or effect.

15. Use of Terms. Words used herein, regardless of the number and gender specifically used, shall be deemed and construed to include any other number, singular or plural, and any other gender, masculine, feminine or neuter, as the context requires.

16. Amendments. This Agreement may be amended or modified only by an instrument in writing signed by the parties hereto.

17. Non-Petition. The Seller and the Issuer agree that neither party shall institute against, or join any other person in instituting against the Issuer or the Seller, respectively, any bankruptcy, reorganization, arrangement, insolvency, moratorium, liquidation or similar proceedings or other proceedings under U.S. federal or state bankruptcy laws or similar laws of any jurisdiction until at least one (1) year and one (1) day (or, if applicable, such longer preference period as may be in effect) after the payment in full of all Class A Notes (as defined in the Indenture) issued under the Indenture; provided that nothing in this Section 17 shall preclude, or be deemed to estop, the Seller or the Issuer (A) from taking any other action prior to the expiration of such period in (i) any case or proceeding voluntarily filed or commenced by the Issuer or the Seller, respectively, or (ii) any involuntary insolvency proceeding filed or commenced against the Issuer or the Seller, respectively, by a person other than the Seller or the Issuer, respectively, or (B) from commencing against the Issuer or the Seller, respectively, or any properties of the Issuer or the Seller, respectively, any legal action which is not a bankruptcy, reorganization, arrangement, insolvency, moratorium, liquidation or similar proceeding. The provisions of this Section 17 shall survive termination of this Agreement for any reason whatsoever.

18. Limited-Recourse. Notwithstanding any other provision of this Agreement, the obligations of the Issuer to the Seller under this Agreement, and of the Seller to the Issuer under this Agreement, shall be limited to the remaining amounts from time to time available and comprising the assets of the Issuer and the Seller, respectively, having satisfied or provided for all other prior ranking liabilities of the Issuer or the Seller, as the case may be. Accordingly, the Seller shall have no claim or recourse against the Issuer in respect of any amount which is or remains unsatisfied after the application of the funds comprising the assets of the Issuer or representing the proceeds of realization thereof and any remaining obligation to pay any further unsatisfied amounts shall be extinguished. Correspondingly, the Issuer shall have no claim or recourse against the Seller in respect of any amount which is or remains unsatisfied after the application of the funds comprising the assets of the Seller or representing the proceeds of realization thereof and any remaining obligation to pay any further unsatisfied amounts shall be extinguished. None of the shareholders, subordinated noteholders, partners, members, directors, board members, managers, officers, employees and agents of the Seller and the Issuer shall be personally liable for any amounts payable, or performance due, under this Agreement. The provisions of this Section 18 shall survive termination of this Agreement for any reason whatsoever.

IN WITNESS WHEREOF, the parties hereto have executed and delivered this Amended and Restated Asset Transfer Agreement on the date first above mentioned.

FS INVESTMENT CORPORATION

By: /s/ Gerald F. Stahlecker
Name: Gerald F. Stahlecker
Title: Executive Vice President

LOCUST STREET FUNDING LLC

By: /s/ Gerald F. Stahlecker
Name: Gerald F. Stahlecker
Title: Executive Vice President

EXHIBIT A

FORM OF TRANSFER SUPPLEMENT

THIS TRANSFER SUPPLEMENT TO THE ASSET TRANSFER AGREEMENT (this "Transfer Supplement"), dated as of **[INSERT DATE],** by and between FS Investment Corporation (the "Seller") and Locust Street Funding LLC (the "Issuer"). Except as otherwise expressly provided herein or unless the context otherwise requires, all capitalized terms used herein shall have the meanings attributed to them in the Amended and Restated Asset Transfer Agreement, dated as of September 26, 2012, as amended from time to time (the "Asset Transfer Agreement"), between the Seller and the Issuer.

Section 1. Sold Assets

(a) The Sold Assets to which this Transfer Supplement applies are described on Schedule A hereto.

(b) Transfer Date: [ ].

(c) Purchase Price of Sold Assets: $[ ].

Section 2. Representations, Warranties and Covenants of the Seller. The representations, warranties and covenants of the Seller set forth in Section 2 of the Asset Transfer Agreement shall be true in all material respects as of the Transfer Date (or such other date specifically provided in the particular representation or warranty).

Section 3. Effect of Supplement. Except as specifically supplemented herein, the Asset Transfer Agreement shall continue in full force and effect in accordance with its original terms. Reference to this specific Transfer Supplement need not be made in the Asset Transfer Agreement, or any other instrument or document executed in connection therewith, or in any certificate, letter or communication issued or made pursuant to or with respect to the Asset Transfer Agreement, any reference in any of such items to the Asset Transfer Agreement being sufficient to refer to the Asset Transfer Agreement as supplemented hereby.

Section 4. Counterparts. This Transfer Supplement may be executed in any number of counterparts, and by the different parties on different counterpart signature pages, all of which taken together shall constitute one and the same agreement. Any of the parties hereto may execute this Transfer Supplement by signing any such counterpart and each of such counterparts shall for all purposes be deemed to be an original. This Transfer Supplement shall be governed by the internal laws of the State of New York.

* * * * *

IN WITNESS WHEREOF, the parties hereto have caused this Transfer Supplement to the Asset Transfer Agreement to be duly executed by their respective officers duly authorized as of the day and year first above written.

FS INVESTMENT CORPORATION

By: _____
Name: Gerald F. Stahlecker
Title: Executive Vice President

LOCUST STREET FUNDING LLC

By: _____
Name: Gerald F. Stahlecker
Title: Executive Vice President

Exhibit 10.2

LOCUST STREET FUNDING LLC,
ISSUER

AND

CITIBANK, N.A.,
TRUSTEE

AMENDED AND RESTATED

INDENTURE

Dated as of September 26, 2012

COLLATERALIZED LOAN OBLIGATIONS

TABLE OF CONTENTS

	Page
ARTICLE I. DEFINITIONS	2
Section 1.1 Definitions	2
Section 1.2 Assumptions as to Collateral Obligations	47
Section 1.3 Rules of Construction and Certain Other Matters	48
ARTICLE II. THE CLASS A NOTES	48
Section 2.1 Forms Generally	48
Section 2.2 Forms of Class A Notes and Certificate of Authentication	49
Section 2.3 Authorized Amount; Note Interest Rate; Stated Maturity; Denominations	49
Section 2.4 Execution, Authentication, Delivery and Dating	50
Section 2.5 Registration, Registration of Transfer and Exchange	51
Section 2.6 Mutilated, Destroyed, Lost or Stolen Class A Notes	57
Section 2.7 Payment of Principal and Interest, Preservation of Rights	58
Section 2.8 Persons Deemed Owners	61
Section 2.9 Cancellation	61
Section 2.10 Global Notes; Temporary Notes	61
Section 2.11 No Gross Up	63
Section 2.12 Class A Notes Beneficially Owned by Non-Permitted Holders	63
Section 2.13 Increases on the Class A Notes	63
ARTICLE III. CONDITIONS PRECEDENT; CERTAIN PROVISIONS RELATING TO COLLATERAL	66
Section 3.1 General Provisions	66
Section 3.2 Security for the Class A Notes	67
Section 3.3 Delivery of Pledged Obligations	69
Section 3.4 Purchase and Delivery of Collateral Obligations and Other Actions During the Initial Investment Period; Effective Date Requirements	70
ARTICLE IV. SATISFACTION AND DISCHARGE	72
Section 4.1 Satisfaction and Discharge of Indenture	72
Section 4.2 Application of Trust Money	74
Section 4.3 Repayment of Monies Held by Paying Agent	74
ARTICLE V. REMEDIES	74
Section 5.1 Events of Default	74
Section 5.2 Acceleration of Maturity; Rescission and Annulment	76
Section 5.3 Collection of Indebtedness and Suits for Enforcement by Trustee	76
Section 5.4 Remedies	78

TABLE OF CONTENTS
(continued)

	Page
Section 5.5 Optional Preservation of Collateral	80
Section 5.6 Trustee May Enforce Claims Without Possession of Class A Notes	81
Section 5.7 Application of Money Collected	81
Section 5.8 Limitation on Suits	81
Section 5.9 Unconditional Rights of Holders of Class A Notes to Receive Principal and Interest	82
Section 5.10 Restoration of Rights and Remedies	82
Section 5.11 Rights and Remedies Cumulative	83
Section 5.12 Delay or Omission Not Waiver	83
Section 5.13 Control by Noteholders	83
Section 5.14 Waiver of Past Defaults	83
Section 5.15 Undertaking for Costs	84
Section 5.16 Waiver of Stay or Extension Laws	84
Section 5.17 Sale of Collateral	84
Section 5.18 Action on the Class A Notes	85
ARTICLE VI. THE TRUSTEE	85
Section 6.1 Certain Duties and Responsibilities	85
Section 6.2 Notice of Default	87
Section 6.3 Certain Rights of Trustee	87
Section 6.4 Not Responsible for Recitals or Issuance of Class A Notes	90
Section 6.5 May Hold Class A Notes	90
Section 6.6 Money Held in Trust	90
Section 6.7 Compensation and Reimbursement	91
Section 6.8 Corporate Trustee Required; Eligibility	92
Section 6.9 Resignation and Removal; Appointment of Successor	93
Section 6.10 Acceptance of Appointment by Successor	94
Section 6.11 Merger, Conversion, Consolidation or Succession to Business of Trustee	94
Section 6.12 Co-Trustees and Separate Trustee	95
Section 6.13 Certain Duties of Trustee Related to Delayed Payment of Proceeds	96
Section 6.14 Representations and Warranties of the Trustee	96
Section 6.15 Authenticating Agents	97
Section 6.16 Representative for Holders of the Class A Notes Only; Agent for all other Secured Parties	98
Section 6.17 Right of Trustee in Capacity of Registrar, Paying Agent, Calculation Agent or Securities Intermediary	98

TABLE OF CONTENTS
(continued)

	Page
ARTICLE VII. COVENANTS	98
Section 7.1 Payment of Principal and Interest	98
Section 7.2 Compliance With Laws	98
Section 7.3 Maintenance of Books and Records	99
Section 7.4 Maintenance of Office or Agency	99
Section 7.5 Money for Security Payments to be Held in Trust	99
Section 7.6 Existence of Issuer	101
Section 7.7 Protection of Collateral	101
Section 7.8 Opinions as to Collateral	103
Section 7.9 Performance of Obligations	103
Section 7.10 Negative Covenants	104
Section 7.11 No Consolidation	106
Section 7.12 [Reserved]	106
Section 7.13 No Other Business	106
Section 7.14 Compliance with Collateral Management Agreement	107
Section 7.15 Reporting	107
Section 7.16 Calculation Agent	107
Section 7.17 Certain Tax Matters	108
Section 7.18 Representations Relating to Security Interests in the Collateral	109
Section 7.19 Certain Regulations	111
Section 7.20 Control Rights	112
Section 7.21 Control Rights upon Occurrence of Cause	112
Section 7.22 Section 3(c)(7) Procedures	112
ARTICLE VIII. SUPPLEMENTAL INDENTURES	117
Section 8.1 Supplemental Indentures	117
Section 8.2 Execution of Supplemental Indentures	117
Section 8.3 Effect of Supplemental Indentures	118
Section 8.4 Reference in Class A Notes to Supplemental Indentures	118
Section 8.5 Effect on the Collateral Manager; Effect on the Collateral Administrator	118
ARTICLE IX. REDEMPTION OF SECURITIES	118
Section 9.1 Optional Redemption	118
Section 9.2 Notice to Trustee of Optional Redemption	120
Section 9.3 Notice by the Issuer of Optional Redemption or of Maturity	121
Section 9.4 Class A Notes Payable on Redemption Date	122
ARTICLE X. ACCOUNTS, ACCOUNTINGS AND RELEASES	122
Section 10.1 Collection of Money	122

TABLE OF CONTENTS
(continued)

	Page
Section 10.2 Interest Collection Account	123
Section 10.3 Principal Collection Account; Payment Account; and Expense Reserve Account	125
Section 10.4 Reports by Trustee	127
Section 10.5 Accountings	128
Section 10.6 Custodianship and Release of Collateral	134
Section 10.7 Reports by Independent Accountants	135
Section 10.8 Additional Reports	137
Section 10.9 Procedures Relating to the Establishment of Issuer Accounts Controlled by the Trustee	137
Section 10.10 Notices to Holders of Class A Notes	138
ARTICLE XI. APPLICATION OF MONIES	139
Section 11.1 Disbursements of Monies from Payment Account	139
ARTICLE XII. SALE OF COLLATERAL OBLIGATIONS; SUBSTITUTION	143
Section 12.1 Sale of Collateral Obligations	143
Section 12.2 Trading Restrictions	146
Section 12.3 Affiliate Transactions	149
ARTICLE XIII. NOTEHOLDERS' RELATIONS	149
Section 13.1 Subordination and Non-Petition	149
Section 13.2 Standard of Conduct	150
ARTICLE XIV. MISCELLANEOUS	150
Section 14.1 Form of Documents Delivered to Trustee	150
Section 14.2 Acts of Noteholders	151
Section 14.3 Notices	152
Section 14.4 Notices to Noteholders; Waiver	152
Section 14.5 Effect of Headings and Table of Contents	153
Section 14.6 Successors and Assigns	153
Section 14.7 Severability	153
Section 14.8 Benefits of Indenture	153
Section 14.9 Governing Law	153
Section 14.10 Submission to Jurisdiction	154
Section 14.11 Counterparts	154
Section 14.12 Waiver Of Jury Trial	154
Section 14.13 Legal Holiday	154
ARTICLE XV. ASSIGNMENT OF COLLATERAL MANAGEMENT AGREEMENT	155
Section 15.1 Assignment of Collateral Management Agreement	155

Schedule A Schedule of Collateral Obligations
Schedule B LIBOR Formula
Schedule C S&P Recovery Rate Tables

Exhibit A Form of Rule 144A Global Class A Note
Exhibit B Form of Opinions of Dechert LLP
Exhibit C Form of Opinions of Dechert LLP
Exhibit D Form of Class A Note Owner Certificate
Exhibit E Form of Section 3(c)(7) Reminder Notice
Exhibit F Form of Important Section 3(c)(7) Notice
Exhibit G Form of Increase Request
Exhibit H Form of Weighted Average S&P Recovery Rate Notice
Exhibit I Form of Certification for NRSROs

AMENDED AND RESTATED INDENTURE, dated as of September 26, 2012, among LOCUST STREET FUNDING LLC, a newly-formed Delaware limited liability company (the "Issuer"), and Citibank, N.A., a national banking association, organized and existing under the laws of United States of America, as Trustee (the "Trustee").

PRELIMINARY STATEMENT

The Issuer and the Trustee are parties to that Indenture, dated as of July 21, 2011, which was previously amended as of February 15, 2012, and wish to amend and restate the Indenture in its entirety, as set forth herein. This Indenture is being executed and delivered pursuant to and in accordance with Article 8 of the Indenture, subject to the satisfaction of the terms and conditions set forth therein.

The Issuer is duly authorized to execute and deliver this Indenture to provide for the Class A Notes issuable as provided in this Indenture. All covenants and agreements made by the Issuer herein are for the benefit and security of the Secured Parties. The Issuer is entering into this Indenture, and the Trustee is accepting the trusts created hereby, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged.

All things necessary to make this Indenture a valid agreement of the Issuer in accordance with the terms of this Indenture have been done.

GRANTING CLAUSE

The Issuer hereby Grants to the Trustee for the benefit and security of the Secured Parties, all of its right, title and interest in, to and under, in each case, whether now owned or existing, or hereafter acquired or arising,

(a) the Collateral Obligations listed, as of the Closing Date, in Schedule A to this Indenture and as such Schedule A may be modified, amended and revised subsequent to the Closing Date by the Issuer, including any part thereof which consists of general intangibles (as defined in the UCC) relating thereto, all payments made or to be made thereon or with respect thereto, and all Collateral Obligations including any part thereof which consists of general intangibles (as defined in the UCC) relating thereto, which are delivered or credited to the Trustee, or for which a Security Entitlement is delivered or credited to the Trustee or which are credited to one or more of the Issuer Accounts on or after the Closing Date and all payments made or to be made thereon or with respect thereto,

(b) the Collateral Management Agreement as and to the extent set forth in Article XV, the Asset Transfer Agreement, each Transfer Supplement and the Collateral Administration Agreement and the Issuer's rights thereunder,

(c) the Issuer Accounts and any other accounts of the Issuer, Eligible Investments purchased with funds on deposit therein or credited thereto, and all funds or Financial Assets now or hereafter deposited therein and income from the investment of funds therein or credited thereto, including any part thereof which consists of general intangibles (as defined in the UCC) relating thereto,

(d) all money (as defined in the UCC) delivered to the Trustee (or its bailee),

(e) all securities, investments, investment property, instruments, money, deposit accounts and agreements of any nature in which the Issuer has an interest, including any part thereof which consists of general intangibles (as defined in the UCC) relating thereto, and

(f) all Proceeds of any of the foregoing.

Such Grants are made, however, in trust, to secure the Secured Obligations equally and ratably without prejudice, priority or distinction between the Secured Obligations by reason of difference in time of issuance or incurrence or otherwise, except as expressly provided in this Indenture (including Section 2.7, Article XI and Article XIII), and to secure (i) the payment of all amounts due on the Secured Obligations in accordance with their terms and (ii) compliance with the provisions of this Indenture and each related document, all as provided herein and therein.

Except to the extent otherwise provided herein, this Indenture shall constitute a security agreement under the laws of the State of New York applicable to agreements made and to be performed therein, for the benefit of the Secured Parties. Upon the occurrence of any Event of Default hereunder, and in addition to any other rights available under this Indenture or any other Instruments included in the Collateral held, subject to Section 6.16 hereof, for the benefit and security of the Secured Parties, the Trustee shall have all rights and remedies of a secured party on default under the laws of the State of New York and other applicable law to enforce the assignments and security interests contained herein and, in addition, shall have the right, subject to compliance with any mandatory requirements of applicable law and the terms of this Indenture, to sell or apply any rights and other interests assigned or pledged hereby in accordance with the terms hereof at public and private sale.

The Trustee acknowledges such Grants, accepts the trusts hereunder in accordance with the provisions hereof, and agrees to perform the duties herein in accordance with the provisions hereof such that, subject to Section 6.16, the interests of the Secured Parties may be adequately and effectively protected.

ARTICLE I.

DEFINITIONS

Section 1.1 Definitions.

Except as otherwise specified herein or as the context may otherwise require, the following terms have the respective meanings set forth below for all purposes of this Indenture, and the definitions of such terms are equally applicable both to the singular and plural forms of such terms and to the masculine, feminine and neuter genders of such terms. Whenever any reference is made to an amount the determination or calculation of which is governed by Section 1.2, the provisions of Section 1.2 shall be applicable to such determination or calculation, whether or not reference is specifically made to Section 1.2, unless some other method of determination or calculation is expressly specified in the particular provision.

"17g-5 Information Provider": The Trustee.

"17g-5 Information Provider's Website": The internet website of the 17g-5 Information Provider, initially located at www.sf.citidirect.com under the tab "NRSRO", access to which is limited to Rating Agencies and NRSROs who have provided an NRSRO Certification.

"Accountants' Certificate": A certificate of a firm of Independent certified public accountants of international reputation appointed by the Issuer pursuant to Section 10.7.

"Act": The meanings specified in Section 14.2(a).

"Adjusted Collateral Amount": For any Collateral, (a) if such Collateral is not a Collateral Obligation, the Principal Balance of such Collateral, and (b) if such Collateral is a Collateral Obligation, the product of (i) the Principal Balance of such Collateral Obligation, multiplied by (ii) the related Purchase Price Percentage for such Collateral Obligation (it being agreed that, to the extent that multiple purchases of the same Collateral Obligation occur on different purchase dates, the calculation of Principal Balance shall be done on a lot basis, based on the Purchase Price Percentage obtained for each portion of such Collateral Obligation purchased on its related purchase date).

"Administrative Expenses": Amounts (other than any Reserved Expenses) due or accrued with respect to any Payment Date and payable in the following order to:

(i) the Trustee pursuant to Section 6.7 and other provisions under this Indenture;

(ii) the Collateral Administrator under the Collateral Administration Agreement or this Indenture;

(iii) the Collateral Advisor, if appointed pursuant to Section 7.21(b);

(iv) the Collateral Manager (other than the Collateral Management Fees) under the Collateral Management Agreement, including legal fees and expenses of counsel to the Collateral Manager;

(v) the Independent Managers pursuant to the Independent Manager Agreement in respect of certain services provided to the Issuer;

(vi) the Independent accountants, agents and counsel of the Issuer for fees, including retainers, and expenses;

(vii) the Rating Agency for fees and expenses in connection with rating the Class A Notes, for conducting on-going surveillance of the Class A Note ratings, and for providing and maintaining credit estimates for certain Collateral Obligations included in the Collateral Portfolio; and

(viii) without duplication, any Person in respect of any other reasonable fees or expenses of the Issuer (including in respect of any indemnity obligations, if applicable) not prohibited under this Indenture and any reports and documents delivered pursuant to or in connection with this Indenture and the Class A Notes.

"Advisers Act": The U.S. Investment Advisers Act of 1940, as amended.

"Affected Bank": A "bank" for purposes of Section 881 of the Code or an entity affiliated with such a bank that neither (x) is a "United States person" (within the meaning of section 7701(a)(30) of the Code) nor (y) is entitled to a 0% withholding tax rate on interest derived from sources within the United States under an applicable income tax treaty.

"Affiliate" or "Affiliated": With respect to a Person, (i) any other Person who, directly or indirectly, is in control of, or controlled by, or is under common control with, such Person or (ii) any other Person who is a director, officer or employee (a) of such Person, (b) of any subsidiary or parent company of such Person or (c) of any Person described in subclause (i) above. For purposes of this definition, control of a Person shall mean the power, direct or indirect, (i) to vote more than 50% of the securities having ordinary voting power for the election of directors of any such Person or (ii) to direct or cause the direction of the management and policies of such Person whether by contract or otherwise. With respect to the Issuer, this definition shall exclude the Independent Managers, its Affiliates and any other special purpose vehicle to which the Independent Managers are or will be providing administrative services, as a result solely of the Independent Managers acting in such capacity or capacities.

"Agent Members": Members of, or participants in, DTC.

"Aggregate Coupon": As of any Measurement Date, the sum of the products obtained by multiplying, in the case of each Fixed Rate Collateral Obligation, (i) the stated coupon (expressed as a percentage) on such Fixed Rate Collateral Obligation and (ii) the Principal Balance of such Collateral Obligation.

"Aggregate Excess Funded Spread": As of any Measurement Date, the amount obtained by multiplying: (a) the amount equal to LIBOR applicable to the Class A Notes during the Interest Accrual Period in which such Measurement Date occurs; by (b) the amount (not less than zero) equal to (i) the Aggregate Principal Amount of the Collateral Obligations as of such Measurement Date minus (ii) $1,320,000,000.

"Aggregate Funded Spread": As of any Measurement Date, the sum of:

(a) in the case of each Floating Rate Collateral Obligation that bears interest at a spread over a London interbank offered rate based index, (i) the stated interest rate spread (excluding any Partial Deferrable Obligation to the extent of any non-cash interest) on such Collateral Obligation above such index multiplied by (ii) the Principal Balance of such Collateral Obligation; provided that, with respect to any LIBOR Floor Obligation, the stated interest rate spread on such Collateral Obligation above the applicable index shall be deemed to be equal to the sum of (a) the stated interest rate spread (excluding any Partial Deferrable Obligation to the extent of any non-cash interest) over the London interbank offered rate based index for such LIBOR Floor Obligation plus (b) the excess, if any, of the specified "floor" rate relating to such Collateral Obligation over LIBOR with respect to the Class A Notes as of the immediately preceding Determination Date; and

(b) in the case of each Floating Rate Collateral Obligation that bears interest at a spread over an index other than a London interbank offered rate based index, (i) the excess of the sum of such spread (excluding any Partial Deferrable Obligation to the extent of any non-cash interest) and such index over LIBOR with respect to the Class A Notes as of the immediately preceding Determination Date (which spread or excess may be expressed as a negative percentage) multiplied by (ii) the Principal Balance of each such Collateral Obligation.

"Aggregate Market Value": When used with respect to any or all of the Collateral Obligations, the aggregate of the Market Values of such Collateral Obligations on the date of determination.

"Aggregate Outstanding Amount": When used with respect to any or all of the Class A Notes, the aggregate principal or notional amount of such Class A Notes Outstanding on the date of determination.

"Aggregate Principal Amount": When used with respect to any or all of the Collateral Obligations, Eligible Investments or Cash, the aggregate of the Principal Balances of such Collateral Obligations, Eligible Investments or Cash on the date of determination.

"Applicable Approved Index": With respect to each Collateral Obligation, one of the indices in the Approved Index List as selected by the Collateral Manager (with notice to the Collateral Administrator) upon the acquisition of such Collateral Obligation; provided, that the Collateral Manager may change the index applicable to a Collateral Obligation to any other index on the Approved Index List at any time following the acquisition thereof after giving notice to the Trustee and the Collateral Administrator.

"Applicable Period": For (i) the first Interest Accrual Period, the period from and including the Closing Date (except with respect to any Increase, from and including the effective date of such Increase) to but excluding the first Payment Date and (ii) each Interest Accrual Period thereafter, three months (except with respect to the last Applicable Period, the period from and including the immediately preceding Payment Date to but excluding the Stated Maturity or the Redemption Date, as applicable).

"Approved Index List": The nationally recognized indices specified in Schedule D hereto as amended from time to time by the Collateral Manager with prior notice of any amendment to S&P in respect of such amendment and a copy of any such amended Approved Index List to the Collateral Administrator.

"Asset Transfer Agreement": (i) The Asset Transfer Agreement dated as of the Closing Date, as amended on the Second Amendment Date, in each case between FS Investment Corporation and the Issuer.

"Assignment": An interest in a Loan acquired directly by way of sale or assignment.

"Assumed Reinvestment Rate": With respect to any account or fund securing the Secured Obligations, LIBOR minus 0.25% per annum.

"Authenticating Agent": With respect to the Class A Notes, the Person, if any, designated by the Trustee to authenticate such Class A Notes on behalf of the Trustee pursuant to Section 6.15.

"Authorized Officer": With respect to the Issuer, any Officer or any other Person who is authorized to act for the Issuer in matters relating to, and binding upon, the Issuer. With respect to the Collateral Manager, any officer, employee or agent of the Collateral Manager who is authorized to act for the Collateral Manager in matters relating to, and binding upon, the Collateral Manager with respect to the subject matter of the request, certificate or order in question. With respect to the Collateral Administrator, any officer, employee or agent of the Collateral Administrator who is authorized to act for the Collateral Administrator in matters relating to, and binding upon, the Collateral Administrator with respect to the subject matter of the request, certificate or order in question. With respect to the Trustee or any other bank or trust company acting as trustee of an express trust or as custodian, a Trust Officer. Each party may receive and accept a certification of the authority of any other party as conclusive evidence of the authority of any Person to act, and such certification may be considered as in full force and effect until receipt by such other party of written notice to the contrary.

"Balance": On any date, with respect to Cash or Eligible Investments in any account, the aggregate of (i) the current balance of Cash, demand deposits, time deposits, certificates of deposit and federal funds; (ii) the principal amount of interest-bearing corporate and government securities, money market accounts and repurchase obligations; and (iii) the purchase price or the accreted value, as applicable, (but not greater than the face amount) of non-interest-bearing government and corporate securities and commercial paper.

"Bank": Citibank, N.A., a national banking association, in its individual capacity and not as Trustee, and any successor thereto.

"Bankruptcy Code": The United States Bankruptcy Code, as set forth in Title 11 of the United States Code, as amended.

"Benefit Plan Investor": Any (a) employee benefit plan (as defined in Section 3(3) of ERISA) that is subject to the provisions of Title I of ERISA, (b) plan as defined in Section 4975(e)(1) of the Code that is subject to Section 4975 of the Code or (c) entity whose underlying assets include "plan assets" (within the meaning of the Plan Asset Regulation, as modified by Section 3(42) of ERISA) by reason of any such employee benefit plan's or plan's investment in the entity.

"Board of Managers" Means, the Board of Managers specified in the Limited Liability Company Agreement.

"Business Day": Any day other than (i) Saturday or Sunday or (ii) a day on which commercial banking institutions are authorized by law, regulation or executive order to close in (a) New York, New York and (b) solely with respect to the calculation of LIBOR, London, England.

"Calculation Agent": The meaning specified in Section 7.16(a).

"Cash": Such coin or currency of the United States of America as at the time shall be legal tender for payment of all public and private debts.

"Cause": The meaning specified in the Collateral Management Agreement.

"CCC Collateral Obligation": A Collateral Obligation (other than a Defaulted Obligation) with an S&P Rating of "CCC+" or lower.

"CCC Excess": The amount equal to the excess of the Aggregate Principal Amount of all CCC Collateral Obligations over an amount equal to 30% of the Aggregate Principal Amount of the Collateral Portfolio as of the current Determination Date; provided that, in determining which of the CCC Collateral Obligations shall be included in the CCC Excess, the CCC Collateral Obligations with the lowest Market Value (assuming that such Market Value is expressed as a percentage of the principal balance of such Collateral Obligations as of such Determination Date) shall be deemed to constitute such CCC Excess.

"CCC Excess Adjustment Amount": As of any date of determination, an amount equal to the excess, if any, of (i) the Aggregate Principal Amount of all Collateral Obligations (or portion thereof) included in the CCC Excess, over (ii) the sum of the Market Values of all Collateral Obligations (or portion thereof) included in the CCC Excess.

"Certificate of Authentication": The Trustee's or Authenticating Agent's certificate of authentication on any Class A Note.

"Certificated Security": The meaning specified in Section 8-102(a)(4) of the UCC.

"Class": All of the Class A Notes having the same priority and the same Stated Maturity.

"Class A Break-even Default Rate": With respect to the Class A Notes, the maximum percentage of defaults, at any time, that the current Collateral Portfolio or the Proposed Portfolio, as applicable, can sustain, determined through application of the applicable S&P CDO Monitor chosen by the Collateral Manager in accordance with the definition of "S&P CDO Monitor" that is applicable to the Collateral Portfolio, which, after giving effect to S&P's assumptions on recoveries, defaults and timing and to the Priority of Payments, will result in sufficient funds remaining for the payment of the Class A Notes in full. After the Second Amendment Date, S&P will provide the Collateral Manager and the Collateral Administrator with the Class A Break-even Default Rates for each S&P CDO Monitor based upon the Weighted Average Floating Spread and the Weighted Average S&P Recovery Rate to be associated with such S&P CDO Monitor as selected by the Collateral Manager (with a copy to the Collateral Administrator) from Section 2 of Schedule C or any other Weighted Average Floating Spread or Weighted Average S&P Recovery Rate selected by the Collateral Manager from time to time.

"Class A Interest Coverage Ratio": On the Second Determination Date and any subsequent Measurement Date, the Interest Coverage Ratio as calculated with respect to the Class A Notes.

"Class A Interest Coverage Test": A test satisfied as of the Second Determination Date and any subsequent Measurement Date if the Class A Interest Coverage Ratio is equal to or greater than 150%.

"Class A Interest Distribution Amount": With respect to any Payment Date, an amount equal to the sum of:

(a) the aggregate amount of interest accrued, at the Note Interest Rate, during the related Interest Accrual Period on the Aggregate Outstanding Amount of the Class A Notes as of the first day of such Interest Accrual Period (it being understood that with respect to the initial Interest Accrual Period, the aggregate amount of interest accrued shall be equal to the sum of (i) the aggregate amount of interest accrued with respect to the principal amount of each Increase, plus (ii) the amount of accrued interest with respect to the Class A Initial Principal Amount);

(b) to the extent lawful and enforceable, the aggregate amount of interest accrued, at the Note Interest Rate, during the related Interest Accrual Period, on any unpaid Defaulted Interest relating to the Class A Notes; and

(c) any unpaid Defaulted Interest relating to the Class A Notes.

"Class A Loss Differential": As of any Measurement Date on or after the Second Amendment Date, the rate calculated by subtracting the Class A Scenario Default Rate at such time from the Class A Break-even Default Rate at such time.

"Class A Maximum Principal Amount": From the Closing Date to the First Amendment Date, $420,000,000, and from the First Amendment Date to the Second Amendment Date, $560,000,000, and from and after the Second Amendment Date, $840,000,000.

"Class A Note Interest Amount": As to each Interest Accrual Period, the amount of interest for such Interest Accrual Period payable in respect of each $1,000 principal amount of the Class A Notes.

"Class A Note Owner Certificate": A certificate to be signed by the beneficial owner of a Class A Note, in the form attached hereto as Exhibit D.

"Class A Notes": The Class A Floating Rate Notes having the Note Interest Rate and Stated Maturity as set forth in Section 2.3.

"Class A Par Value Numerator" means an amount (without duplication) equal to the sum of:

(i) the Aggregate Principal Amount of the Collateral Obligations (other than Defaulted Obligations and Discount Obligations); plus

(ii) the principal amount of any Cash and Eligible Investments together with any uninvested amounts on deposit in the Issuer Accounts representing Principal Proceeds or Liquidation Proceeds (in each case excluding Reinvestment Income); plus

(iii) the sum of the Adjusted Collateral Amount of all Discount Obligations (as determined in accordance with clause (b) of the definition of Adjusted Collateral Amount); plus

(iv) the sum of the Principal Balance of all Defaulted Obligations; minus

(v) the CCC Excess Adjustment Amount.

"Class A Par Value Ratio": With respect to the Class A Notes, the ratio determined as of any Measurement Date (expressed as a percentage), after giving effect to Section 1.3(d) and the definition of "Principal Balance," obtained by dividing:

(a) the Class A Par Value Numerator; by

(b) the Aggregate Outstanding Amount of the Class A Notes.

"Class A Par Value Test": A test satisfied as of the Effective Date and any subsequent Measurement Date if the Class A Par Value Ratio is equal to or greater than 145.36%.

"Class A Initial Principal Amount": The initial principal amount of the Class A Notes on the Closing Date, which is $63,000,000.

"Class A Scenario Default Rate": With respect to the Class A Notes, at any time, an estimate of the cumulative default rate for the current Collateral Portfolio or the Proposed Portfolio, as applicable, consistent with S&P's Initial Rating of such Class A Notes, determined by application by the Collateral Manager of the S&P CDO Monitor at such time.

"Clearing Agency": An organization registered as a "clearing agency" pursuant to Section 17A of the Exchange Act.

"Clearing Corporation": The meaning specified in Section 8-102(a)(5) of the UCC.

"Clearing Corporation Security": A Collateral Obligation that is a Financial Asset that is registered in the name of a Clearing Corporation or the nominee of such Clearing Corporation and, if a Certificated Security, is held in the custody of such Clearing Corporation.

"Closing Date": July 21, 2011.

"Code": The United States Internal Revenue Code of 1986, as amended.

"Collateral": All money, instruments, investment property and other property and rights and all Proceeds that have been Granted by the Issuer to the Trustee under the Granting Clause.

"Collateral Account": The segregated trust account or accounts established pursuant to Section 10.2(c).

"Collateral Administration Agreement": An agreement dated as of the Closing Date, among the Issuer, the Collateral Manager and the Collateral Administrator, as amended from time to time.

"Collateral Administrator": Virtus Group, LP, solely in its capacity as Collateral Administrator under the Collateral Administration Agreement, until a successor Person shall have become the Collateral Administrator pursuant to the applicable provisions of the Collateral Administration Agreement, and thereafter "Collateral Administrator" shall mean such successor Person.

"Collateral Advisor": The meaning specified in Section 7.21(b).

"Collateral Advisory Fee": An amount payable in arrears (calculated on the basis of a calendar year consisting of 360 days and the actual number of days elapsed) on each Payment Date (subject to availability of funds and to the Priority of Payments) equal to 0.15% per annum of the Aggregate Principal Amount of the Collateral Portfolio measured as of the beginning of the Due Period preceding such Payment Date.

"Collateral Interest Amount": As of any date of determination, an amount, determined in accordance with this Indenture, equal to (i) the aggregate amount of Interest Proceeds that have been received by the Issuer or are expected by the Collateral Manager to be received by the Issuer in each case during the Due Period in which such date of determination occurs (provided that with respect to Interest Proceeds from Collateral Obligations that pay interest less frequently than quarterly, only the portion of such Interest Proceeds accrued as of such Due Period shall be treated as having been received in that Due Period, and the remaining unaccrued portion of such Interest Proceeds shall be treated as having been received in the next succeeding Due Period) minus (ii) the amounts payable in respect of subclauses (i) through (iv) of Section 11.1(a)(A) on the following Payment Date.

"Collateral Management Agreement": An agreement dated as of the Closing Date, between the Issuer and the Collateral Manager relating to the Collateral Manager's performance on behalf of the Issuer of certain investment management duties with respect to the Collateral, as amended from time to time in accordance with the terms thereof and hereof.

"Collateral Management Fee": The Collateral Management Fee as defined in the Collateral Management Agreement.

"Collateral Manager": FS Investment Corporation, a corporation under the laws of the State of Maryland, until a successor Person shall have become the collateral manager pursuant to the provisions of the Collateral Management Agreement, and thereafter "Collateral Manager" shall mean such successor Person. Each reference herein to the Collateral Manager shall be deemed to constitute a reference as well to any agent of the Collateral Manager and to any other Person to whom the Collateral Manager has delegated any of its duties hereunder in accordance with the terms of the Collateral Management Agreement, in each case during such time as and to the extent that such agent or other Person is performing such duties.

"Collateral Obligation": An obligation will constitute a collateral obligation and will be eligible for purchase if, at the time it is purchased or entered into (or a commitment is made to purchase or enter into such obligation) by the Issuer:

(i) it is (1) an Assignment or Participation of a loan which (x) is not more than 50% of the aggregate credit facility size of the obligor thereof, (y) the credit facility size of the obligor thereof is at least $50,000,000 and (z) is purchased at a price that is at least 80% of the par amount of such loan; (2) a debt security; or (3) a Senior Secured Note, in all cases the payments with respect to which are not by the terms of such obligation payable in a currency other than Dollars;

(ii) it is issued by an issuer organized in the United States of America or a Qualifying Jurisdiction;

(iii) it is eligible to be entered into by, sold, assigned or participated to the Issuer and pledged to the Trustee;

(iv) it provides for periodic payments of interest thereon in Cash at least semi-annually;

(v) it is an obligation upon which no payments are subject to deduction or withholding for or on account of any withholding or similar tax imposed by any jurisdiction unless the related obligor is required to make "gross-up" payments that cover the full amount of any such withholding tax (subject to customary conditions to such payments which the Issuer (or the Collateral Manager on behalf of the Issuer) in its good faith reasonable judgment expects to be satisfied);

(vi) it is not a Defaulted Obligation (other than an Exchanged Defaulted Obligation);

(vii) it is not the subject of an Offer other than (a) an offer of publicly registered securities with equal or greater face value and substantially identical terms issued in exchange for securities issued under Rule 144A or (b) a Permitted Offer;

(viii) it is not an obligation the interest payments of which are scheduled to decrease (although interest payments may decrease due to unscheduled events such as a decrease of the index relating to a Floating Rate Collateral Obligation, the change from a default rate of interest to a non-default rate or an improvement in the obligor's financial condition);

(ix) it is not a security whose repayment is subject to substantial material non-credit related risk as determined by the Collateral Manager or to the non-occurrence of certain catastrophes specified in the documents governing such security;

(x) if such obligation provides for the payment of interest at a floating rate, such floating rate is determined by reference to (1) the Dollar prime rate, LIBOR, Euro rate or similar interbank offered rate or commercial deposit rate or (2) any other index approved by a Majority of the Controlling Class;

(xi) it provides for payment of principal in Cash on or prior to the Stated Maturity;

(xii) it is not any of the Class A Notes;

(xiii) it will not cause the Issuer or the pool of Collateral to be required to register as an investment company under the Investment Company Act;

(xiv) so long as the Majority of the Controlling Class remains the party that is the Majority of the Controlling Class on the Second Amendment Date, it has been approved by a Majority of the Controlling Class in accordance with the procedures set forth in Section 12.2(b);

(xv) it does not have an "f", "r", "p", "pi", "q", "t" or "sf" subscript assigned by S&P;

(xvi) it has an S&P Rating;

(xvii) if a Partial Deferrable Obligation, it is not currently in default with respect to the portion of the interest due thereon scheduled to be paid in Cash on each payment date with respect thereto;

(xviii) it is not an obligation that at the time of purchase or commitment to purchase provides for conversion into an Equity Security (1) automatically after a specified period of time or (2) at the option of the issuer thereof at any time; and

(xix) it is not a Current Pay Obligation, Structured Finance Obligation, Letter of Credit or Synthetic Security;

provided, however, that one or more of the foregoing requirements may be waived in writing by the Majority of the Controlling Class (in its sole and absolute discretion) prior to the Issuer's commitment to purchase a Collateral Obligation.

"Collateral Portfolio": On any date of determination, all Pledged Obligations and all Cash held in any Issuer Account (excluding Eligible Investments and Cash constituting in each case Interest Proceeds).

"Collateral Quality Tests": The Weighted Average Life Test, the Minimum Weighted Average S&P Recovery Rate Test, the Minimum Weighted Average Fixed Rate Coupon Test, the Minimum Weighted Average Floating Spread Test and the S&P CDO Monitor Test.

"Concentration Limitations": The limit set forth below with respect to a particular type of Collateral Obligation as a percentage of the Aggregate Principal Amount of the Collateral Portfolio:

	By Principal Balance (as an amount or a percentage of the Aggregate Principal Amount of the Collateral Portfolio)
(i) Senior Secured Loans (including Assignments and Participations); Senior Secured Notes; and Eligible Investments*	≥ 60%
(ii) Floating Rate Collateral Obligations*	≥ 67%
(iii) Senior Unsecured Loans; and unsecured debt	≤ 30%
(iv) Single Obligor (including obligors that are Affiliates of such obligor in the commercially reasonable judgment of the Collateral Manager) with respect to Senior Secured Loans and Senior Secured Notes;	≤ 5% **
except that Collateral Obligations consisting of Senior Secured Loans and Senior Secured Notes issued by each of up to four obligors and its Affiliates (including obligors that are Affiliates of such obligor in the commercially reasonable judgment of the Collateral Manager) may each constitute up to 6% of the Collateral Portfolio.	
(v) Single Obligor (including obligors that are Affiliates of such obligor in the commercially reasonable judgment of the Collateral Manager) with respect to other than Senior Secured Loans and Senior Secured Notes	≤ 4% **
(vi) Participations	≤ 20%
Participations from any one Selling Institution	≤ 10%
(vii) DIP Loans	0.0%
(viii) Second Lien Loans, Senior Unsecured Loans and unsecured debt	≤ 40%
(ix) Mature after the Stated Maturity of the Class A Notes	0.0%
(x) Non-U.S. Obligors from Qualifying Jurisdictions	≤ 25%
(xi) Non-U.S. Obligors from other than Qualifying Jurisdictions	0.0%
(xii) Deferrable Obligations and Partial Deferrable Obligations	≤ 10%
(xiii) Collateral Obligations where obligors thereof are Affiliates of the Collateral Manager	0.0%
(xiv) Collateral Obligations that pay interest less frequently than quarterly	≤ 33%
(xv) Third Party Credit Exposure Limits	May not be exceeded, as set forth in the definition thereof

* The principal amount of Principal Proceeds and Sale Proceeds on deposit in the Principal Collection Account and Eligible Investments purchased with such funds, shall be deemed to be Floating Rate Collateral Obligations that are Senior Secured Loans for purposes of calculating the Concentration Limitations.

** Or such higher percentage as approved in writing by the Majority of the Controlling Class (in their sole discretion) on a case-by-case basis prior to the commitment to purchase the relevant Collateral Obligation.

"Controlling Class": The Class A Notes, until the Class A Notes have been paid in full.

"Corporate Trust Office": With respect to the Trustee, the principal corporate trust office of the Trustee, (a) for note transfer purposes and for purposes of presentment and surrender of the Notes for the final distributions thereon, Citibank, N.A., 111 Wall Street, 15th Floor

Window, New York, New York 10005, Attention: 15th Floor Window, and (b) for all other purposes, Citibank, N.A., 388 Greenwich Street, 14th Floor, New York, New York 10013, Attention: Global Transaction Services – Locust Street Funding LLC, telecopy no.: (212) 816-5527, email address: call (800) 422-2006 to obtain Citibank, N.A. account manager's email address, or such other address as the Trustee may designate from time to time by notice to the Noteholders, the Issuer and the Collateral Manager, or the principal corporate trust office of any successor Trustee.

"Coverage Tests": The Class A Par Value Test and the Class A Interest Coverage Test.

"Credit Improved Obligation": Any Collateral Obligation as to which:

(a) any Collateral Obligation that in the Collateral Manager's commercially reasonable business judgment (as certified to the Trustee, with a copy to the Collateral Administrator) has significantly improved in credit quality from the condition of its credit at the time of purchase which judgment may (but need not) be based on one or more of the following facts:

(i) the obligor of such Collateral Obligation has shown improved financial results since the published financial reports first produced after it was purchased by the Issuer;

(ii) the obligor of such Collateral Obligation since the date on which such Collateral Obligation was purchased by the Issuer has raised significant equity capital or has raised other capital that has improved the liquidity or credit standing of such obligor; or

(iii) with respect to which one or more of the following criteria applies: (A) such Collateral Obligation has been upgraded or put on a watch list for possible upgrade by S&P since the date on which such Collateral Obligation was acquired by the Issuer; (B) if such Collateral Obligation is a Loan or Bond, the Sale Proceeds (excluding Sale Proceeds that constitute Interest Proceeds) of such Loan would be at least 101% of its purchase price; (C) if such Collateral Obligation is a Loan, the price of such Loan (determined without averaging) has changed during the period from the date on which it was acquired by the Issuer to the date of determination by a percentage either more positive, or less negative, as the case may be, than the percentage change in the average price of the applicable index for such Collateral Obligation on the Applicable Approved Index plus 0.25% over the same period; (D) if such Collateral Obligation is a Loan, the price of such Loan (determined without averaging) changed during the period from the date on which it was acquired by the Issuer to the date of determination by a percentage either more positive, or less negative, as the case may be, than the percentage change in a nationally recognized loan index selected by the Collateral Manager over the same period plus 0.50%; or (E) if such Collateral Obligation is a Bond, the Market Value of such Bond has changed during the period from the date on which it was acquired by the Issuer to the date of determination by a percentage either more positive or less negative, as the case may be, than the percentage change in the Eligible Bond Index plus 1.00% over the same period as determined by the Collateral Manager; or

(b) if S&P has reduced, withdrawn or qualified its initial ratings of the Class A Notes (and has not subsequently upgraded or restored its ratings to at least the initial ratings), any Collateral Obligation that in the Collateral Manager's commercially reasonable business judgment has significantly improved in credit quality from the condition of its credit at the time of purchase and with respect to which:

(i) one or more of the criteria referred to in clause (a)(iii) above applies, or

(ii) a Majority of the Controlling Class vote to treat such Collateral Obligation as a Credit Improved Obligation.

"Credit Risk Obligation": Any Collateral Obligation that in the Collateral Manager's commercially reasonable business judgment (as certified to the Trustee, with a copy to the Collateral Administrator) has a significant risk of declining in credit quality from the condition of its credit at the time of purchase and, with a lapse of time, becoming a Defaulted Obligation, which judgment may (but need not) be based on one or more of the following facts:

(a) as to which one or more of the following criteria applies:

(i) such Collateral Obligation has been downgraded or put on a watch list for possible downgrade by S&P since the date on which such Collateral Obligation was acquired by the Issuer;

(ii) if such Collateral Obligation is a Loan the price of such Loan (determined without averaging) has changed during the period from the date on which it was acquired by the Issuer to the date of determination by a percentage either more negative, or less positive, as the case may be, than the percentage change in the average price of the Applicable Approved Index less 0.25% over the same period;

(iii) if such Collateral Obligation is a Loan or a Bond, the Market Value of such Collateral Obligation has decreased by at least 1.00% of the price paid by the Issuer for such Collateral Obligation; or

(iv) if such Collateral Obligation is a Bond, the Market Value of such Bond has changed during the period from the date on which it was acquired by the Issuer to the date of determination by a percentage either more negative, or less positive, as the case may be, than the percentage change in the Eligible Bond Index less 1.00% over the same period, as determined by the Collateral Manager; or

(b) with respect to which a Majority of the Controlling Class vote to treat such Collateral Obligation as a Credit Risk Obligation.

"Cure Period": The meaning specified in the definition of "Defaulted Obligation".

"Current Pay Obligation": Any Collateral Obligation that is a Defaulted Obligation but as to which no payments are due and payable that are unpaid and with respect to which the Collateral Manager has certified to the Trustee (with a copy to the Collateral Administrator) in writing that it believes, in its reasonable business judgment, that (a) the issuer or obligor of such Collateral Obligation will continue to make scheduled payments of interest thereon and will pay the principal thereof by maturity or as otherwise contractually due, or (b) if the issuer or obligor is subject to a bankruptcy proceeding, it has been the subject of an order of a bankruptcy court that permits it to make the scheduled payments on such Collateral Obligation and all interest and principal payments due thereunder have been paid in cash when due.

"Default": Any event or any occurrence that is, or with notice or the lapse of time or both would become, an Event of Default.

"Defaulted Interest": Any interest due and payable in respect of any Class A Note which is not punctually paid or duly provided for on the applicable Payment Date or at the Stated Maturity, as the case may be.

"Defaulted Obligation": Any Collateral Obligation shall constitute a "Defaulted Obligation" if:

(i) there has occurred and is continuing, (x) without regard to any waiver, for the lesser of five Business Days and any applicable grace period (as the case may be, the "Cure Period") a default with respect to the payment of interest or principal or (y) any other default under the related Underlying Instrument in respect of such Collateral Obligation and an acceleration of such Collateral Obligation by the holders thereof; provided, however, that, (A) for purposes of clause (x) above, a Collateral Obligation shall constitute a Defaulted Obligation only until such default has been cured or the existence of such default has been eliminated in connection with a restructuring and a Cure Period shall only be available if the Collateral Manager has certified to the Trustee and the Collateral Administrator in writing that, to the knowledge of the Collateral Manager, such default resulted from non-credit related causes and (B) for purposes of clause (y) above, a Collateral Obligation shall constitute a Defaulted Obligation only until such default has been cured or waived; provided, a Collateral Obligation that is a Deferrable Obligation shall not constitute a Defaulted Obligation under this clause (i) unless it is a Deferring Obligation;

(ii) (x) any bankruptcy, insolvency or receivership proceeding has been initiated in connection with the issuer of such Collateral Obligation (and/or the Selling Institution, in the case of a Participation), and is unstayed and undismissed; provided that if such proceeding is an involuntary proceeding, the condition of this clause (ii)(x) will not be satisfied until the earliest of the following (I) the issuer consents to such proceeding, (II) an order for relief under the Bankruptcy Code, or any substantially similar order under a proceeding not taking place under the Bankruptcy Code, has been entered, and (III) such proceeding remains unstayed and undismissed for 90 days; or (y) as to which there has been proposed or effected any distressed exchange or other distressed debt restructuring where the issuer of such Collateral Obligation has offered the debt holders a new security or package of securities that, in the commercially reasonable judgment of the Collateral Manager, amounts to a diminished financial obligation; provided that a Collateral Obligation that was determined to be a Defaulted Obligation pursuant to this clause (ii)(y), shall not be considered to be a Defaulted Obligation if, as a result of subsequent events, the new security or package of securities received in connection with any distressed exchange or restructuring, if the

Collateral Manager certifies to the Trustee and Collateral Administrator that in its commercially reasonable judgment of the Collateral Manager, no longer amounts to a diminished financial obligation;

(iii) the Collateral Manager knows (and certifies to the Trustee and Collateral Administrator) the issuer thereof (and/or the Selling Institution, in the case of a Participation) is in default as to payment of principal and/or interest on another obligation (and such default has not been cured), but only if one of the following conditions (I) or (II) is met: (I) both such other obligation and the Collateral Obligation are unsecured obligations with the same recourse and the other obligation is senior to or *pari passu* with the Collateral Obligation in right of payment or (II) all of the following conditions (A), (B) and (C) are satisfied: (A) both such other obligation and the Collateral Obligation are full recourse secured obligations secured by identical collateral, (B) the security interest securing the other obligation is senior to or *pari passu* with the security interest securing the Collateral Obligation and (C) the other obligation is senior to or *pari passu* with the Collateral Obligation in right of payment;

(iv) such Collateral Obligation (and/or the Selling Institution, in the case of a Participation) has been rated "CC" or lower or had such rating before it was withdrawn by S&P or "D" or "LD" by Moody's;

(v) such Collateral Obligation is a Participation and the related Selling Institution fails to make payments to the Issuer in accordance with the terms of such Participation beyond the Cure Period;

(vi) such Collateral Obligation is a Current Pay Obligation; or

(vii) such Collateral Obligation is a Deferring Obligation.

For the avoidance of doubt, (i) the Collateral Manager shall be deemed to have knowledge of all information the individuals actually performing the obligations of the Collateral Manager under the Collateral Management Agreement have actually received and (ii) an Exchanged Defaulted Obligation is a Defaulted Obligation, for so long as it satisfies the definition of Defaulted Obligation.

Notwithstanding the foregoing definition, the Collateral Manager may declare (with notice to the Trustee and the Collateral Administrator) any Collateral Obligation to be a Defaulted Obligation if, in the Collateral Manager's judgment, the credit quality of the issuer of such Collateral Obligation has significantly deteriorated such that there is a reasonable expectation of payment default as of the next scheduled Payment Date with respect to such Collateral Obligation; provided that a Collateral Obligation that has been declared to be a Defaulted Obligation pursuant to this paragraph, shall cease to be considered as a Defaulted Obligation if, in the Collateral Manager's judgment, the circumstances supporting such declaration no longer exist.

"Deferrable Obligation": A Collateral Obligation (other than a Partial Deferrable Obligation) which by its terms permits the deferral and/or capitalization of payment of accrued, unpaid interest.

"Deferring Obligation": A Deferrable Obligation that is deferring the payment of interest due thereon and has been so deferring the payment of such interest due thereon for (A) in the case of a quarterly-pay Collateral Obligation, such Collateral Obligation has been deferring interest for two payment periods; and (B) in the case of a semi-annual-pay Collateral Obligation, such Collateral Obligation has been deferring interest for one payment period, in each case which deferred capitalized interest has not, as of the date of determination, been paid in Cash; provided that such Deferrable Obligation will cease to be a Deferring Obligation at such time as it (a) ceases to defer or capitalize the payment of interest, (b) pays in cash all accrued and unpaid interest and (c) commences payment of all current interest in cash.

"Definitive Note": Any Note delivered in exchange for a Global Note under Section 2.10.

"Deliver" or "Delivery": The taking of the following steps:

(i) in the case of each Certificated Security (other than a Clearing Corporation Security) or Instrument, (A) causing the delivery to the Issuer Accounts Securities Intermediary of the original executed certificate or other writing that constitutes or evidences such Certificated Security or Instrument, registered in the name of the Issuer Accounts Securities Intermediary or endorsed to the Issuer Accounts Securities Intermediary or in blank by an effective endorsement (unless such Certificated Security or Instrument is in bearer form in which case delivery alone shall suffice), (B) causing the Issuer Accounts Securities Intermediary to maintain continuous possession of such Certificated Security or Instrument and (C) causing the Issuer Accounts Securities Intermediary to continuously identify on its books and records that such Certificated Security or Instrument is credited to the relevant Issuer Account;

(ii) in the case of each Uncertificated Security (other than a Clearing Corporation Security), (A) causing such Uncertificated Security to be continuously registered on the books of the issuer thereof to the Issuer Accounts Securities Intermediary and (B) causing the Issuer Accounts Securities Intermediary to continuously identify on its books and records that such Uncertificated Security is credited to the relevant Issuer Account;

(iii) in the case of each Clearing Corporation Security, causing (A) the relevant Clearing Corporation to continuously credit such Clearing Corporation Security to the securities account of the Issuer Accounts Securities Intermediary at such Clearing Corporation and (B) the Issuer Accounts Securities Intermediary to continuously identify on its books and records that such Clearing Corporation Security is credited to the relevant Issuer Account;

(iv) in the case of any Financial Asset that is maintained in book-entry form on the records of a Federal Reserve Bank, causing (A) the continuous crediting of such Financial Asset to a securities account of the Issuer Accounts Securities Intermediary at any Federal Reserve Bank and (B) the Issuer Accounts Securities Intermediary to continuously identify on its books and records that such Financial Asset is credited to the relevant Issuer Account;

(v) in the case of Cash or money, (A) causing the delivery of such Cash or money to the Issuer Accounts Securities Intermediary, (B) causing the Issuer Accounts Securities Intermediary to treat such Cash or money as a Financial Asset maintained by the Issuer Accounts Securities Intermediary for credit to the relevant Issuer Account in accordance with the provisions of Article 8 of the UCC, and (C) causing the Issuer Accounts Securities Intermediary to continuously indicate by book-entry that such Cash or money is credited to the relevant Issuer Account;

(vi) in the case of each Financial Asset not covered by the foregoing subclauses (i) through (v), (A) causing the transfer of such Financial Asset to the Issuer Accounts Securities Intermediary in accordance with applicable law and regulation and (B) causing the Issuer Accounts Securities Intermediary to continuously credit such Financial Asset to the relevant Issuer Account; and

(vii) in the case of any general intangible (including any participation interest not evidenced by an Instrument or Certificated Security), by:

(A) causing the Issuer to become and remain the owner thereof and causing a UCC-1 financing statement describing the Collateral and naming the Issuer as debtor and the Trustee as secured party to be filed (and remain effective) by the Issuer with the Secretary of State of Delaware within ten (10) days after the Closing Date, or

(B) (1) causing the Issuer Accounts Securities Intermediary to become and remain the owner thereof, (2) causing the Issuer Accounts Securities Intermediary to credit and continuously identify such general intangible to the relevant Issuer Account, (3) causing the Issuer Accounts Securities Intermediary to agree to treat such general intangible as a Financial Asset and (4) causing the Issuer Accounts Securities Intermediary to agree pursuant to the Securities Account Control Agreement to comply with Entitlement Orders related thereto originated by the Trustee without further consent by the Issuer.

In addition, with respect to clause (vii), the Collateral Manager on behalf of the Issuer will use commercially reasonable efforts to obtain any and all consents required by the underlying agreements relating to any such general intangibles for the transfer of ownership and/or pledge hereunder (except to the extent that the requirement for such consent is rendered ineffective under Section 9-406 of the UCC).

Notwithstanding the foregoing, any property or asset will also be "delivered" for purpose of this definition if it is delivered in a method specified in an Opinion of Counsel as sufficient to result in a first priority perfected security interest in favor of the Trustee.

"Deposit": Any Cash deposited with the Trustee by the Issuer on or before the Closing Date, on the First Amendment Date and on the Second Amendment Date, as applicable, for inclusion as Collateral and deposited by the Trustee in the Principal Collection Account on the Closing Date, the First Amendment Date or the Second Amendment Date, as applicable.

"Determination Date": With respect to a Payment Date, the last Business Day of the immediately preceding Due Period.

"DIP Loan": A loan made to a debtor in possession as described in Section 1107 of the Bankruptcy Code (or a trustee if appointment of a trustee has been ordered).

"Discount Obligation": A Collateral Obligation that is acquired by the Issuer for a purchase price of less than 80% of its principal amount.

"Distribution": Any payment of principal or interest or any dividend, premium or fee payment made on, or any other distribution in respect of, a security or obligation.

"Dollar" or "$": A dollar or other equivalent unit in such coin or currency of the United States of America as at the time shall be legal tender for all debts, public and private.

"DTC": The Depository Trust Company, its nominees, and their respective successors.

"Due Date": Each date on which a Distribution is due on a Pledged Obligation.

"Due Period": With respect to any Payment Date, the period commencing on the day immediately following the eighth Business Day prior to the preceding Payment Date (or in the case of the Due Period relating to the first Payment Date, beginning on the Closing Date) and ending on (and including) the eighth Business Day prior to such Payment Date (or, (i) in the case of the Due Period relating to the first Payment Date, ending on the seventh Business Day prior to such Payment Date and (ii) in the case of a Due Period that is applicable to the Payment Date relating to the Stated Maturity of any Class A Note or a Redemption Date ending on (and including) the Business Day immediately preceding such Payment Date).

"Effective Date": The date that is 180 days following the Closing Date.

"Eligibility Criteria": The requirements specified in the definition of "Collateral Obligation".

"Eligible Bond Index": The Merrill Lynch US High Yield Master II Index, Bloomberg ticker HUC0, or such other nationally recognized high yield index as the Collateral Manager selects and provides notice to S&P and the Collateral Administrator.

"Eligible Institution": The meaning specified in Section 6.8.

"Eligible Investment": Any (a) Cash or (b) Dollar denominated investment that, at the time it, or evidence of it, is Delivered to the Trustee (directly or through an intermediary or bailee), is one or more of the following obligations or securities:

(i) direct Registered debt obligations of, and Registered debt obligations the timely payment of principal and interest on which is fully and expressly guaranteed by, the United States of America or any agency or instrumentality of the United States of America the obligations of which are expressly backed by the full faith and credit of the United States of America that satisfies the Eligible Investment Required Ratings at the time of such investment or contractual commitment providing for such investment; provided, notwithstanding the foregoing, the following securities shall not be Eligible Investments: (i) General Services Administration participation certificates; (ii) U.S. Maritime Administration guaranteed Title XI financing; (iii) Financing Corp. debt obligations; (iv) Farmers Home Administration Certificates of Beneficial Ownership; and (v) Washington Metropolitan Area Transit Authority guaranteed transit bonds;

(ii) demand and time deposits in, certificates of deposit of, trust accounts with, bankers' acceptances issued by, or federal funds sold by any depository institution or trust company incorporated under the laws of the United States of America (including the Bank) or any state thereof and subject to supervision and examination by federal and/or state banking authorities, in each case payable within 183 days of issuance, so long as the commercial paper and/or the debt obligations of such depository institution or trust company (or, in the case of the principal depository institution in a holding company system, the commercial paper or debt obligations of such holding company) at the time of such investment or contractual commitment providing for such investment have the Eligible Investment Required Ratings;

(iii) unleveraged repurchase obligations with respect to (a) any security described in clause (i) above or (b) any other security issued or guaranteed by an agency or instrumentality of the United States of America, in either case entered into with a depository institution or trust company (acting as principal) described in clause (ii) above or entered into with an entity (acting as principal) with, or whose parent company has, the Eligible Investment Required Ratings;

(iv) Registered debt securities bearing interest or sold at a discount with maturities up to 365 days (but in any event such securities will mature by the next succeeding Payment Date) issued by any entity formed under the laws of the United States of America or any State thereof that have a S&P Rating of "AA" at the time of such investment or contractual commitment providing for such investment;

(v) commercial paper or other short-term debt obligations with the Eligible Investment Required Ratings and that either bear interest or are sold at a discount from the face amount thereof and have a maturity of not more than 183 days from their date of issuance; provided that this clause (v) will not include extendible commercial paper or asset backed commercial paper; and

(vi) money market funds which have, at the time of such reinvestment, a credit rating of "AAAm" by S&P;

subject, in each case, to the having a maturity date not later than the earlier of (A) the date that is 60 days after the date of Delivery thereof and (B) the Business Day immediately preceding the Payment Date immediately following the date of Delivery thereof; *provided* that Eligible Investments shall not include (a) any interest-only security, any security purchased at a price in excess of 100% of the par value thereof or any security whose repayment is subject to substantial non-credit related risk as determined in the sole judgment of the Asset Manager, (b) any security whose rating assigned by Standard & Poor's includes the subscript "f", "p", "q", "pi", "r", "sf" or "t" (c) any security that is subject to an Offer, (d) any other security that is an asset the payments on which are subject to withholding tax if owned by the Issuer unless the issuer or obligor or other Person (and guarantor, if any) is required to make "gross-up" payments that cover the full amount of any such withholding taxes, or (e) any security secured by real property. Eligible Investments may include those investments with respect to which the Bank or an Affiliate of the Bank is an obligor or provides services.

"Eligible Investment Required Ratings": A long-term senior unsecured debt rating of at least "A" and a short-term credit rating of at least "A-1" by S&P (or, if such institution has no short-term credit rating, a long-term senior unsecured debt rating of at least "A+" by S&P).

"Entitlement Order": The meaning specified in Section 8-102(a)(8) of the UCC.

"Equity Owner": Means FS Investment Corporation, as the owner of the entire membership interest of the Issuer.

"Equity Security": (i) Any equity security or any other security that is not eligible for purchase by the Issuer hereunder and is received with respect to a Collateral Obligation or (ii) any security purchased as part of a "unit" with a Collateral Obligation and that itself is not eligible for purchase by the Issuer hereunder.

"ERISA": The United States Employee Retirement Income Security Act of 1974, as amended.

"Event of Default": The meaning specified in Section 5.1.

"Excel Default Model Input File": An electronic spreadsheet file in Microsoft Excel format to be provided to S&P, which file shall include the information provided in Section 7.23(a), if available (to the extent such information is not confidential) with respect to each Collateral Obligation.

"Excess Weighted Average Fixed Rate Coupon": As of any Measurement Date on or after the Second Amendment Date, a number (expressed as a percentage) obtained by multiplying (a) the excess, if any, of the Weighted Average Fixed Rate Coupon over the Minimum Weighted Average Fixed Rate Coupon, by (b) the number obtained by dividing the Aggregate Principal Amount of all Fixed Rate Collateral Obligations by the Aggregate Principal Amount of all Floating Rate Collateral Obligations.

"Excess Weighted Average Floating Spread": As of any Measurement Date on or after the Second Amendment Date, a number (expressed as a percentage) obtained by multiplying (a) the excess, if any, of the Weighted Average Floating Spread over the Minimum Weighted Average Floating Spread, by (b) the number obtained by dividing the Aggregate Principal Amount of all Floating Rate Collateral Obligations by the Aggregate Principal Amount of all Fixed Rate Collateral Obligations.

"Exchange Act": The United States Securities Exchange Act of 1934, as amended.

"Exchanged Defaulted Obligation": The meaning specified in Section 12.1(e).

"Exchanged Equity Security": Any equity security or any other security that is not eligible for purchase by the Issuer under the definition of "Collateral Obligation" and received in exchange for a Collateral Obligation.

"Expense Reserve Account": The trust account established pursuant to Section 10.3(d).

"Expense Reserve Amount": $350,000.

"Financial Asset": The meaning specified in Section 8-102(a)(9) of the UCC.

"First Amendment Date": February 15, 2012.

"First Lien Last Out Loan": A Loan that: (a) is not (and cannot by its terms become) subordinate in right of payment to any other obligation of the obligor of the Loan (other than (i) with respect to trade claims, capitalized leases or similar obligations and

(ii) subordination in right of payment solely to one or more Senior Secured Loans of the obligor of the Loan that becomes effective solely upon the occurrence of a default or event of default by the obligor of the Loan); (b) is secured by a valid perfected security interest or lien in, to or on specified collateral securing the obligor's obligations under the Loan that, prior to the occurrence of a default or event of default by the obligor of the Loan, is a first-priority security interest or lien; (c) the value of the collateral securing the Loan at the time of purchase together with other attributes of the obligor (including its general financial condition, ability to generate cash flow available for debt service and other demands for that cash flow) and of the Loan is adequate (in the commercially reasonable judgment of the Collateral Manager and assuming that there will be no occurrence of a default or event of default by the obligor of the Loan) to repay the Loan in accordance with its terms and to repay all other Loans of equal seniority secured by a first lien or security interest in the same collateral and (d) is not secured solely or primarily by common stock or other equity interests.

"Fixed Rate Collateral Obligations" or "Bonds": Collateral Obligations (other than Defaulted Obligations) that, at the time of determination, bear interest at a fixed rate.

"Floating Rate Collateral Obligations": Collateral Obligations (other than Defaulted Obligations) that, at the time of determination, bear interest at a floating rate.

"Global Notes": The Rule 144A Global Class A Notes.

"Grant": To grant, bargain, sell, warrant, alienate, remise, demise, release, convey, assign, transfer, mortgage, pledge, create and grant a security interest in and right of set-off against, deposit, set over or confirm. A Grant of the Collateral, or of any other Instrument, shall include all rights, powers and options (but none of the obligations) of the granting party thereunder, including the immediate continuing right to claim for, collect, receive and receipt for principal and interest payments in respect of the Collateral, and all other monies payable thereunder, to give and receive notices and other communications, to make waivers or other agreements, to exercise all rights and options, to bring Proceedings in the name of the granting party or otherwise, and generally to do and receive anything that the granting party is or may be entitled to do or receive thereunder or with respect thereto.

"Holder" or "Noteholder": With respect to any Class A Note, the Person in whose name such Class A Note is registered in the Register, or for purposes of voting and determinations hereunder, as long as such Class A Note is in global form, a beneficial owner thereof.

"Important Section 3(c)(7) Notice": A notice substantially in the form of Exhibit F.

"Increase": The meaning specified in Section 2.13(b).

"Increase Request": A request substantially in the form of Exhibit G.

"Indenture": This instrument as originally executed and, if from time to time supplemented or amended by one or more indentures supplemental hereto entered into pursuant to the applicable provisions hereof, as so supplemented or amended.

"Independent": As to any Person, any other Person (including a firm of accountants or lawyers and any member thereof or an investment bank and any member thereof) who (i) does not have and is not committed to acquire any material direct or any material indirect financial interest in such Person or in any Affiliate of such Person, (ii) is not connected with such Person as an officer, employee, promoter, underwriter, voting trustee, partner, director or Person performing similar functions and (iii) is not Affiliated with a firm that fails to satisfy the criteria set forth in (i) and (ii). "Independent" when used with respect to any accountant may include an accountant who audits the books of any Person if in addition to satisfying the criteria set forth above the accountant is independent with respect to such Person within the meaning of Rule 101 of the Code of Ethics of the American Institute of Certified Public Accountants.

"Independent Manager Agreement": Means that certain agreement relating to the designation of Independent Managers, among the Issuer and/or Member and Lord Securities Corporation, as such agreement may be amended from time to time.

"Independent Managers": Means, the Independent Managers appointed in the Limited Liability Company Agreement of the Issuer.

"Information": S&P's "Credit Estimate Information Requirements" dated April 2011 and any other available information S&P reasonably requests in order to produce a credit estimate for a particular asset.

"Initial Investment Period": On and after the Second Amendment Date, the period from, and including, the Second Amendment Date to, but excluding, the Second Effective Date.

"Initial Ratings": The initial rating given to the Class A Notes by S&P on the Second Amendment Date.

"Instruments": The meaning specified in Section 9-102(a)(47) of the UCC.

"Interest Accrual Period": Subject to Section 14.13, the period from and including the Closing Date (except with respect to any Increase, from and including the effective date of such Increase) to but excluding the first Payment Date, and each successive period from and including each Payment Date to but excluding the following Payment Date (except with respect to the Payment Date preceding the Stated Maturity or the Redemption Date, to but excluding the Stated Maturity or the Redemption Date, as the case may be).

"Interest Collection Account": The trust account or accounts established pursuant to Section 10.2(a).

"Interest Coverage Ratio": On any Measurement Date and as to the Class A Notes, the ratio (expressed as a percentage), after giving effect to Section 1.3(e), obtained by dividing:

(a) the Collateral Interest Amount as of such date; by

(b) the sum of the scheduled interest payments due on the Class A Notes on the following Payment Date.

For purposes of calculating the Interest Coverage Ratio:

(1) distributions on the Collateral Obligations and the Eligible Investments will not include any scheduled interest payments as to which the Issuer or the Collateral Manager has actual knowledge (with notice to the Trustee and the Collateral Administrator) that such payment will not be made during the applicable Due Period; and

(2) the expected interest income on Floating Rate Collateral Obligations and Eligible Investments and the expected interest payable on the Class A Notes will be calculated using the then-current interest rates applicable thereto, taking into account any LIBOR-floor applicable thereto.

"Interest Proceeds": With respect to any Payment Date and the Stated Maturity, without duplication:

(i) all payments of interest and dividends, commitment fees, facility fees and fees payable with respect to the approval of amendments, waivers and similar actions received during the related Due Period on the Pledged Obligations (including Reinvestment Income, if any), other than (x) any payment of interest received on any Defaulted Obligation if the outstanding principal amount thereof then due and payable has not been received by the Issuer after giving effect to the receipt of such payments of interest and (y) the amounts as specified in clauses (vii) and (viii) of the definition of Principal Proceeds;

(ii) to the extent not included in the definition of "Sale Proceeds," if so designated by the Collateral Manager and notice thereof is conveyed in writing to the Trustee and the Collateral Administrator, any portion of the accrued interest received during the related Due Period in connection with the sale of any Pledged Obligations (excluding accrued interest received in connection with the sale of (x) Defaulted Obligations if the outstanding principal amount thereof has not been received by the Issuer after giving effect to such sale, (y) Pledged Obligations in connection with an optional redemption of the Class A Notes or (z) an asset that was acquired with Principal Proceeds);

(iii) unless otherwise designated by the Collateral Manager as Principal Proceeds and notice thereof is conveyed in writing to the Trustee and the Collateral Administrator, all amendment and waiver fees, all late payment fees and all other fees received during such Due Period in connection with the Pledged Obligations, excluding (A) fees received in connection with Defaulted Obligations (but only to the extent that the outstanding principal amount thereof has not been received by the Issuer); (B) premiums (including prepayment premiums) constituting Principal Proceeds in accordance with subclause (iii) of the definition thereof); and (C) fees received in connection with the lengthening of the maturity of the related Collateral Obligation or the reduction of the par of the related Collateral Obligation, in each case, as determined by the Collateral Manager with notice to the Trustee and the Collateral Administrator;

(iv) any recoveries on Defaulted Obligations in excess of the outstanding principal amount thereof;

(v) (x) any amounts remaining on deposit in the Interest Collection Account from the immediately preceding Payment Date and (y) any Principal Proceeds and unused proceeds transferred to the Interest Collection Account for application as Interest Proceeds as set forth in Sections 10.3(b) and 10.3(d);

(vi) the aggregate amount of the Collateral Management Fees, if any, that the Collateral Manager has elected to waive in the manner described under Section 8(c) of the Collateral Management Agreement (to the extent not included in Principal Proceeds); and

(vii) all payments of principal and interest on Eligible Investments purchased with the proceeds of any of subclauses (i) through (vi) of this definition (without duplication);

provided, however, that in connection with the final Payment Date, Interest Proceeds shall include any amount referred to in subclauses (i) through (vi) above that is received from the sale of Collateral Obligations on or prior to the day immediately preceding the final Payment Date.

"Investment Company Act": The United States Investment Company Act of 1940, as amended.

"Investment Criteria Adjusted Balance": With respect to any Collateral Obligation, the notional amount of such Collateral Obligation with valuations calculated in accordance with the required terms of the Class A Par Value Numerator definition.

"Investment Due Period": The first Due Period following the Due Period of receipt of any Principal Proceeds.

"Issuer": Locust Street Funding LLC, a Delaware limited liability company, unless and until a successor Person shall have become the Issuer pursuant to the applicable provisions of this Indenture, and thereafter Issuer shall mean such successor Person.

"Issuer Accounts": The Interest Collection Account, the Payment Account, the Collateral Account, the Principal Collection Account and the Expense Reserve Account.

"Issuer Accounts Securities Intermediary": The person acting as Securities Intermediary under the Securities Account Control Agreement.

"Issuer Order" and "Issuer Request": A written order or request dated and signed in the name of the Issuer by an Authorized Officer of the Issuer or by an Authorized Officer of the Collateral Manager, as the context may require or permit.

"Letter of Credit": A facility whereby (i) a fronting bank issues or will issue a letter of credit for or on behalf of a borrower pursuant to an Underlying Instrument, (ii) if the letter of credit is drawn upon, and the borrower does not reimburse the letter of credit agent bank, the lender/participant is obligated to fund its portion of the facility, and (iii) the letter of credit agent bank passes on (in whole or in part) the fees and any other amounts it receives for providing the letter of credit to the lender.

"LIBOR": The meaning set forth in Schedule B attached hereto.

"LIBOR Determination Date": The second Business Day prior to the commencement of an Interest Accrual Period.

"LIBOR Floor Obligation": As of any date, a Floating Rate Collateral Obligation (a) for which the related Underlying Instruments allow an interest rate option based on the London interbank offered rate for deposits in U.S. Dollars, (b) that provides that such rate is (in effect) calculated as the greater of (i) a specified "floor" rate per annum and (ii) such London interbank offered rate for the applicable interest period for such Collateral Obligation and (c) that, as of such date, bears interest based on such rate option, but only if as of such date such London interbank offered rate for the applicable interest period is less than such floor rate.

"Limited Liability Company Agreement": The governing organizational document of the Issuer.

"Liquidation Proceeds": With respect to any optional redemption includes, without duplication: (i) all Sale Proceeds from Collateral Obligations sold in connection with such redemption; and (ii) all Cash and Eligible Investments on deposit in the Issuer Accounts.

"Loans": Collectively, loans and participations and sub-participations in loans.

"Majority": With respect to the Class A Notes, the Holders of more than 50% of the Aggregate Outstanding Amount of the Class A Notes.

"Margin Stock": The meaning specified under Regulation U.

"Market Value": With respect to any Collateral Obligations, (i) the average of at least three firm bids obtained by the Collateral Manager from nationally recognized dealers (that are Independent of the Collateral Manager and Independent of each other) that the Collateral Manager determines to be reasonably representative of the Collateral Obligation's current market value and reasonably reflective of current market conditions; (ii) if only two such bids can be obtained, the lower of such two bids shall be the Market Value of the Collateral Obligation; (iii) if only one such bid can be obtained, such bid shall be the Market Value of the Collateral Obligation; and (iv) if no such bids can be obtained, then, the Market Value of such Collateral Obligation shall be zero. The Collateral Manager shall give notice to the Trustee and the Collateral Administrator of the Market Value of each Collateral Obligation.

"maturity": With respect to any Collateral Obligation, the date on which such obligation shall be deemed to mature (or its maturity date) shall be the earlier of (x) the Stated Maturity of such obligation and (y) if the Issuer has a right to require the issuer or obligor of such Collateral Obligation to purchase, redeem or retire such Collateral Obligation (at par) on any one or more dates prior to its Stated Maturity (a "put right") and the Collateral Manager determines that it shall exercise such put right on any such date, the maturity date shall be the date specified in a certification provided to the Trustee and Collateral Administrator.

"Maturity": With respect to any Class A Note, the date on which any unpaid principal or notional amount, as applicable, of such Class A Note becomes due and payable as therein or herein provided, whether at the Stated Maturity or by declaration of acceleration, call for redemption or otherwise.

"Measurement Date": On and after the Effective Date, (i) each date the Reinvestment Criteria apply in connection with a sale, purchase or substitution of a Collateral Obligation (giving effect to such sale, purchase or substitution), (ii) each Determination Date and (iii) the 20th day of the month for purposes of producing Monthly Reports.

"Member": FS Investment Corporation, as the initial member of the Issuer, and any Person admitted as an additional member of the Issuer or a substitute member of the Issuer pursuant to the provisions of Limited Liability Company Agreement, each in its capacity as a member of the Company; provided, however, the term "Member" shall not include the Independent Managers.

"Minimum Weighted Average Fixed Rate Coupon": As of any Measurement Date, an amount equal to 9.10% with respect to all Fixed Rate Collateral Obligations.

"Minimum Weighted Average Fixed Rate Coupon Test": As of any Measurement Date on or after the Second Amendment Date, a test satisfied if the Weighted Average Fixed Rate Coupon plus the Excess Weighted Average Floating Spread equals or exceeds the Minimum Weighted Average Fixed Rate Coupon.

"Minimum Weighted Average Floating Spread": The Weighted Average Floating Spread selected by the Collateral Manager in connection with the S&P CDO Monitor Test.

"Minimum Weighted Average Floating Spread Test": As of any Measurement Date on or after the Second Amendment Date, a test satisfied if the Weighted Average Floating Spread plus the Excess Weighted Average Fixed Rate Coupon equals or exceeds the Minimum Weighted Average Floating Spread.

"Minimum Weighted Average S&P Recovery Rate Test": As of any Measurement Date on or after the Second Amendment Date, a test satisfied if the Weighted Average S&P Recovery Rate for the Class A Notes Outstanding equals or exceeds the Weighted Average S&P Recovery Rate for the Class A Notes selected by the Collateral Manager in connection with the S&P CDO Monitor Test.

"Monthly Report": The monthly report provided to the Trustee pursuant to Section 10.5(a), summarizing the account transactions with respect to the Collateral.

"Moody's": Moody's Investors Service, Inc. and any successor or successors thereto.

"Non-Call Period": The period from the Closing Date to and including the Business Day immediately preceding the October 2014 Payment Date.

"Non-Permitted Holder": The meaning specified in Section 2.5(g)(ii).

"Non-U.S. Obligor": An issuer or obligor of a Collateral Obligation that is organized in a sovereign jurisdiction other than the United States of America or any state thereof.

"Note Interest Rate": With respect to the Class A Notes, the annual rate at which interest accrues thereon, as specified in Section 2.3 and in such Class A Notes.

"Notice of Default": The meaning specified in Section 5.1(f).

"NRSRO": Any nationally recognized statistical rating organization.

"NRSRO Certification": A letter, substantially in the form of Exhibit H, executed by an NRSRO and addressed to the 17g-5 Information Provider, with a copy to the Trustee, the Issuer and the Collateral Manager, attaching a copy of a certification satisfying the requirements of paragraph (a)(3)(iii)(B) of Rule 17g-5, upon which the 17g-5 Information Provider may conclusively rely for purposes of granting such NRSRO access to the 17g-5 Information Provider's Website.

"Offer": (i) With respect to any Collateral Obligation or Eligible Investment, any offer by the issuer of such security or borrower with respect to such debt obligation or by any other Person made to all of the holders of such security or debt obligation to purchase or otherwise acquire such security or debt obligation or to exchange such security or debt obligation for any other security, debt obligation, Cash or other property (other than, in any case, pursuant to any redemption in accordance with the terms of any related Reference Instrument or for the purpose of registering the security or debt obligation) or (ii) with respect to any Collateral Obligation or Eligible Investment that constitutes a bond, any solicitation by the issuer of such security or borrower with respect to such debt obligation or any other Person to amend, modify or waive any provision of such security or debt obligation.

"Officer": With respect to the Issuer or any other limited liability company, any manager, officer or other person authorized pursuant to, or by resolutions approved in accordance with, the operating agreement of such limited liability company to act on behalf of such limited liability company; with respect to any corporation, any director, the Chairman of the Board, the President, any Vice President, the Secretary, an Assistant Secretary, the Treasurer or an Assistant Treasurer of such entity or such person's attorney-in-fact; with respect to any partnership, any general partner thereof or such person's attorney-in-fact; and with respect to the Trustee or any bank or trust company acting as trustee of an express trust or as custodian, any Trust Officer.

"Officer's Certificate": With respect to any Person, a certificate signed by an Authorized Officer of such Person.

"Opinion of Counsel": A written opinion addressed to the Trustee, in form and substance reasonably satisfactory to the Trustee, of a nationally or internationally recognized law firm or an attorney at law admitted to practice (or law firm, one or more of the partners of which are admitted to practice) before the highest court of any state of the United States of America or the District of Columbia, which attorney may, except as otherwise expressly provided in this Indenture, be counsel for the Issuer or the Collateral Manager and which attorney or firm shall be reasonably satisfactory to the Trustee. Whenever an Opinion of Counsel is required hereunder, such Opinion of Counsel may rely on opinions of other counsel who are so admitted and otherwise satisfactory which opinions of other counsel shall accompany such Opinion of Counsel and shall be addressed to the Trustee or shall state that the Trustee shall be entitled to rely thereon.

"Outstanding": With respect to the Class A Notes, as of any date of determination, all of such Class A Notes, theretofore authenticated and delivered under this Indenture except:

(a) Class A Notes theretofore cancelled by the Registrar or delivered to the Registrar for cancellation or registered in the Register on the date that the Trustee provides notice to Holders pursuant to Section 4.1 that the Indenture has been discharged;

(b) Class A Notes or, in each case, portions thereof for whose payment or redemption funds in the necessary amount have been theretofore irrevocably deposited with the Trustee or any Paying Agent in trust for the Holders of such Class A Notes; provided that if such Class A Notes or portions thereof are to be redeemed, notice of such redemption has been duly given pursuant to this Indenture;

(c) Class A Notes in exchange for or in lieu of which other Class A Notes have been authenticated and delivered pursuant to this Indenture, unless proof satisfactory to the Trustee is presented that any such original Class A Notes are held by a Protected Purchaser;

(d) Class A Notes alleged to have been mutilated, destroyed, lost or stolen for which replacement Class A Notes have been issued as provided in Section 2.6 of this Indenture;

(e) in determining whether the Holders of the requisite Outstanding amount have given any request, demand, authorization, direction, notice, consent or waiver hereunder Class A Notes that a Trust Officer of the Trustee has actual knowledge are owned by the Issuer shall be disregarded and deemed not to be Outstanding;

(f) Class A Notes so owned that have been pledged in good faith may be regarded as Outstanding if the pledgee establishes to the satisfaction of the Trustee that the pledgee has the right so to act with respect to such Class A Notes and the pledgee is not the Issuer or any other obligor upon the Class A Notes or any Affiliate of the Issuer or such other obligor.

"Partial Deferrable Obligation" Any Collateral Obligation with respect to which under the related Underlying Instruments (a) a portion of the interest due thereon is required to be paid (and currently is being paid) in Cash on each payment date therefor and is not permitted to be deferred or capitalized (which portion shall at least be equal to LIBOR or the applicable index with respect to which interest on such Collateral Obligation is calculated (or, in the case of a fixed rate Collateral Obligation, at least equal to the forward swap rate for a designated maturity equal to the scheduled maturity of such Collateral Obligation)) and (b) the issuer thereof or obligor thereon may defer or capitalize the remaining portion of the interest due thereon.

"Participation": An interest in a Loan acquired indirectly by way of participation from a Selling Institution.

"Paying Agent": Any Person authorized by the Issuer to pay the principal of or interest on any Class A Notes on behalf of the Issuer, as specified in Section 7.4.

"Payment Account": The trust account established pursuant to Section 10.3(c).

"Payment Date": Each October 15, January 15, April 15 and July 15 of each year (subject to Section 14.13), and the Stated Maturity, commencing October 15, 2011 and ending on the Stated Maturity.

"Payment Default": Any Event of Default specified in subclauses (a), (b), (c), (g) or (h) of Section 5.1.

"Permitted Offer": An offer pursuant to the terms of which the offeror offers to acquire a debt obligation (including a Collateral Obligation) in exchange for consideration consisting solely of Cash in an amount equal to or greater than the full face amount of such debt obligation plus any accrued and unpaid interest.

"Permitted Reinvestment Period": With respect to Principal Proceeds received during a Due Period, the period beginning on the day such Principal Proceeds are received by the Issuer and ending the later of the last day of (i) the Reinvestment Period and (ii) the Investment Due Period.

"Person": An individual, corporation (including a business trust), partnership, limited liability company, joint venture, association, joint stock company, trust (including any beneficiary thereof), bank, unincorporated association or government or any agency or political subdivision thereof or any other entity of a similar nature.

"Plan Asset Regulation": The U.S. Department of Labor's "plan assets" regulation, set forth at 29 C.F.R. Section 2510.3-101.

"Pledged Obligations": On any date of determination, the Collateral Obligations and the Eligible Investments owned by the Issuer that have been Granted to the Trustee.

"Principal Balance": As of any date of determination, with respect to (x) any Collateral Obligation, shall be the outstanding principal amount (excluding any deferred or capitalized interest thereon) of such Collateral Obligation on such date; and (y) any Eligible Investment or Cash, the outstanding principal amount of such Eligible Investment or Cash; provided, however, that:

(i) the Principal Balance of each Defaulted Obligation shall be deemed to be zero; provided that (1) for the purpose of calculating the amounts payable to the Trustee pursuant to this Indenture and the Collateral Administrator pursuant to the Collateral Administration Agreement, the Principal Balance of a Defaulted Obligation shall be the outstanding principal amount of such Defaulted Obligation, (2) for the purpose of calculating the Collateral Management Fee and the Collateral Advisory Fee, the Principal Balance of a Defaulted Obligation shall be the outstanding principal amount of such Defaulted Obligation, (3) for the purpose of calculating the CCC Excess, the Principal Balance of a Defaulted Obligation shall be the outstanding principal amount of such Defaulted Obligation and (4) for the purpose of calculating the Class A Par Value Numerator, the Principal Balance of a Defaulted Obligation (A) that has been held by the Issuer for less than three years shall be the S&P Collateral Value for such Defaulted Obligation or (B) that has been held by the Issuer for three years or more shall be deemed to have a Principal Balance of zero;

(ii) the Principal Balance of each Equity Security and Exchanged Equity Security shall be deemed to be zero; and

(iii) the Principal Balance of any Collateral Obligations and any Eligible Investments in which the Trustee does not have a first priority perfected security interest shall be deemed to be zero; provided that for the purpose of calculating the Management Fees, Collateral Advisory Fees and the amounts payable to the Trustee pursuant to this Indenture and the Collateral Administrator pursuant to the Collateral Administration Agreement, the Principal Balance of such Collateral Obligation or Eligible Investment shall be the outstanding principal amount thereof.

"Principal Collection Account": The account or accounts so designated and established pursuant to Section 10.3(a).

"Principal Payments": With respect to any Payment Date, an amount equal to the sum of any payments of principal (including optional or mandatory redemptions or prepayments) received on the Pledged Obligations during the related Due Period, including payments of principal received in respect of exchange offers and tender offers and recoveries on Defaulted Obligations up to the outstanding principal amount thereof, but not including Sale Proceeds received during the Reinvestment Period.

"Principal Proceeds": With respect to any Payment Date and the Stated Maturity, without duplication:

(i) all Principal Payments received during the related Due Period on the Pledged Obligations;

(ii) any amounts, distributions or proceeds (including resulting from any sale) received on any Defaulted Obligations (other than proceeds that constitute Interest Proceeds under subclause (ii) or (v) of the definition thereof) during the related Due Period to the extent the outstanding principal amount thereof then due and payable has not been received by the Issuer after giving effect to the receipt of such amounts, distributions or proceeds, as the case may be;

(iii) all premiums (including prepayment premiums) received during the related Due Period on the Collateral Obligations;

(iv) (A) any amounts constituting unused proceeds remaining in the Principal Collection Account from the issuance of the Class A Notes (1) at the end of the Reinvestment Period or (2) on any Determination Date on which the Class A Par Value Test is not satisfied or on any Determination Date on or after the Second Determination Date on which the Class A Interest Coverage Test is not satisfied, other than Reinvestment Income (which shall be treated as Interest Proceeds), (B) all amounts transferred to the Principal Collection Account from the Expense Reserve Account during the related Due Period and (C) any Principal Proceeds and unused proceeds designated for application as Principal Proceeds as set forth in Section 10.3(b);

(v) Sale Proceeds received during the related Due Period (excluding any Sale Proceeds received in connection with an optional redemption of the Class A Notes);

(vi) any accrued interest purchased after the Closing Date with Principal Proceeds that is received after the initial Payment Date;

(vii) the aggregate amount of the Collateral Management Fees, if any, that the Collateral Manager has elected to waive in the manner described under Section 8(c) of the Collateral Management Agreement (to the extent not included in Interest Proceeds); and

(viii) all other payments received during the related Due Period on the Collateral not included in Interest Proceeds;

provided that any of the amounts referred to in subclauses (i) through (viii) above shall be excluded from Principal Proceeds to the extent such amounts were previously reinvested in Collateral Obligations or are designated by the Collateral Manager (with notice to the Trustee and the Collateral Administrator) as retained for investment or funding in accordance with the Reinvestment Criteria and certain other restrictions set forth herein; provided, however, that with respect to the final Payment Date, "Principal Proceeds" shall include any amounts referred to in subclauses (i) through (viii) above that are received from the sale of Collateral Obligations on or prior to the day immediately preceding the final Payment Date.

"Priority of Payments": The meaning specified in Section 11.1(a).

"Proceeding": Any suit in equity, action at law or other judicial or administrative proceeding.

"Proceeds": (i) Any property (including but not limited to Cash and securities) received as a Distribution on the Collateral or any portion thereof, (ii) any property (including but not limited to Cash and securities) received in connection with the sale, liquidation, exchange or other disposition of the Collateral or any portion thereof and (iii) all proceeds (as such term is defined in the UCC) of the Collateral or any portion thereof.

"Proposed Portfolio": The Collateral Portfolio resulting from the sale, maturity or other disposition of a Collateral Obligation or a proposed reinvestment of Principal Proceeds or Interest Proceeds, as the case may be, in a Substitute Collateral Obligation.

"Protected Purchaser": The meaning specified in Section 8-303 of the UCC.

"Purchase Price Percentage": With respect to any Collateral Obligation, the lesser of (x) 100% and (y) the discount percentage obtained by dividing the purchase price of such Collateral Obligation by the outstanding principal amount of such Collateral Obligation, in each case as of the date such Collateral Obligation was purchased by the Issuer.

"Qualified Institutional Buyer": A qualified institutional buyer as defined in Rule 144A.

"Qualified Purchaser": Any Person that, at the time of its acquisition, purported acquisition or proposed acquisition of the Class A Notes, is a qualified purchaser for purposes of Section 3(c)(7) of the Investment Company Act.

"Qualifying Jurisdictions": Means (i) Canada, (ii) Europe and (iii) any other jurisdiction of organization of an obligor under a Collateral Obligation so long as at least 80% (by reference to the latest available consolidated financial statements) of such obligor's business operations or such obligor's assets primarily responsible for generating its revenue are located in the United States of America.

"Rating Agencies": For so long as such Rating Agency is rating the Class A Notes, S&P, or, with respect to the Collateral Obligations, Moody's and S&P or, any other nationally recognized investment rating agency selected by the Issuer and reasonably satisfactory to a Majority of the Controlling Class.

"Redemption Control Class": (a) With respect to any optional redemption in the event of a Tax Event in accordance with Article IX, the Equity Owner or the Majority of the Controlling Class, and (b) with respect to any other optional redemption occurring after the Non-Call Period in accordance with Article IX, the Equity Owner.

"Redemption Date": Any Payment Date specified for a redemption of Class A Notes pursuant to Section 9.1.

"Redemption Date Statement": The meaning specified in Section 10.5(d).

"Redemption Price": With respect to the Class A Notes, (i) in connection with any optional redemption in whole, an amount equal to the Aggregate Outstanding Amount thereof on such Redemption Date and (ii) in connection with any optional redemption in part, an amount equal to the share of such Class A Notes to aggregate principal amount of Class A Notes to be redeemed.

"Redemption Record Date": With respect to any optional redemption of Class A Notes, a date fixed pursuant to Section 9.1.

"Reference Banks": Four major banks in the London interbank market selected by the Calculation Agent.

"Reference Instrument": The indenture, credit agreement or other agreement pursuant to which a Collateral Obligation has been issued or created and each other agreement that governs the terms of or secures the obligations represented by such Collateral Obligation or of which the holders of such Collateral Obligation are the beneficiaries.

"Register": The register maintained by the Trustee or any Registrar with respect to the Class A Notes pursuant to Section 2.5.

"Registered": A debt obligation that is issued after July 18, 1984 and that is in registered form within the meaning of Section 881(c)(2)(B)(i) of the Code and the United States Treasury regulations promulgated thereunder, provided that an interest in a grantor trust will be considered to be Registered if such interest is in registered form and each of the obligations or securities held by such trust was issued after July 18, 1984.

"Registrar": The meaning specified in Section 2.5(a).

"Regular Record Date": The date as of which the Holders entitled to receive a payment of principal or interest on the succeeding Payment Date are determined, such date as to any Payment Date being the fifteenth day (whether or not a Business Day) preceding such Payment Date.

"Regulation D": Regulation D under the Securities Act.

"Regulation U": Regulation U issued by the Board of Governors of the Federal Reserve System.

"Reinvestment Criteria": The meaning specified in Section 12.2.

"Reinvestment Income": Any interest or other earnings on unused proceeds deposited in the Principal Collection Account.

"Reinvestment Period": The period from the Closing Date to and including the earlier to occur of (i) the Business Day immediately preceding the Payment Date in October 2016, and (ii) the occurrence of an Event of Default that results in an acceleration of the Notes in accordance with Section 5.2.

"Reinvestment Target Par Balance": As of any date of determination, (i) $1,320,000,000 minus (ii) the amount of any reduction in the Aggregate Outstanding Amount of the Class A Notes through the payment of Principal Proceeds.

"Related Collateral Obligations": The meaning specified in Section 3.2(f).

"Reserved Expenses": The meaning specified in Section 10.3(d).

"Reuters Page LIBOR01": The display designated as "Page LIBOR01" on Reuters Money 3000 Service or any successor service (or such other page as may replace Page LIBOR01 on that service or a successor service, for the purposes of displaying rates comparable to LIBOR) or on Reuters Telerate Successor Page 3750, as reported by Bloomberg Financial Commodities News.

"Rule 144A": Rule 144A under the Securities Act.

"Rule 144A Global Class A Notes": One or more permanent global notes for the Class A Notes in fully registered form without interest coupons sold in reliance on exemption from registration under Rule 144A with the applicable legends added to the form of the Class A Notes as set forth in the applicable Exhibits hereto.

"Rule 144A Information": Such information as is specified pursuant to Section (d)(4) of Rule 144A (or any successor provision thereto).

"Rule 17g-5": Rule 17g-5 under the Exchange Act.

"S&P": Standard & Poor's Ratings Services, a Standard & Poor's Financial Services LLC business or any successor to the ratings business thereof.

"S&P CDO Monitor": Each dynamic, analytical computer model developed by S&P used to calculate the default frequency in terms of the amount of debt assumed to default as a percentage of the original principal amount of the Collateral Obligations consistent with a specified benchmark rating level based upon certain assumptions (including the applicable Weighted Average S&P Recovery Rate) and S&P's proprietary corporate default studies, as may be amended by S&P from time to time upon notice to the Issuer, the Collateral Administrator and the Trustee. Each S&P CDO Monitor shall be chosen by the Collateral Manager (with notice to the Collateral Administrator) and associated with either (x) a Weighted Average S&P Recovery Rate and a Weighted Average Floating Spread from Section 2 of Schedule C or (y) a Weighted Average S&P Recovery Rate and a Weighted Average Floating Spread confirmed by S&P; provided that as of any Measurement Date on or after the Second Amendment Date, the Minimum Weighted Average S&P Recovery Rate Test is satisfied, and (ii) the Minimum Weighted Average Floating Spread Test is satisfied.

"S&P CDO Monitor Test": A test that will be satisfied on any Measurement Date on or after the Second Amendment Date following receipt by the Issuer and the Collateral Administrator of the S&P CDO Monitor (along with the assumptions and instructions to run the S&P CDO Monitor) if, after giving effect to the sale of a Collateral Obligation or the purchase of a Collateral Obligation, the Class A Loss Differential of the Proposed Portfolio is positive. The S&P CDO Monitor Test will be considered to be improved if the Class A Loss Differential of the Proposed Portfolio is greater than the corresponding Class A Loss Differential of the current Collateral Portfolio.

"S&P Collateral Value": With respect to any Defaulted Obligation, the lesser of (i) the S&P Recovery Amount of such Defaulted Obligation as of the relevant date of determination and (ii) the Market Value of such Defaulted Obligation as of the relevant date of determination.

"S&P Rating": With respect to any Collateral Obligation, as of any date of determination, the rating determined in accordance with the following methodology:

(i) (a) if there is an issuer credit rating of the issuer of such Collateral Obligation by S&P as published by S&P, or the guarantor which unconditionally and irrevocably guarantees such Collateral Obligation pursuant to a form of guaranty approved by S&P for use in connection with this transaction, then the S&P Rating shall be such rating (regardless of whether there is a published rating by S&P on the Collateral Obligations of such issuer held by the Issuer, provided that private ratings (that is, ratings provided at the request of the obligor) may be used for purposes of this definition; provided, that private ratings may be used for this definition if the related Obligor has consented to the disclosure thereof and a copy of such consent has been provided to S&P) or (b) if there is no issuer credit rating of the issuer by S&P but (1) there is a senior secured rating on any obligation or security of the issuer, then the S&P Rating of such Collateral Obligation shall be one sub-category below such rating; (2) if clause (1) above does not apply, but there is a senior unsecured rating on any obligation or security of the issuer, the S&P Rating of such Collateral Obligation shall equal such rating; and (3) if neither clause (1) nor clause (2) above applies, but there is a subordinated rating on any obligation or security of the issuer, then the S&P Rating of such Collateral Obligation shall be one sub-category above such rating if such rating is higher than "BB+", and shall be two sub-categories above such rating if such rating is "BB+" or lower;

(ii) if there is not a rating by S&P on the issuer or on an obligation of the issuer, then the S&P Rating may be determined pursuant to clauses (a) through (d) below:

(a) if the Collateral Obligation has a published rating by Moody's, then the S&P Rating will be determined in accordance with such published Moody's rating except that the S&P Rating of such Collateral Obligation will be (1) one sub-category below the S&P equivalent of the Moody's rating if such published Moody's rating is "Baa3" or higher and (2) two sub-categories below the S&P equivalent of the Moody's rating if such published Moody's rating is "Ba1" or lower;

(b) the S&P Rating may be based on a credit estimate provided by S&P, and in connection therewith, the Issuer, the Collateral Manager on behalf of the Issuer or the issuer of such Collateral Obligation shall, prior to or within 30 days after the acquisition of such Collateral Obligation, apply (and concurrently submit all available Information in respect of such application) to S&P for a credit estimate which shall be its S&P Rating; provided that, if such Information is submitted within such 30-day period, then, pending receipt from S&P of such estimate, such Collateral Obligation shall have an S&P Rating as determined by the Collateral Manager in its sole discretion if the Collateral Manager certifies to the Trustee and the Collateral Administrator that it believes that such S&P Rating determined by the Collateral Manager is commercially reasonable and will be at least equal to such rating; provided, further, that if such Information is not submitted within such 30-day period, then, pending receipt from S&P of such estimate, the Collateral Obligation shall have (1) the S&P Rating as determined by the Collateral Manager for a period of up to 90 days after the acquisition of such Collateral Obligation and (2) an S&P Rating of "CCC-" following such 90-day period; unless, during such 90-day period, the Collateral Manager has requested the extension of such period and S&P, in its sole discretion, has granted such request; provided, further, that if such 90-day period (or other extended period) elapses pending S&P's decision with respect to such application, the S&P Rating of such Collateral Obligation shall be "CCC-"; provided, further, that if the Collateral Obligation has had a public rating by S&P that S&P has withdrawn or suspended within six months prior to the date of such application for a credit estimate in respect of such Collateral Obligation, the S&P Rating in respect thereof shall be "CCC-" pending receipt from S&P of such estimate, and S&P may elect not to provide such estimate until a period of six months have elapsed after the withdrawal or suspension of the public rating; provided, further that such credit estimate shall expire 12 months after the acquisition of such Collateral Obligation, following which such Collateral Obligation shall have an S&P Rating of "CCC-" unless, during such 12-month period, the Issuer applies for renewal thereof in accordance with the terms of Section 7.25(b), in which case such credit estimate shall continue to be the S&P Rating of such Collateral Obligation until S&P has confirmed or revised such credit estimate, upon which such confirmed or revised credit estimate shall be the S&P Rating of such Collateral Obligation; provided, further, that such confirmed or revised credit estimate shall expire on the next succeeding 12-month anniversary of the date of the acquisition of such Collateral Obligation and (when renewed annually in accordance with Section 7.25(b)) on each 12-month anniversary thereafter;

(c) with respect to a Collateral Obligation that is not a Defaulted Obligation, the S&P Rating of such Collateral Obligation will at the election of the Issuer (at the direction of the Collateral Manager) be "CCC"; provided that (i) neither the issuer of such Collateral Obligation nor any of its Affiliates are subject to any bankruptcy or reorganization proceedings and (ii) the

issuer has not defaulted on any payment obligation in respect of any debt security or other obligation of the issuer at any time within the two year period ending on such date of determination, all such debt securities and other obligations of the issuer that are pari passu with or senior to the Collateral Obligation are current and the Collateral Manager reasonably expects them to remain current; or

(d) if such Collateral Obligation is not rated by Moody's but a security with a pari passu ranking (a "parallel security") has a published rating (and not a credit estimate) by Moody's then the S&P Rating of such pari passu ranking parallel security will be determined in accordance with the methodology set forth in subclause (a) above, as applicable, and such rating will be used for such Collateral Obligation;

provided, that for purposes of the determination of the S&P Rating, (x) if the applicable rating assigned by S&P to an obligor or its obligations is on "credit watch positive" by S&P, such rating will be treated as being one sub-category above such assigned rating and (y) if the applicable rating assigned by S&P to an obligor or its obligations is on "credit watch negative" by S&P, such rating will be treated as being one sub-category below such assigned rating.

"S&P Rating Condition": With respect to any action taken or to be taken by or on behalf of the Issuer, a condition that is satisfied if S&P has, upon request of the Collateral Manager or the Issuer, confirmed in writing (including by means of electronic message, facsimile transmission, press release, posting to its internet website, or other means normally used by S&P), or has waived the review of such action by such means, to the Issuer, the Trustee, the Collateral Administrator and the Collateral Manager that no immediate withdrawal or reduction with respect to its then-current rating by S&P of the Class A Notes will occur as a result of such action; provided, that (i) the S&P Rating Condition will be deemed to be satisfied if the Class A Notes are not rated by S&P and (ii) if S&P makes a public announcement or informs the Issuer, the Collateral Manager or the Trustee in writing that (a) it believes that satisfaction of the S&P Rating Condition is not required with respect to an action or (b) its practice is not to give such confirmations, satisfaction of the S&P Rating Condition will not be required with respect to the applicable action; provided, further, that if a Majority of the Controlling Class consents to a waiver of an obligation to satisfy the S&P Rating Condition, such obligation shall be deemed to be satisfied.

"S&P Rating Confirmation Failure": The meaning specified in Section 7.23(b).

"S&P Recovery Amount": With respect to any Collateral Obligation, an amount equal to: (a) the applicable S&P Recovery Rate multiplied by (b) the principal amount of such Collateral Obligation.

"S&P Recovery Rate": With respect to a Collateral Obligation, the recovery rate set forth in Section 1 of Schedule C using the initial rating of the Class A Notes.

"S&P Recovery Rating": With respect to a Collateral Obligation for which an S&P Recovery Rate is being determined, the "Recovery Rating" assigned by S&P to such Collateral Obligation based upon tables set forth in Schedule C hereto.

"Sale Proceeds": All amounts representing:

(i) proceeds from the sale or other disposition of any Collateral Obligation or an Equity Security;

(ii) at the Collateral Manager's sole discretion (with notice to the Trustee and the Collateral Administrator), any accrued interest received in connection with any Eligible Investment purchased with any proceeds described in subclause (i) above; and

(iii) any proceeds of the foregoing, including from the sale of Eligible Investments purchased with any proceeds described in subclause (i) above (including any accrued interest thereon, but only to the extent so provided in subclause (ii) above).

In the case of each of subclauses (i) through (iii), Sale Proceeds (a) shall only include proceeds received on or prior to the last day of the relevant Due Period (or with respect to the final Payment Date, the day immediately preceding the final Payment Date) and (b) shall be net of any reasonable amounts incurred by the Collateral Manager, the Collateral Administrator or the Trustee in connection with such sale or other disposition.

"Schedule of Collateral Obligations": The schedule of Collateral Obligations set forth on Schedule A hereto or any other schedule substantially in the form of Schedule A and supplemented, in either case, by additional information regarding Collateral Obligations acquired by the Issuer and in which a security interest is Granted to the Trustee on or before the Effective Date and as amended from time to time to reflect the release of Collateral Obligations pursuant to Article X, and the inclusion of Substitute Collateral Obligations as provided in Section 12.2.

"Second Amendment Date": September 26, 2012.

"Second Effective Date": The earlier to occur of (i) April 15, 2013 and (ii) the first date on which the Collateral Manager certifies to the Trustee and the Collateral Administrator that the Aggregate Principal Amount of Collateral Obligations that are (i) held by the Issuer and (ii) of which the Issuer has committed to purchase on such date, together with the amount of any proceeds of prepayments, maturities or redemptions of Collateral Obligations purchased by the Issuer prior to such date (other than any such proceeds that have been reinvested in Collateral Obligations by the Issuer as of the Second Effective Date), will equal or exceed $1,320,000,000; provided that for purposes of this definition, any Collateral Obligation that was a Defaulted Obligation on the Second Amendment Date will be deemed to have a Principal Balance of zero, unless such Collateral Obligation ceases to meet the definition of a Defaulted Obligation prior to the Second Effective Date.

"Second Determination Date": With respect to the second Payment Date to occur after the Closing Date, the last Business Day of the immediately preceding Due Period.

"Second Lien Loan": Any Assignment of or Participation in or other interest in a Loan (i) that is not (and by its terms is not permitted to become) subordinate (except with respect to (1) any obligation which, if purchased as a Collateral Obligation, would be treated as a Senior Secured Loan and (2) any super-priority lien or liquidation preference, in the case of clause (2), imposed by operation of law) in right of payment to any obligation of the obligor in any

bankruptcy, reorganization, arrangement, insolvency, moratorium or liquidation proceedings, (ii) for which the Collateral Manager, exercising its commercially reasonable business judgment, believes the lenders thereof have been granted a valid and perfected second priority security interest (which interest ranks second only to an obligation which, if purchased as a Collateral Obligation, would be treated as a Senior Secured Loan), in the principal collateral securing such Assignment of or Participation in such loan whether or not the lenders thereof have been also granted a security interest of a higher or lower priority in additional collateral, (iii) that is not secured solely or primarily by common stock or equity securities; and (iv) with respect to which the Collateral Manager estimates in good faith at or about the time of the commitment to acquire such Second Lien Loan (whether such commitment was made before or after the Closing Date) (which estimation may not be called into question as a result of subsequent events, including, but not limited to the deterioration of the value of any collateral, any adverse effects on the operations of any obligor of such loan, and the market price of such loan) that the estimated value of the collateral securing the obligor's or obligors' obligation under such loan, the enterprise value of such obligor or obligors, and other relevant attributes of such obligor or obligors (including, without limitation, its general financial condition, ability to generate cash flow available for debt service and other demands for that cash flow) is adequate (in the commercially reasonable judgment of the Collateral Manager) to repay such secured loan and the outstanding principal amounts of any other obligations that are senior to or *pari passu* with such loan, which collateral value and enterprise value may include, without limitation, an estimation of the enterprise value or market value of the obligor or obligors, an estimation based on the appraised, market, or replacement value of the total assets of the obligor or obligors (whether or not such assets secure the loan) and a pro-forma estimation of the book value of the total assets of the obligor (which estimation may include any intangible or goodwill asset).

"Section 3(c)(7) Reminder Notice": A notice from the Issuer to the Noteholders (to be delivered in accordance with Section 10.5(f)) in substantially the form of Exhibit E.

"Secured Obligations": Collectively, all of the indebtedness, liabilities and obligations owed from time to time by the Issuer to any of the Secured Parties whether for principal, interest, fees, costs, expenses or otherwise (including all amounts which would become due but for the operation of the automatic stay under Section 362(a) of the Bankruptcy Code and the operation of Sections 502(b) and 506(b) thereof or any analogous provisions of any similar laws).

"Secured Parties": (i) The Trustee, (ii) the Holders of the Class A Notes, (iii) the Collateral Manager and (iv) the Collateral Administrator.

"Securities Account Control Agreement": An Agreement dated the Closing Date between the Issuer and the Bank, as Collateral Agent and Securities Intermediary.

"Securities Act": The U.S. Securities Act of 1933, as amended.

"Securities Intermediary": The meaning specified in Section 8-102(a)(14) of the UCC.

"Security Entitlement": The meaning specified in Section 8-102(a)(17) of the UCC.

"Selling Institution": Each institution from which a Participation is acquired, which institution shall be rated at least "AA" or its equivalent by the Rating Agencies, unless otherwise approved by a Majority of the Controlling Class.

"Senior Secured Note": Any dollar-denominated senior secured note issued pursuant to an indenture by a corporation, partnership or other Person that is secured by a first priority, perfected security interest or lien to or on specified collateral securing the issuer's obligations under such note.

"Senior Secured Loan": Any Assignment of or Participation in or other interest in a Loan (i) that is not (and cannot by its terms become) subordinate in right of payment to any obligation of the obligor in any bankruptcy, reorganization, arrangement, insolvency, moratorium or liquidation proceedings, (ii) that is secured by a first priority, valid, perfected security interest or lien to or on specified collateral securing the issuer's obligations under such loan, (iii) that is not secured solely or primarily by common stock or equity securities; and (iv) with respect to which the Collateral Manager estimates in good faith at or about the time of the commitment to acquire such Senior Secured Loan (whether such commitment was made before or after the Closing Date) (which estimation may not be called into question as a result of subsequent events, including, but not limited to the deterioration of the value of any collateral, any adverse effects on the operations of any obligor of such loan, and the market price of such loan) that the estimated value of the collateral securing the obligor's or obligors' obligation under such loan, the enterprise value of such obligor or obligors, and other relevant attributes of such obligor or obligors (including, without limitation, its general financial condition, ability to generate cash flow available for debt service and other demands for that cash flow) is adequate (in the commercially reasonable judgment of the Collateral Manager) to repay such secured loan and the outstanding principal amounts of any other obligations that are *pari passu* with such secured loan, which collateral value and enterprise value may include, without limitation, an estimation of the enterprise value or market value of the obligor or obligors, an estimation based on the appraised, market, or replacement value of the total assets of the obligor or obligors (whether or not such assets secure the loan) and a pro-forma estimation of the book value of the total assets of the obligor (which estimation may include any intangible or goodwill asset).

"Senior Unsecured Loan": Any Assignment of or Participation in or other interest in a loan that is not subordinated in right of payment and is not a Senior Secured Loan.

"Special Payment Date": With respect to the payment of any Defaulted Interest for the Class A Notes, a date described in Section 2.7(f)(i) or, if such date is not a Business Day, the next following Business Day.

"Special Record Date": With respect to the payment of any Defaulted Interest for the Class A Notes, a date fixed by the Trustee pursuant to Section 2.7(f)(i).

"Specified Amendment": With respect to any Collateral Obligation that is the subject of a rating estimate or is a private or confidential rating by S&P, any waiver, modification, amendment or variance that would:

(a) modify the amortization schedule with respect to such Collateral Obligation in a manner that:

(i) reduces the Dollar amount of any Scheduled Distribution by more than the greater of (x) 20% and (y) $250,000;

(ii) postpones any Scheduled Distribution by more than two payment periods or eliminates a Scheduled Distribution; or

(iii) causes the Weighted Average Life of the applicable Collateral Obligation to increase by more than 10%;

(b) reduce or increase the Cash interest rate payable by the Obligor thereunder by more than 100 basis points (excluding any increase in an interest rate arising by operation of a default or penalty interest clause under a Collateral Obligation);

(c) extend the stated maturity date of such Collateral Obligation by more than 24 months; provided, that (x) any such extension shall be deemed not to have been made until the Business Day following the original stated maturity date of such Collateral Obligation and (y) such extension shall not cause the Weighted Average Life of such Collateral Obligation to increase by more than 25%;

(d) release any party from its obligations under such Collateral Obligation, if such release would have a material adverse effect on the Collateral Obligation;

(e) reduce the principal amount thereof; or

(f) in the reasonable business judgment of the Collateral Manager, have a material adverse impact on the value of such Collateral Obligation.

"Specified Event": With respect to any Collateral Obligation that is the subject of a rating estimate, private rating or confidential rating by S&P, the occurrence of any of the following events of which the Issuer or the Collateral Manager has knowledge:

(a) the non-payment of interest or principal due and payable with respect to such Collateral Obligation;

(b) the rescheduling of any interest or principal in any part of the capital structure of the related Obligor; or

(c) any restructuring of debt of the related Obligor.

"Stated Maturity": With respect to any security or debt obligation, including a Class A Note, the date specified in such security or debt obligation as the fixed date on which the final payment of principal of such security or debt obligation is due and payable or, if such date is not a Business Day, the next following Business Day. The Stated Maturity with respect to the Class A Notes will be the Payment Date in October 2023.

"Structured Finance Obligation": Any obligation issued by a special purpose vehicle and secured directly by, referenced to, or representing ownership of, a pool of receivables or other financial assets of any obligor, including collateralized debt obligations and mortgaged-backed securities.

"Subordinate Interests": The rights of the Issuer and the Equity Owner in and to the Collateral.

"Subordinated Loan": Any Assignment of or Participation in or other interest in a loan that is subordinated in right of payment.

"Subsequent Holder": Any holder of a Class A Note that is considered to own such Class A Note for U.S. income tax purposes and is not the sole Equity Owner.

"Substitute Collateral Obligation": A Collateral Obligation that is acquired by the Issuer in accordance with the Reinvestment Criteria in connection with the sale or other disposal of another Collateral Obligation.

"Synthetic Security": A security or swap transaction, other than a Participation or a Letter of Credit, that has payments associated with either payments of interest on and/or principal of a reference obligation or the credit performance of a reference obligation.

"Tax Event": An event that will occur upon a change in or the adoption of any U.S. or non-U.S. tax statute or treaty, or any change in or the issuance of any regulation (whether final, temporary or proposed), ruling, practice, procedure or any formal or informal interpretation of any of the foregoing, which change, adoption or issuance results or will result in (i) any portion of any payment due from any obligor under any Collateral Obligation causing the Issuer to be properly subject to the imposition of U.S. or foreign withholding tax, which withholding tax is not compensated for by a provision under the terms of such Collateral Obligation that would result in the net amount actually received by the Issuer (free and clear of taxes, whether assessed against such obligor thereof, the counterparty with respect thereto, or the Issuer) being equal to the full amount that the Issuer would have received had no such deduction or withholding been required, or (ii) any jurisdiction's properly imposing net income, profits or similar tax on the Issuer; provided, that the total amount of (A) the tax or taxes imposed on the Issuer as described in clause (ii) of this definition, and (B) the total amount withheld from payments to the Issuer that is not compensated for by a "gross-up" provision as described in clause (i) of this definition are determined to be in excess of 5% of the aggregate interest due and payable on the Collateral Obligations during the Due Period.

"Third Party Credit Exposure Limits": Limits that shall be satisfied if Participations with counterparties having the ratings below from S&P do not exceed the percentage of the Aggregate Principal Amount of the Collateral Portfolio specified below:

S&P's credit rating of Selling Institution	Aggregate Percentage Limit	Individual Percentage Limit
AAA	20%	20%
AA+	10%	10%
AA	10%	10%
AA-	10%	10%
A+	5%	5%
A	5%	5%
A- or lower	0%	0%

provided that a Selling Institution having an S&P credit rating of "A" must also have a short-term S&P rating of "A-1" otherwise its Aggregate Percentage Limit and Individual Percentage Limit shall be 0%.

"Transaction Documents": This Indenture, the Collateral Management Agreement, the Collateral Administration Agreement, the Securities Account Control Agreement, the Asset Transfer Agreement, the Transfer Supplements and the Limited Liability Company Agreement.

"Transfer Agent": The Person or Persons, which may be the Issuer, authorized by the Issuer to exchange or register the transfer of Class A Notes.

"Transfer Date": The meaning specified in the Asset Transfer Agreement.

"Transfer Supplement": The Transfer Supplement, in the form of Exhibit A to the Asset Transfer Agreement, delivered on each Transfer Date.

"Trust Officer": When used with respect to the Trustee, any officer within the Corporate Trust Services Division (or any successor group of the Trustee) including any director, managing director, vice president, assistant vice president, associate or officer of the Trustee customarily performing functions similar to those performed by the persons who at the time shall be such officers, or to whom any corporate trust matter is referred at the Corporate Trust Office because of his knowledge of and familiarity with the particular subject, in each case having direct responsibility for the administration of this Indenture.

"Trustee": Citibank, N.A., solely in its capacity as Trustee for the Noteholders, unless a successor Person shall have become the Trustee pursuant to the applicable provisions of this Indenture, and thereafter "Trustee" shall mean such successor Person.

"UCC": The Uniform Commercial Code as in effect in the state of the United States that governs the relevant security interest as amended from time to time.

"Uncertificated Securities": The meaning specified in Section 8-102(a)(18) of the UCC.

"Underlying Instrument": The indenture or other agreement pursuant to which a Collateral Obligation or Eligible Investment has been issued or created and each other agreement that governs the terms of or secures the obligations represented by such Collateral Obligation or Eligible Investment or of which the holders of such Collateral Obligation or Eligible Investment are the beneficiaries.

"Unregistered Securities": Securities or debt obligations issued without registration under the Securities Act.

"U.S. Person": The meaning specified under Regulation S.

"Valuation Report": The meaning specified in Section 10.5(b).

"Weighted Average Fixed Rate Coupon": As of any Measurement Date on or after the Second Amendment Date, the number (expressed as a percentage) obtained by dividing: (a) the Aggregate Coupon by (b) the Aggregate Principal Amount of all Fixed Rate Collateral Obligations as of such Measurement Date.

"Weighted Average Floating Spread": As of any Measurement Date on or after the Second Amendment Date, the number (expressed as a percentage) obtained by dividing: (a) the amount equal to (i) the Aggregate Funded Spread plus (ii) the Aggregate Excess Funded Spread, by (b) the Aggregate Principal Amount of all Floating Rate Collateral Obligations as of such Measurement Date; provided, however, that the Aggregate Excess Funded Spread addition in clause (ii) shall not be included for purposes of the S&P CDO Monitor calculation.

"Weighted Average Life": As of any Measurement Date with respect to all Collateral Obligations other than Defaulted Obligations, the number of years following such date obtained by summing the products obtained by multiplying:

(a) the Average Life at such time of each such Collateral Obligation by (b) the outstanding Principal Balance of such Collateral Obligation

and dividing such sum by:

(b) the Aggregate Principal Amount at such time of all Collateral Obligations other than Defaulted Obligations.

For the purposes of the foregoing, the "Average Life" is, on any Measurement Date with respect to any Collateral Obligation, the quotient obtained by dividing (i) the sum of the products of (a) the number of years (rounded to the nearest one hundredth thereof) from such Measurement Date to the respective dates of each successive scheduled distribution of principal of such Collateral Obligation and (b) the respective amounts of principal of such scheduled distributions by (ii) the sum of all successive scheduled distributions of principal on such Collateral Obligation.

"Weighted Average Life Test": A test satisfied on any Measurement Date on or after the Second Amendment Date if the Weighted Average Life of all Collateral Obligations as of such date is less than the number of years (rounded to the nearest one hundredth thereof) during the period from such Measurement Date to October 15, 2020.

"Weighted Average S&P Recovery Rate": As of any Measurement Date on or after the Second Amendment Date, the number, expressed as a percentage and determined for the Class A Notes, obtained by summing the products obtained by multiplying the outstanding Principal Balance of each Collateral Obligation by its corresponding recovery rate as determined in accordance with Section 1 of Schedule C hereto, dividing such sum by the Aggregate Principal Amount of all Collateral Obligations, and rounding to the nearest tenth of a percent.

"Withholding Tax Security": A Collateral Obligation if (a) any payments thereon to the Issuer are subject to deduction or withholding for or on account of any withholding or similar tax imposed by any jurisdiction or taxing authority thereof or therein and (b) under the Reference Instrument with respect to such Collateral Obligation, the issuer of or counterparty with respect to such Collateral Obligation is not required to make payments to the Issuer that would result in the net amount actually received by the Issuer (free and clear of taxes, whether assessed against such obligor thereof, the counterparty with respect thereto, or the Issuer) being equal to the full amount that the Issuer would have received had no such deduction or withholding been required.

Section 1.2 Assumptions as to Collateral Obligations.

(a) In connection with all calculations required to be made pursuant to this Indenture with respect to Distributions on any Pledged Obligations, or any payments on any other assets included in the Collateral, and with respect to the income that can be earned on Distributions on such Pledged Obligations and on any other amounts that may be received for deposit in the Interest Collection Account or the Principal Collection Account, the provisions set forth in this Section 1.2 shall be applied.

(b) All calculations with respect to Distributions on the Pledged Obligations shall be made by the Collateral Manager on the basis of information as to the terms of each such Pledged Obligation and upon report of payments, if any, received on such Pledged Obligation that are furnished by or on behalf of the issuer of or borrower with respect to such Pledged Obligation and, to the extent they are not manifestly in error, such information or report may be conclusively relied upon in making such calculations. To the extent they are not manifestly in error, any information or report received by the Collateral Manager (other than those prepared by the Collateral Manager), the Collateral Administrator or the Trustee with respect to the Collateral Obligations may be conclusively relied upon in making such calculations.

(c) For each Due Period, the Distribution on any Pledged Obligation (other than a Defaulted Obligation or other Collateral which is assigned a Principal Balance of zero, which shall be, until any Distribution is actually received by the Issuer from such Defaulted Obligation or Collateral Obligation, assumed to have a Distribution of zero) shall be the minimum amount, including coupon payments, accrued interest, scheduled Principal Payments, if any, by way of sinking fund payments which are assumed to be on a *pro rata* basis or other scheduled amortization of principal, return of principal, and redemption premium, if any, assuming that any index applicable to any payments on a Pledged Obligation that is subject to change is not changed, that, if paid as scheduled, will be available in the Interest Collection Account or the Principal Collection Account, at the end of the Due Period net of withholding or similar taxes to be withheld from such payments (but taking into account payments made in respect of such taxes that result in the net amount actually received by the Issuer (free and clear of taxes, whether assessed against such obligor thereof, the counterparty with respect thereto, or the Issuer) being equal to the full amount that the Issuer would have received had no such deduction or withholding been required).

(d) Absent actual knowledge of the Issuer (or the Collateral Manager on behalf of the Issuer) to the contrary, each Distribution receivable with respect to a Pledged Obligation shall be assumed to be received on the applicable Due Date, and each such Distribution shall be assumed to be immediately deposited in the Interest Collection Account or the Principal Collection Account, and, except as otherwise specified, to earn interest at the Assumed Reinvestment Rate. All such funds shall be assumed to continue to earn interest until the date on which they are required to be available in the Interest Collection Account or the Principal Collection Account, for application, in accordance with the terms hereof, to payments of principal or of interest on the Class A Notes or other amounts payable pursuant to this Indenture.

Section 1.3 Rules of Construction and Certain Other Matters.

(a) All references in this Indenture to designated "Articles," "Sections," "Subsections" and other subdivisions are to the designated Articles, Sections, Subsections and other subdivisions of this instrument as originally executed. The words "herein," "hereof," "hereunder," and other words of similar import refer to this Indenture as a whole and not to any particular Article, Section, Subsection or other subdivision. The term "including" shall mean "including without limitation".

(b) The Collateral Manager's judgment in all cases under this Indenture shall be subject to Section 2 of the Collateral Management Agreement.

(c) For purposes of (i) the Schedule of Collateral Obligations or a list of Collateral Obligations prepared in accordance with Section 3.4(d), (ii) the Valuation Reports, (iii) the Monthly Reports, (iv) the statement of the Independent accountants appointed pursuant to Section 10.7, (v) the Additional Reports prepared in accordance with Section 10.8, (vi) the Accountants' Certificates, (vii) calculating the Coverage Tests, the Concentration Limitations and the amounts specified in Section 3.2(c) and (viii) preparing any other reports hereunder, Collateral Obligations committed to be purchased by the Issuer shall be treated as owned or acquired by the Issuer (with the Issuer deemed to have a perfected security interest in such Collateral Obligation) and Collateral Obligations committed to be sold by the Issuer shall be treated as having been sold by the Issuer and shall not be treated as owned by the Issuer.

(d) For purposes of the Coverage Tests, amounts deposited in the Expense Reserve Account shall be excluded.

ARTICLE II.
THE CLASS A NOTES

Section 2.1 Forms Generally.

The Class A Notes and the Certificate of Authentication shall be in substantially the forms required by this Article, with such appropriate insertions, omissions, substitutions and other variations as are required or permitted by this Indenture, and may have such letters, numbers or other marks of identification and such legends or endorsements placed thereon, as may be consistent herewith, determined by the Authorized Officers of the Issuer.

Any portion of the text of any Class A Note may be set forth on the reverse thereof, with an appropriate reference thereto on the face of the Class A Note.

Section 2.2 Forms of Class A Notes and Certificate of Authentication.

(a) The forms of the Class A Notes, including the Certificate of Authentication, shall be as set forth in the applicable Exhibit hereto.

(b) Class A Notes offered and sold to Qualified Institutional Buyers (in reliance on Section 4(2), Rule 144A or another exemption under the Securities Act) and to Qualified Purchasers shall be issued in the form of a Rule 144A Global Class A Note, which shall be deposited with the Trustee, as custodian for DTC, and registered in the name of DTC or the nominee of DTC, in each case, duly executed by the Issuer and authenticated by the Trustee in accordance with Section 2.2(c). The aggregate principal amount of the Rule 144A Global Class A Notes may from time to time be increased or decreased by adjustments made on the records of the Trustee or DTC or its nominee, as the case may be, as hereinafter provided.

(c) This Section 2.2(c) shall apply only to Global Notes deposited with or on behalf of DTC.

The Issuer shall execute and the Trustee shall upon receipt of an Issuer Order, in accordance with this Section 2.2(c), authenticate and deliver initially one or more Global Notes, that (i) shall be registered in the name of DTC for such Global Note or Global Notes or the nominee of DTC and (ii) is held by the Trustee, as custodian for DTC.

Agent Members shall have no rights under this Indenture with respect to any Global Note held on their behalf by DTC or under the Global Note, and DTC may be treated by the Issuer, the Trustee, and any agent of the Issuer or the Trustee as the absolute owner of such Global Note for all purposes whatsoever (except to the extent otherwise provided herein). Notwithstanding the foregoing, nothing herein shall prevent the Issuer, the Trustee, or any agent of the Issuer or the Trustee, from giving effect to any written certification, proxy or other authorization furnished by DTC or impair, as between DTC and its Agent Members, the operation of customary practices governing the exercise of the rights of a Holder of any Class A Note.

(d) Except as provided in Section 2.10, owners of beneficial interests in Global Notes will not be entitled to receive physical delivery of Definitive Notes.

Section 2.3 Authorized Amount; Note Interest Rate; Stated Maturity; Denominations.

Subject to the provisions set forth below, the aggregate principal amount of Class A Notes that may be authenticated and delivered under this Indenture is limited to $840,000,000, except for (i) Class A Notes authenticated and delivered upon registration of transfer of, or in exchange for, or in lieu of, other Class A Notes pursuant to Section 2.5 or 2.6 of this Indenture and (ii) Class A Notes issued in accordance with Section 2.13 and Article VIII.

Such Class A Notes shall have the designation, original principal amount, Note Interest Rate and Stated Maturity as follows:

Designation	Initial S&P Rating	Maximum Principal Amount/Original Notional Amount	Note Interest Rate	Stated Maturity
Class A Notes	"A(sf)"	$ 840,000,000	LIBOR[1] + 2.75%	October 15, 2023

1 LIBOR refers to LIBOR for the Applicable Period.

The Class A Notes shall be issuable in the following minimum denomination:

Note	Minimum Denomination (integral multiples)
Class A Notes	Rule 144A: $500,000 ($1,000 in excess thereof)

Section 2.4 Execution, Authentication, Delivery and Dating.

The Class A Notes shall be executed on behalf of the Issuer by one of the Authorized Officers of the Issuer. The signature of such Authorized Officer on the Class A Notes may be manual or facsimile.

Class A Notes bearing the manual or facsimile signatures of individuals who were at any time the Authorized Officers of the Issuer shall bind the Issuer, notwithstanding the fact that such individuals or any of them have ceased to hold such offices prior to the authentication and delivery of such Class A Notes or did not hold such offices at the date of issuance of such Class A Notes.

At any time and from time to time after the execution and delivery of this Indenture, the Issuer may deliver Class A Notes executed by the Issuer to the Trustee or the Authenticating Agent for authentication, and the Trustee or the Authenticating Agent, upon Issuer Order, shall authenticate and deliver such Class A Notes as provided in this Indenture and not otherwise.

Each Class A Note authenticated and delivered by the Trustee or the Authenticating Agent to or upon Issuer Order on the Closing Date shall be dated as of the Closing Date. All other Class A Notes that are authenticated after the Closing Date for any other purpose under this Indenture shall be dated the date of their authentication.

Class A Notes issued upon transfer, exchange or replacement of other Class A Notes shall be issued in authorized denominations, if applicable, reflecting the original aggregate principal amount or notional amount, as the case may be, of the Class A Notes so transferred, exchanged or replaced, but shall represent only the current Outstanding principal amount or notional amount, as the case may be, of the Class A Notes so transferred, exchanged or replaced. In the event that any Class A Note is divided into more than one Class A Note in accordance with this Article II, the original principal amount or notional amount, as the case may be, of such Class A Note shall be proportionately divided among the Class A Notes delivered in exchange therefor and shall be deemed to be the original aggregate principal amount or notional amount, as the case may be, of such subsequently issued Class A Notes.

No Class A Note shall be entitled to any benefit under this Indenture or be valid or obligatory for any purpose, unless there appears on such Class A Note a Certificate of Authentication, substantially in the form provided for herein, executed by the Trustee or by the Authenticating Agent by the manual signature of one of their authorized signatories, and such certificate upon any Class A Note shall be conclusive evidence, and the only evidence, that such Class A Note has been duly authenticated and delivered hereunder.

Section 2.5 Registration, Registration of Transfer and Exchange.

(a) The Issuer shall cause to be kept the Register in which, subject to such reasonable regulations as it may prescribe, the Issuer shall provide for the registration of Class A Notes (including the identity of the Holder and the outstanding principal amounts or outstanding notional amounts, as the case may be, on the Class A Note, which amounts shall include the amounts of any Increases under Section 2.13) and the registration of all assignments and transfers of Class A Notes. The Trustee is hereby initially appointed as agent of the Issuer to act as "Registrar" for the purpose of registering and recording in the Register the Class A Notes and assignments and transfers of such Class A Notes as herein provided. Upon any resignation or removal of the Registrar, the Issuer shall promptly appoint a successor.

If a Person other than the Trustee is appointed by the Issuer as Registrar, the Issuer will give the Trustee prompt written notice of the appointment of a Registrar and of the location, and any change in the location, of the Registrar, and the Trustee shall have the right to inspect the Register at all reasonable times and to obtain copies thereof and the Trustee shall have the right to rely upon a certificate executed on behalf of the Registrar by an Officer thereof as to the names and addresses of the Holders of the Class A Notes and the principal amounts or notional amounts, as the case may be, of such Class A Notes.

Subject to this Section 2.5, upon surrender for registration of transfer of any Class A Notes at the office or agency of the Issuer to be maintained as provided in Section 7.4, the surrendered Class A Notes shall be returned to the Issuer marked "canceled," or retained by the Trustee in accordance with its standard retention policy and the Issuer shall execute, and the Trustee or the Authenticating Agent, as the case may be, upon Issuer Order, shall authenticate and deliver in the name of the designated transferee or transferees, one or more new Class A Notes of any authorized denomination and of a like aggregate principal amount or notional amount, as the case may be.

The Issuer or the Collateral Manager, as applicable, will notify the Trustee in writing of any Class A Note beneficially owned by or pledged to the Issuer or the Collateral Manager or any of their respective Affiliates promptly upon its knowledge of the acquisition thereof or the creation of such pledge.

All Class A Notes issued and authenticated upon any registration of transfer or exchange of Class A Notes shall be the valid obligations of the Issuer, evidencing the same debt and entitled to the same benefits under this Indenture as the Class A Notes surrendered upon such registration of transfer or exchange.

A Class A Note, and the rights to payments evidenced thereby, may be assigned or otherwise transferred in whole or in part pursuant to the terms of this Section 2.5 only by the registration of such assignment and transfer of such Class A Note (and each Class A Note shall so expressly provide on the Register). No transfer of a Class A Note shall be effective unless such transfer shall have been recorded in the Register by the Registrar as provided in this Section 2.5. Any assignment or transfer of all or part of such Class A Note shall be registered on the Register only upon presentment or surrender for registration of transfer or exchange shall be duly endorsed, or be accompanied by a written instrument of transfer in form satisfactory to the Issuer and the Registrar, duly executed by the Holder thereof or his attorney duly authorized in writing. The Registrar may request evidence reasonably satisfactory to it proving the identity of the transferee or the transferor or the authenticity of their signatures. Prior to the due presentment for registration of transfer of any Class A Note and in the absence of manifest error, the Issuer, the Trustee and the Registrar shall treat the Person in whose name such Class A Note is registered as the owner thereof for the purpose of receiving all payments or distribution thereon as the case may be, and subject to the provision of Section 2.8 hereof, for all other purposes, notwithstanding any notice to the contrary.

No service charge shall be made to a Holder for any exchange of Class A Notes, but the Issuer may require payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in connection with any exchange of Class A Notes.

The Issuer shall not be required (i) to issue, register the transfer of or exchange any Class A Note during a period beginning at the opening of business 15 days before any selection of Class A Notes to be redeemed and ending at the close of business on the day of the mailing of the relevant notice of redemption, or (ii) to register the transfer of or exchange any Class A Note so selected for redemption.

(b) No Class A Note may be sold or transferred (including, by pledge or hypothecation) unless such sale or transfer is exempt from the registration requirements of the Securities Act and is exempt under applicable state securities laws.

(c) For so long as any of the Class A Notes are Outstanding, the Issuer shall issue or permit the transfer of any equity of the Issuer only to Persons that are both U.S. Persons and United States Persons within the meaning of Section 7701(a)(30) of the Code.

(d) During the Initial Investment Period, no Class A Note may be sold or transferred (including, by pledge or hypothecation) to an Affected Bank.

(e) Upon final payment due on the Maturity of a Class A Note, the Holder thereof shall present and surrender such Class A Note at the Corporate Trust Office of the Trustee or at the office of any Paying Agent on or prior to such Maturity; provided, however, that if there is delivered to the Issuer and the Trustee such security or indemnity as may be required by them to save each of them harmless and an undertaking thereafter to surrender such certificate, then, in the absence of notice to the Issuer or the Trustee that the applicable Class A Note has been acquired by a Protected Purchaser, such final payment shall be made without presentation or surrender.

(f) (i) Definitive Notes. In the event that a Global Note is exchanged for the Class A Notes in definitive registered form without interest coupons, pursuant to Section 2.10 such Class A Note may be exchanged for another only in accordance with such procedures and restrictions as are substantially consistent as determined by the Issuer to insure that such transfers comply with Rule 144A or another exemption from registration requirements of the Securities Act.

(ii) [Reserved].

(iii) Restrictions on Transfers. Transfers of interests in a Rule 144A Global Class A Note to a Non-Permitted Holder shall be null and void and shall not be given effect for any purpose hereunder, and the Trustee, upon a Trust Officer obtaining actual knowledge of such transfer, to the extent it obtains possession of any funds conveyed by the intended transferee of such interest in such Rule 144A Global Class A Note for the transferor, shall promptly reconvey such funds to such Person in accordance with the written instructions thereof delivered to the Trustee at its address listed in Section 14.3.

(g) Each Holder of a beneficial interest in a Rule 144A Global Class A Note will be deemed to have represented and agreed with the Issuer as follows:

(i) (A) The Holder is a Qualified Institutional Buyer and a Qualified Purchaser, (B) the Holder is purchasing the Class A Notes for its own account or the account of another Qualified Purchaser that is also a Qualified Institutional Buyer as to which the Holder exercises sole investment discretion, (C) the Holder and any such account is acquiring the Class A Notes as principal for its own account for investment and not for sale in connection with any distribution thereof, (D) the Holder and any such account was not formed solely for the purpose of investing in the Class A Notes (except when each beneficial owner of the Holder or any such account is a Qualified Purchaser), (E) to the extent the Holder (or any account for which it is purchasing the Class A Notes) is a private investment company formed on or before April 30, 1996, the Holder and each such account has received the necessary consent from its beneficial owners, (F) the Holder is not a broker-dealer that owns and invests on a discretionary basis less than $25,000,000 in securities of unaffiliated issuers, (G) the Holder is not a pension, profit-sharing or other retirement trust fund or plan in which the partners, beneficiaries or participants or affiliates may designate the particular investment to be made, (H) the Holder agrees that it and each such account shall not hold such Class A Notes for the benefit of any other Person and shall be the sole beneficial owner thereof for all purposes and that it shall not sell participation interests in the Class A Notes or enter into any other arrangement pursuant to which any other Person shall be entitled to a beneficial interest in the distributions on the Class A Notes (except when each beneficial owner of the Holder or any such account is a Qualified Purchaser), (I) the Class A Notes purchased directly or indirectly by the Holder or any account for which it is purchasing the Class A Notes constitute an investment of no more than 40% of the Holder's and each such account's assets (except when each beneficial owner of the Holder or any such account is a Qualified Purchaser), (J) the Holder and each such account is holding the Class A Notes in a principal amount of not less than the minimum denomination requirement for the Holder and each such account, (K) the Holder will provide notice of the transfer

restrictions set forth in this Indenture (including the exhibits hereto) to any transferee of its Class A Notes, (L) the Holder understands and agrees that the Issuer may receive a list of participants in the Class A Notes from one or more book-entry depositories and (M) the Holder understands and agrees that any purported transfer of the Class A Notes to a Holder that does not comply with the requirements of this subclause (i) shall be null and void *ab initio*.

(ii) If any Person that is not both (i) a Qualified Institutional Buyer and (ii) a Qualified Purchaser at the time it acquires an interest in a Class A Note or becomes the beneficial owner of any Class A Note (any such Person, a "Non-Permitted Holder"), the Issuer shall, promptly after discovery that such Person is a Non-Permitted Holder by the Issuer or the Trustee (and notice by the Trustee to the Issuer, if the Trustee makes the discovery), send notice to such Non-Permitted Holder demanding that such Non-Permitted Holder transfer its interest to a Person that is not a Non-Permitted Holder within 30 days of the date of such notice. If such Non-Permitted Holder fails to transfer its Class A Notes, the Issuer shall have the right, without further notice to the Non-Permitted Holder, to sell such Class A Notes or interest in Class A Notes to a Holder selected by the Issuer that is not a Non-Permitted Holder on such terms as the Issuer may choose. The Issuer, an investment bank selected by the Issuer, or the Trustee at the written direction of the Issuer (and approved by the Collateral Manager) may select the Holder by soliciting one or more bids from one or more brokers or other market professionals that regularly deal in securities similar to the Class A Notes, and selling such Class A Notes to the highest such bidder. However, the Issuer or the Trustee, at the written direction of the Issuer, may select a Holder by any other means determined by it in its sole discretion. The Holder of each Class A Note, the Non-Permitted Holder and each other Person in the chain of title from the Holder to the Non-Permitted Holder, by its acceptance of an interest in the Class A Notes, agrees to cooperate with the Issuer and the Trustee to effect such transfers. The proceeds of such sale, net of any commissions, expenses, including fees of attorneys and agents, and taxes due in connection with such sale shall be remitted to the Non-Permitted Holder. The terms and conditions of any sale under this paragraph shall be determined in the sole discretion of the Issuer, and none of the Issuer, the Collateral Administrator, or the Trustee shall be liable to any Person having an interest in the Class A Notes sold as a result of any such sale or the exercise of such discretion (including for the price of any such sale).

(iii) The Holder understands and agrees that the Class A Notes have not been and will not be registered or qualified under the Securities Act or any applicable state securities laws or the securities laws of any other jurisdiction and the sale of the Class A Notes to the Holder is being made in reliance on an exemption from registration under the Securities Act, and may be reoffered, resold or pledged or otherwise transferred only (A) to a Person whom the Holder reasonably believes is a Qualified Institutional Buyer purchasing for its own account or for the account of a Qualified Institutional Buyer as to which the Holder exercises sole investment discretion in a transaction meeting the requirements of Rule 144A, and (B) in accordance with all applicable securities laws of the states of the United States. The Holder also understands that the Issuer and the Collateral have not been registered under the Investment Company Act and, therefore, no transfer having the effect of causing the Issuer or the Collateral to be required to be

registered as an investment company under the Investment Company Act will be recognized. The Holder understands and agrees that any purported transfer of the Class A Notes to a Person that does not comply with the requirements of this subclause (iii) shall be null and void *ab initio*.

(iv) The Holder is not purchasing the Class A Notes with a view toward the resale, distribution or other disposition thereof in violation of the Securities Act. The Holder understands and agrees that an investment in the Class A Notes involves certain risks, including the risk of loss of its entire investment in the Class A Notes under certain circumstances. The Holder has had access to such financial and other information concerning the Issuer and the Class A Notes as it deemed necessary or appropriate in order to make an informed investment decision with respect to its purchase of the Class A Notes, including an opportunity to ask questions of, and request information from, the Issuer.

(v) In connection with the purchase of the Class A Notes: (A) none of the Issuer, the Trustee, the Collateral Manager (except such representation is not made by Affiliates of the Collateral Manager that purchase any Class A Notes, with respect to the Collateral Manager), the Collateral Administrator or the Registrar (or any of their respective Affiliates) is acting as a fiduciary or financial or investment adviser for the Holder; (B) the Holder is not relying (for purposes of making any investment decision or otherwise) upon any advice, counsel or representations (whether written or oral) of the Issuer, the Trustee, the Collateral Manager (except such representation is not made by Affiliates of the Collateral Manager that purchase any Class A Notes, with respect to the Collateral Manager), the Collateral Administrator or the Registrar (or any of their respective Affiliates) other than any representations expressly set forth in a written agreement with the Issuer and the Collateral Manager; (C) none of the Issuer, the Trustee, the Collateral Manager (except such representation is not made by Affiliates of the Collateral Manager that purchase any Class A Notes, with respect to the Collateral Manager), the Collateral Administrator or the Registrar (or any of their respective Affiliates) has given to the Holder (directly or indirectly through any other Person) any assurance, guarantee, or representation whatsoever as to the expected or projected success, profitability, return, performance, result, effect, consequence or benefit (including legal, regulatory, tax, financial, accounting or otherwise) as to an investment in the Class A Notes; (D) the Holder has consulted with its own legal, regulatory, tax, business, investment, financial and accounting advisers to the extent it has deemed necessary, and it has made its own investment decisions (including decisions regarding the suitability of any transaction pursuant to this Indenture) based upon its own judgment and upon any advice from such advisers as it has deemed necessary and not upon any view expressed by the Issuer, the Trustee, the Collateral Manager (except such representation is not made by Affiliates of the Collateral Manager that purchase any Class A Notes, with respect to the Collateral Manager), the Collateral Administrator or the Registrar (or any of their respective Affiliates); (E) the Holder has evaluated the terms and conditions of the purchase and sale of the Class A Notes with a full understanding of all of the risks thereof (economic and otherwise), and it is capable of assuming and willing to assume (financially and otherwise) those risks; (F) the Holder is a sophisticated investor; and (G) if acquiring the Class A Notes for any account, the Holder has not made any disclosure, assurance, guarantee or representation not consistent with the provisions and the requirements contained herein.

(vi) By acquiring a Class A Note (or interest therein), each purchaser and transferee (and, if the purchaser or transferee is an employee benefit plan or other plan, its fiduciary) shall be deemed to represent and warrant that (i) it is not acquiring the Class A Note (or interest therein) with the assets of a Benefit Plan Investor, (ii) if the purchaser or transferee is a governmental plan or church plan, its acquisition and holding of the Class A Note (or interest therein) will not give rise to a nonexempt violation of any state, local or other law that is similar to the fiduciary and prohibited transaction provisions of ERISA or Section 4975 of the Code and (iii) if the purchaser or transferee is acquiring the Class A Note during the Initial Investment Period, such purchaser or transferee is not an Affected Bank. Any purported transfer of a Class A Note (or interest therein) to a purchaser or transferee that does not comply with the applicable requirements of this restriction shall be null and void *ab initio*.

(vii) The Rule 144A Global Class A Notes will bear the legend set forth in Exhibit A.

(viii) The purchaser understands that Executive Orders issued by the President of the United States of America, Federal regulations administered by the U.S. Treasury Department's Office of Foreign Assets Control ("OFAC") and other federal laws prohibit, among other things, U.S. persons or persons under the jurisdiction of the United States from engaging in certain transactions with certain foreign countries, territories, entities and individuals, and that the lists of prohibited countries, territories, entities and individuals can be found on, among other places, the OFAC website at www.treas.gov/ofac. Neither the purchaser nor any of its Affiliates, owners, directors or officers is, or is acting on behalf of, a country, territory, entity or individual named on such lists, nor is the purchaser or any of its Affiliates, owners, directors or officers a natural person or entity with whom dealings are prohibited under any OFAC regulation or other applicable federal law or acting on behalf of such a natural person or entity.

(h) Notwithstanding a request made to remove the legend on any Class A Note or any legend pursuant to Section 4(1) of the Securities Act from any of the Class A Notes, such Class A Notes shall bear the applicable legend, and the applicable legend shall not be removed, unless there is delivered to the Issuer and the Trustee such satisfactory evidence, which may include an Opinion of Counsel satisfactory to the Issuer, as may be reasonably required by the Issuer to the effect that neither the applicable legend nor the restrictions on transfer set forth therein are required to ensure that transfers thereof comply with the provisions of Rule 144A or Section 4(1) of the Securities Act, as applicable, and the Investment Company Act. Upon provision of such satisfactory evidence, the Trustee, upon receipt of an Issuer Order, shall authenticate and deliver the Class A Notes that do not bear such legend.

(i) Any transfer of a Class A Note in definitive registered form to a Person that is not a Qualified Purchaser shall be null and void and shall not be given effect for any purpose hereunder, and the Trustee shall hold any funds conveyed by the intended transferee of such definitive registered Class A Note for the transferor and shall promptly reconvey such funds to such Person in accordance with the written instructions thereof delivered to the Trustee at its address listed in Section 14.3.

(j) Any purported transfer of a Class A Note or any shares of the Issuer not in accordance with this Section 2.5 shall be null and void and shall not be given effect for any purpose hereunder.

(k) Nothing in this Section 2.5 shall be construed to limit any contractual restrictions on transfers of Class A Notes or interests therein that may apply to any Person.

(l) Notwithstanding any provision to the contrary herein, so long as a Global Note remains Outstanding and is held by or on behalf of DTC, transfers of a Global Note, in whole or in part, shall (i) only be made accordance with Sections 2.2 and 2.5 and (ii) shall be limited to transfers of such Global Note in whole, but not in part, to nominees of DTC or to a successor of DTC or such successor's nominee.

(m) If a Global Note is exchanged for a Class A Note in definitive registered form, without interest coupons, pursuant to Section 2.10, such Global Note may be exchanged only in accordance with such procedures and restrictions as are substantially consistent as determined by the Issuer to insure that such transfers comply with Rule 144A or another exemption from registration requirements of the Securities Act.

(n) Notwithstanding anything contained herein to the contrary, neither the Trustee nor the Registrar shall be responsible for ascertaining whether any transfer complies with the registration provisions of or any exemptions from the Securities Act, applicable state securities laws or the applicable laws of any other jurisdiction, ERISA, the USA Patriot Act, the Code or the Investment Company Act; provided, that if a certificate is specifically required by the express terms of Section 2.4 or this Section 2.5 to be delivered to the Trustee by a Holder or transferee of a Class A Note, the Trustee shall be under a duty to receive and examine the same to determine whether or not the certificate substantially conforms on its face to the requirements of this Indenture and shall promptly notify the party delivering the same if such certificate does not comply with such terms. For the avoidance of doubt, it is hereby acknowledged that the Trustee will not have the ability to monitor transfers of beneficial interests in Global Notes and will have no liability for such transfers in violation of the transfer restrictions described herein.

Section 2.6 Mutilated, Destroyed, Lost or Stolen Class A Notes.

If (i) any mutilated Class A Note is surrendered to a Transfer Agent, or if there shall be delivered to the Issuer, the Trustee and the relevant Transfer Agent evidence to their reasonable satisfaction of the destruction, loss or theft of any Class A Note and (ii) there is delivered to the Issuer, the Trustee and such Transfer Agent such security or indemnity as may be required by them to save each of them and any agent of any of them harmless, then, in the absence of written notice to the Issuer, a Trust Officer of the Trustee or such Transfer Agent that such Class A Note has been acquired by a Protected Purchaser, the Issuer shall execute and, upon Issuer Request, the Trustee shall authenticate and deliver, in lieu of any such mutilated, destroyed, lost or stolen Class A Note, a new Class A Note of same tenor and principal amount or notional amount, as applicable, and bearing a number not contemporaneously outstanding.

If, after delivery of such new Class A Note, a Protected Purchaser of the predecessor Class A Note presents for payment, transfer or exchange such predecessor Class A Note, the Issuer, the Transfer Agent and the Trustee shall be entitled to recover such new Class A Note from the Person to whom it was delivered or any Person taking therefrom, and shall be entitled to recover upon the security or indemnity provided therefor to the extent of any loss, damage, cost or expense incurred by the Issuer, the Trustee and the Transfer Agent in connection therewith.

In case any such mutilated, destroyed, lost or stolen Class A Note has become due and payable, the Issuer in its discretion may, instead of issuing a new Class A Note pay such Class A Note without requiring surrender thereof except that any mutilated Class A Note shall be surrendered.

Upon the issuance of any new Class A Note under this Section 2.6, the Issuer, the Trustee or a Transfer Agent may require the payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in relation thereto and any other expenses (including the fees and expenses of the Trustee) connected therewith.

Every new Class A Note issued pursuant to this Section 2.6 in lieu of any mutilated, destroyed, lost or stolen Class A Note shall constitute an original additional contractual obligation of the Issuer, and such new Class A Note shall be entitled, subject to the second paragraph of this Section 2.6, to all the benefits of this Indenture equally and proportionately with any and all other Class A Notes duly issued hereunder.

The provisions of this Section 2.6 are exclusive and shall preclude (to the extent lawful) all other rights and remedies with respect to the replacement or payment of mutilated, destroyed, lost or stolen Class A Notes.

Section 2.7 Payment of Principal and Interest, Preservation of Rights.

(a) The Class A Notes shall accrue interest during each Interest Accrual Period at the Note Interest Rate specified in Section 2.3. Interest on the Class A Notes shall be due and payable on each Payment Date immediately following the related Interest Accrual Period.

(b) The principal of each Class A Note shall be due and payable on the Stated Maturity thereof unless the unpaid principal of such Class A Note becomes due and payable at an earlier date by declaration of acceleration, call for redemption or otherwise.

(c) Interest and principal due on any Payment Date on the Class A Notes shall be payable by the Paying Agent by wire transfer in immediately available funds to a Dollar account maintained by the Holder thereof or its nominee or, if appropriate instructions are not received at least fifteen days prior to the relevant Payment Date, by Dollar check drawn on a bank in the United States of America. In the case of a check, such check shall be mailed to the Person entitled thereto at his address as it appears on the Register and, in the case of a wire transfer, such wire transfer shall be sent in accordance with written instructions provided by such Person. Upon final payment due on the Maturity of a Class A Note, the Holder thereof shall present and surrender such Class A Note at the Corporate Trust Office of the Trustee or at the office of any Paying Agent on or prior to such Maturity; provided, however, that if there is delivered to the Issuer and the Trustee such security or indemnity as may be required by them to save each of

them harmless and an undertaking thereafter to surrender such certificate, then, in the absence of notice to the Issuer or the Trustee that the applicable Class A Note has been acquired by a Protected Purchaser, such final payment shall be made without presentation or surrender. In the case where any final payment of principal and interest is to be made on any Class A Note (other than at the Stated Maturity thereof) the Issuer or, upon Issuer Request, the Trustee, in the name and at the expense of the Issuer shall, not more than 30 nor less than 10 days (or not less than 3 days, in the case of a distribution pursuant to Section 5.7) prior to the date on which such payment is to be made, mail to the Persons entitled thereto at their addresses appearing on the Register, a notice which shall state the date on which such payment will be made, the amount of such payment per $100,000 initial principal amount of Class A Notes and shall specify the place where such Class A Notes may be presented and surrendered for such payment.

(d) Subject to the provisions of Sections 2.7(a) and (b) and Section 5.9, the Holders of the Class A Notes as of the Regular Record Date in respect of a Payment Date shall be entitled to the interest accrued and payable in accordance with the Priority of Payments and the principal payable in accordance with the Priority of Payments on such Payment Date. All such payments that are mailed or wired and returned to the Corporate Trust Office of the Trustee or at the office of any Paying Agent shall be held for payment as herein provided at the office or agency of the Issuer to be maintained as provided in Section 7.4.

(e) Interest on any Class A Note which is payable, and is punctually paid or duly provided for, on any Payment Date shall be paid to the Person in whose name that Class A Note (or one or more predecessor Class A Notes) is registered at the close of business on the Regular Record Date for such interest. Payments of principal to Holders of Class A Notes shall be made in the proportion that the Aggregate Outstanding Amount of the Class A Notes registered in the name of each such Holder on such Regular Record Date or Redemption Record Date bears to the Aggregate Outstanding Amount of all Class A Notes on such Regular Record Date or Redemption Record Date.

(f) (i) Subject to Section 2.7(a), following any Payment Date giving rise to any Defaulted Interest with respect to the Class A Notes, the Trustee shall make payment of such Defaulted Interest and any accrued and unpaid interest thereon on such date that is not more than three Business Days after sufficient funds are available therefor in the Interest Collection Account (a "Special Payment Date"). The special record date (a "Special Record Date") for the payment of such Defaulted Interest shall be one Business Day prior to the Special Payment Date as fixed by the Trustee. The Trustee shall notify the Issuer, the Paying Agent and the applicable Holders of the Class A Notes of such Special Payment Date and the Special Record Date at least two Business Days prior to the Special Payment Date. Defaulted Interest shall be paid on such Special Payment Date based on the principal amount Outstanding to the Holders of the applicable Class A Notes as of the close of business on such Special Record Date in accordance with the priorities set forth in Section 11.1(a)(A).

(ii) Notwithstanding the foregoing, payment of any Defaulted Interest may be made in any other lawful manner in accordance with the priorities set forth in Section 11.1(a)(A) if notice of such payment is given by the Trustee to the Issuer and the Holders of the Class A Notes and such manner of payment shall be deemed practicable by the Trustee.

(g) Interest accrued with respect to the Class A Notes shall be computed on the basis of the actual number of days elapsed in the applicable Interest Accrual Period divided by 360, commencing on the Closing Date.

(h) All reductions in the principal amount of a Class A Note (or one or more predecessor Class A Note) effected by payments of installments of principal made on any day shall be binding upon all future Holders of such Class A Note and of any Class A Note issued upon the registration of transfer thereof or in exchange therefor or in lieu thereof, whether or not such payment is noted on such Class A Note.

(i) Notwithstanding any other provision of this Indenture, the obligations of the Issuer under this Indenture and the Class A Notes are limited recourse obligations of the Issuer payable solely from the Collateral in accordance with the terms of this Indenture. After having realized the Collateral and distributed the net proceeds thereof in accordance with this Indenture, none of the Trustee, the Holders of the relevant Class A Notes nor any other Secured Party may take any further steps against the Issuer in respect of any sums still unpaid in respect of the relevant Class A Notes or any other obligations of the Issuer under this Indenture and all obligations of and claims against either or both of the Issuer hereunder or under the Class A Notes or in connection herewith or therewith shall be extinguished and shall not revive. No recourse shall be had for the payment of any amount owing in respect of the Class A Notes against any agent, officer, manager, member, employee or incorporator of the Issuer, the Collateral Manager or any successors or assigns thereof for any amounts payable under the Class A Notes or this Indenture. It is understood that the foregoing provisions of this paragraph (i) shall not (i) prevent recourse to the Collateral for the sums due or to become due under any security, instrument or agreement which is part of the Collateral or (ii) constitute a waiver, release or discharge of any indebtedness or obligation evidenced by the Class A Notes or secured by this Indenture, and the same shall continue until paid or discharged out of the Collateral or until the Collateral has been exhausted. It is further understood that the foregoing provisions of this paragraph (i) shall not limit the right of any Person to name the Issuer as a party defendant in any action or suit or in the exercise of any other remedy under the Class A Notes or this Indenture, so long as no judgment in the nature of a deficiency judgment or seeking personal liability shall be asked for or (if obtained) enforced against any such Person.

(j) Subject to the foregoing provisions of this Section 2.7, each Class A Note delivered under this Indenture and upon registration of transfer of or in exchange for or in lieu of any other Class A Note shall carry the rights of unpaid interest and principal that were carried by such other Class A Note.

(k) Notwithstanding any of the foregoing provisions with respect to payments of principal of and interest on the Class A Notes, if the Class A Notes have become or been declared due and payable following an Event of Default and such acceleration of Maturity and its consequences have not been rescinded and annulled, then payments of principal of and interest on such Class A Notes shall be made in accordance with Section 5.9.

Section 2.8 Persons Deemed Owners.

The Issuer, the Trustee, and any agent of the Issuer or the Trustee may treat the Person in whose name any Class A Note is registered as the owner of such Class A Note on the Register on the applicable Regular Record Date, Redemption Record Date or Special Record Date for the purpose of receiving payments of principal and interest on such Class A Note and on any other date for all other purposes whatsoever (whether or not such Class A Note is overdue), and neither the Issuer nor the Trustee nor any agent of the Issuer or the Trustee shall be affected by notice to the contrary; provided, however, that DTC, or its nominee, shall be deemed the owner of the Global Notes, and except as otherwise provided herein, owners of beneficial interests in Global Notes will not be considered the owners of any Class A Notes.

Section 2.9 Cancellation.

All Class A Notes surrendered for payment, registration of transfer, exchange or redemption, or deemed lost or stolen, shall, if surrendered to any Person other than the Trustee, be delivered to the Trustee and shall be promptly cancelled by it. No Class A Notes shall be authenticated in lieu of or in exchange for any Class A Notes cancelled as provided in this Section 2.9, except as expressly permitted by this Indenture. All cancelled Class A Notes held by the Trustee shall be destroyed or held by the Trustee in accordance with its standard retention policy unless the Issuer shall direct by an Issuer Order that they be returned to the Issuer. No Class A Notes shall be cancelled except under the circumstances specified in this Section 2.9.

Section 2.10 Global Notes; Temporary Notes.

(a) A Global Note deposited with DTC pursuant to Section 2.2 shall be transferred to the beneficial owners thereof only if such transfer complies with Section 2.5 of this Indenture and either (i) DTC notifies the Issuer that it is unwilling or unable to continue as depositary for such Global Note or if at any time such depositary ceases to be a Clearing Agency and a successor depositary is not appointed by the Issuer within 90 days of such notice, or (ii) as a result of any amendment to or change in, the laws or regulations of the United States or of any authority therein or thereof having power to tax or in the interpretation or administration of such laws or regulations which become effective on or after the Closing Date, the Issuer or the Paying Agent becomes aware that it is or will be required to make any deduction or withholding from any payment in respect of the Class A Notes which would not be required if the Class A Notes were in definitive form. In addition, the owner of a beneficial interest in a Global Note will be entitled to receive a Definitive Note in exchange for such interest if an Event of Default has occurred and is continuing.

(b) Any Global Note that is transferable to the beneficial owners thereof pursuant to this Section 2.10 shall be surrendered by DTC to the Trustee's Corporate Trust Office or its office or agent located in the Borough of Manhattan, The City of New York, to be so transferred, in whole or from time to time in part, without charge, and the Issuer shall execute and the Trustee shall, upon Issuer Order, authenticate and deliver, upon such transfer of each portion of such Global Note, an equal aggregate principal amount or notional amount, as the case may be, of the Class A Notes, as applicable, of authorized denominations. Any portion of a Rule 144A Global Class A Note transferred pursuant to this Section 2.10 shall be executed, authenticated

and delivered in denominations of $500,000 and integral multiples of $1,000 in excess thereof. None of the Issuer, the Collateral Manager, the Registrar nor the Trustee shall be liable for any delay in delivery of such direction and may conclusively rely on, and shall be protected in relying on, such registration directions. None of the Issuer, the Collateral Manager, the Registrar nor the Trustee shall have any responsibility for any aspect of the records relating to or payments made on account of beneficial ownership interests of the Global Notes held by the Depository or for maintaining, supervising or reviewing any records relating to such beneficial ownership interests. Any Class A Note delivered by the Trustee or its agent in exchange for an interest in a Rule 144A Global Class A Note shall, except as otherwise provided by Section 2.5(g), bear the legend set forth in Exhibit A.

(c) Subject to the provisions of Section 2.10(b) above, the registered Holder of a Global Note may grant proxies and otherwise authorize any Person, including Agent Members and Persons that may hold interests through Agent Members, to take any action which a Holder is entitled to take under this Indenture or the Class A Notes.

(d) Upon receipt of notice from DTC of the occurrence of either of the events specified in paragraph (a) of this Section 2.10 or upon the written request of any beneficial owner of an interest in a Global Note following the occurrence and continuation of an Event of Default, the Issuer shall use its commercially reasonable efforts to make arrangements with DTC for the exchange of interests in the Global Notes for Definitive Notes and cause the requested Definitive Notes to be executed and delivered to the Registrar in sufficient quantities and authenticated by or on behalf of the Trustee for delivery to Holders of the Global Notes. In the event that Definitive Notes are not so issued by the Issuer to such beneficial owners of interests in Global Notes, the Issuer expressly acknowledges that such beneficial owners shall be entitled to pursue any remedy that the Holders of a Global Notes would be entitled to pursue in accordance with Article V of this Indenture (but only to the extent of such beneficial owner's interest in the Global Notes) as if Definitive Notes had been issued.

Pending the preparation of certificates for such Class A Notes, pursuant to this Section 2.10, the Issuer may execute, and upon Issuer Order the Trustee shall authenticate and deliver, temporary certificates for such Class A Notes, that are printed, lithographed, typewritten, mimeographed or otherwise reproduced, in any authorized denomination, substantially of the tenor of the definitive certificates in lieu of which they are issued and with such appropriate insertions, omissions, substitutions and other variations as the Officers executing such temporary certificates may determine, as conclusively evidenced by their execution of such certificates.

If temporary certificates for Class A Notes are issued, the Issuer will cause such Class A Notes to be prepared without unreasonable delay. The definitive certificates shall be printed, lithographed or engraved, or provided by any combination thereof, or in any other manner permitted by the rules and regulations of any applicable securities exchange, all as determined by the Officers executing such definitive certificates. After the preparation of definitive certificates, the temporary certificates shall be exchangeable for definitive certificates upon surrender of the temporary certificates at the office or agency maintained by the Issuer for such purpose, without charge to the Holder. Upon surrender for cancellation of any one or more temporary certificates, the Issuer shall execute, and, upon Issuer Order, the Trustee shall authenticate and deliver, in exchange therefor the same aggregate principal amount of definitive certificates of authorized denominations. Until so exchanged, the temporary certificates shall in all respects be entitled to the same benefits under this Indenture as definitive certificates.

Persons exchanging interests in a Global Note for individual definitive Class A Notes will be required to provide to the Trustee, through DTC, written instructions and other information required by the Issuer and the Trustee to complete, execute and deliver such individual definitive Class A Notes. In all cases, individual definitive Class A Notes delivered in exchange for any Global Note or beneficial interests therein will be registered in the names, and issued in any approved denominations, requested by DTC. None of the Issuer, the Registrar or the Trustee shall be liable for any delay in delivery of such instructions and may conclusively rely on, and shall be protected in relying on, such instructions as to the names of the beneficial owners in whose names such Class A Notes shall be registered or as to delivery instructions for such Class A Notes.

Section 2.11 No Gross Up. Neither the Equity Owner nor the Issuer shall be obligated to pay any additional amounts to the Holders or beneficial owners of the Class A Notes to compensate for any withholding or deduction for, or on account of, any present or future taxes, duties, assessments or governmental charges required with respect to amounts payable under the Class A Notes.

Section 2.12 Class A Notes Beneficially Owned by Non-Permitted Holders.

(a) Notwithstanding anything to the contrary elsewhere in this Indenture, any transfer of a beneficial interest in any Class A Notes to a Person that is not both a Qualified Institutional Buyer and a Qualified Purchaser shall be null and void *ab initio* and any such purported transfer of which the Issuer or the Trustee shall have notice may be disregarded by the Issuer and the Trustee for all purposes.

Section 2.13 Increases on the Class A Notes.

(a) The Class A Notes will be issued on the Closing Date in initial aggregate principal amounts equal to the Class A Initial Principal Amount and may be increased from time to time up to the Class A Maximum Principal Amount subject to the terms and conditions herein. The Registrar will make a record of any such increase in principal amount of the Class A Notes in the Register.

(b) After the Closing Date and up to and including the Payment Date occurring in April 2013, the aggregate outstanding principal amount of the Class A Notes may be increased up to the Class A Maximum Principal Amount (each such increase referred to as an "Increase"), in connection with the acquisition of Collateral Obligations permitted to be acquired hereunder or to be retained by the Issuer in anticipation of such acquisition; provided that an Issuer Order from the Collateral Manager substantially in the form of Exhibit G (an "Increase Request") is delivered by, or on behalf of, the Issuer and received by the Trustee. Notwithstanding the foregoing, the Issuer (or the Collateral Manager on its behalf) shall not submit an Increase Request, and no such requested Increase may occur, if the Increase requested thereby will cause the quotient of the Aggregate Outstanding Amount of the Class A Notes *divided by* Class A Par Value Numerator to exceed 63.6364%.

(c) The aggregate outstanding principal amount of the Class A Notes may be increased on any Business Day pursuant to subsection (b) above, only upon satisfaction of each of the following conditions with respect to each proposed Increase:

(i) The aggregate outstanding principal amount of the Rule 144A Global Class A Notes may be increased no more than six times during the period from and excluding the Closing Date to and excluding the First Amendment Date. The aggregate outstanding principal amount of the Rule 144A Global Class A Notes shall be increased in any number of times on or after the First Amendment Date; provided, that the aggregate principal amount of all Increases during the period from the First Amendment Date through the Payment Date occurring in April 2012 shall not, in the aggregate, be less than $70,000,000.

(ii) The aggregate principal amount of any Increase on or prior to the Second Effective Date shall be in a minimum amount of $40,000,000 (and in integral multiple of $50,000 in excess thereof), unless the remaining aggregate principal amount of the Class A Notes available for an Increase is less than such minimum amount, then in the entire available amount of the Class A Notes.

(iii) No Event of Default has occurred and is continuing.

(iv) After giving effect to such Increase, the principal amount of each Class A Note shall not exceed the Class A Maximum Principal Amount.

(v) The Trustee shall have received an Increase Request substantially in the form of Exhibit G (i) specifying the aggregate principal amount of the Increase to be applied to each Class A Note and the effective date of such Increase and (ii) certifying that all conditions precedent to such Increase on such Business Day have been satisfied.

(vi) The prior written consent of the Majority of the Controlling Class with respect to such Increase has been provided to the Issuer.

(vii) Notwithstanding anything herein to the contrary, if on the Payment Date occurring in April 2013 the aggregate outstanding principal amount of the Class A Notes is less than the Class A Maximum Principal Amount of the Class A Notes, the Issuer (or the Collateral Manager on behalf of the Issuer) shall request from the respective Holders of the Class A Notes an Increase in an amount equal to such remaining principal amount of the Class A Notes and thereafter, no further Increases shall be made hereunder.

(d) Upon receipt of the cash proceeds of such Increase by or on behalf of the Issuer, the Trustee shall deposit such proceeds in the Principal Collection Account and shall instruct the Registrar to make appropriate notations on the Register or on its books and records of the amount of such adjustment to the outstanding principal amounts of each of the Class A Notes as specified in the Increase Request delivered to the Trustee in connection with an Increase, and the Issuer hereby authorizes the Trustee to make such notations on the Register and on its books and records as aforesaid. Further, in accordance with DTC's procedures, the Trustee, as Registrar, will credit or cause to be credited to the account of the relevant Holder a principal amount of such Class A Note equal to such Increase.

(e) Notwithstanding the foregoing, or any other provision of this Indenture (including without limitation Article XI), the Issuer, at the option of the Equity Owner, shall have the right to direct the Trustee (such direction to be given no later than the Business Day immediately following the receipt of the cash proceeds of the final Increase such that the Outstanding Principal Amount of the Class A Notes equals the Class A Maximum Principal Amount) to make a cash distribution from the cash proceeds of such Increase to the Equity Owner but only if, and only to the extent that, after giving effect to such cash distribution, (A) the Class A Par Value Numerator minus the Aggregate Outstanding Amount of the Class A Notes shall not fall below $480,000,000, and (B) the aggregate Adjusted Collateral Amount of the Collateral, minus the Aggregate Outstanding Amount of the Class A Notes shall not fall below $460,000,000; provided, for purposes of these calculations, any Collateral Obligation that was a Defaulted Obligation on the Second Amendment Date shall be deemed to have a Principal Balance of zero unless such Collateral Obligation ceases to meet the definition of a Defaulted Obligation prior to the Second Effective Date.

Section 2.14 Additional Issuances.

(a) Notwithstanding any other provision of this Indenture, at any time on or after the Second Amendment Date and before the end of the Reinvestment Period, the Issuer may issue and sell any one or more new classes of notes that are fully subordinated to the existing Class A Notes and use the proceeds to purchase or in exchange for additional Collateral Obligations or as otherwise permitted under this Indenture, provided that the following conditions are met:

(i) such issuance is consented to by the Collateral Manager and a Majority of the Controlling Class;

(ii) immediately after giving effect to such issuance, (i) each Coverage Test is satisfied, or (ii) with respect to any Coverage Test that was not satisfied immediately prior to giving effect to such issuance, such Coverage Test is maintained or improved immediately after giving effect to such issuance and the application of the proceeds thereof;

(iii) an opinion of tax counsel of nationally recognized standing in the United States experienced in such matters shall be delivered to the Trustee that provides that such additional issuance will not make the Issuer an association taxable as a corporation for federal, state or any applicable tax purposes;

(iv) the conditions for an additional issuance set forth in Section 3.5 have been satisfied; and

(v) an Officer’s Certificate of the Issuer is delivered to the Trustee stating that the foregoing conditions (i) through (vi) have been satisfied.

ARTICLE III.

CONDITIONS PRECEDENT; CERTAIN PROVISIONS
RELATING TO COLLATERAL

Section 3.1 General Provisions.

The Class A Notes to be issued on the Closing Date may be executed by the Issuer and delivered to the Trustee for authentication and thereupon the same shall be authenticated and delivered by the Trustee upon Issuer Request, upon compliance with Section 3.2 and upon receipt by the Trustee of the following:

(a) an Officer's Certificate of the Issuer (A) evidencing the authorization by company resolutions of the execution and delivery of, among other documents, this Indenture, the Collateral Management Agreement, the Asset Transfer Agreement, the Transfer Supplements, the Securities Account Control Agreement, the Collateral Administration Agreement, the Limited Liability Company Agreement, the execution, authentication and delivery of the Class A Notes and specifying the Stated Maturity, the principal amount and Note Interest Rate of the Class A Notes to be authenticated and delivered; and (B) certifying that (1) the attached copy of the company resolutions is a true and complete copy thereof, (2) such resolutions have not been rescinded and are in full force and effect on and as of the Closing Date and (3) the Officers authorized to execute and deliver such documents hold the offices and have the signatures indicated thereon;

(b) either (A) a certificate of the Issuer or other official document evidencing the due authorization, approval or consent of any governmental body or bodies, at the time having jurisdiction in the premises, together with an Opinion of Counsel on which the Trustee is entitled to rely, to the effect that no other authorization, approval or consent of any governmental body is required for the valid issuance of the Class A Notes or (B) an Opinion of Counsel of the Issuer to the Trustee, to the effect that no such authorization, approval or consent of any governmental body is required for the valid issuance of such Class A Notes except as may have been given for purposes of the foregoing, it being agreed that the opinions of Sutherland Asbill & Brennan LLP, substantially in the form of Exhibits B and C, respectively, shall satisfy this subclause (b);

(c) opinions of Sutherland Asbill & Brennan LLP, counsel to the Issuer dated the Closing Date, substantially in the form of Exhibit B and Exhibit C attached hereto (including all exhibits attached thereto);

(d) an opinion of Sutherland Asbill & Brennan LLP, counsel to the Collateral Manager dated the Closing Date;

(e) an opinion of SNR Denton US LLP, counsel to the Trustee dated the Closing Date;

(f) an Officer's Certificate stating that the Issuer is not in Default under this Indenture and that the issuance of the Class A Notes will not result in a breach of any of the terms, conditions or provisions of, or constitute a default under, the Limited Liability Company Agreement or other organizational documents of the Issuer, any indenture or other agreement or

instrument to which the Issuer is a party or by which it is bound, or any order of any court or administrative agency entered in any Proceeding to which the Issuer is a party or by which it may be bound or to which it may be subject; and that all conditions precedent provided in this Indenture relating to the authentication and delivery of the Class A Notes have been complied with;

(g) an executed copy of the Securities Account Control Agreement;

(h) an executed copy of the Collateral Management Agreement;

(i) an executed copy of the Collateral Administration Agreement;

(j) an executed copy of the Limited Liability Company Agreement;

(k) an executed copy of the Asset Transfer Agreement and the Transfer Supplement; and

(l) such other documents as the Trustee may reasonably require; provided that nothing in this subclause (l) shall imply or impose a duty on the Trustee to so require.

Section 3.2 Security for the Class A Notes.

The Class A Notes to be issued on the Closing Date may be executed by the Issuer, and delivered to the Trustee for authentication, and thereupon the same shall be authenticated and delivered to the Issuer by the Trustee upon Issuer Order and upon delivery by the Issuer to the Trustee, and receipt by the Trustee, of the following:

(a) Grant of Collateral Obligations. Fully executed copies of this Indenture and copies of any other instrument or document, fully executed (as applicable), necessary to consummate and perfect the Grant set forth in the Granting Clauses of this Indenture of a perfected security interest that is of first priority, free of any adverse claim or the legal equivalent thereof in favor of the Trustee on behalf of the Holders of the Class A Notes in all of the Issuer's right, title and interest in and to the Collateral Obligations and any Deposit pledged to the Trustee for inclusion in the Collateral on the Closing Date, including compliance with the provisions of Section 3.3.

(b) Certificate of the Issuer. A certificate of an Authorized Officer of the Issuer, dated as of the Closing Date, to the effect that, in the case of each Collateral Obligation and any Deposit pledged to the Trustee for inclusion in the Collateral on the Closing Date and immediately prior to the Delivery thereof on the Closing Date:

(i) the Issuer has good and marketable title to such Collateral Obligation and Deposit free and clear of any liens, claims, encumbrances or defects of any nature whatsoever except (1) for those which are being released on the Closing Date or (2) for those encumbrances arising from due bills, if any, with respect to interest, or a portion thereof, accrued on such Collateral Obligation prior to the Closing Date and owed by the Issuer to the seller of such Collateral Obligation;

(ii) the Issuer has acquired its ownership in such Collateral Obligation and Deposit in good faith without notice of any adverse claim, except as described in paragraph (i) above;

(iii) the Issuer has not assigned, pledged or otherwise encumbered any interest in such Collateral Obligation and Deposit (or, if any such interest has been assigned, pledged or otherwise encumbered, it has been released) other than interests Granted pursuant to this Indenture;

(iv) the Issuer has full right to Grant a security interest in and assign and pledge such Collateral Obligation and Deposit to the Trustee;

(v) the information set forth with respect to such Collateral Obligation in Schedule A is correct;

(vi) the Collateral Obligations to be included in the Collateral satisfy the requirements of the definition of "Collateral Obligation" and, together with any Deposit, Section 3.2(a); and

(vii) upon Grant by the Issuer and the taking of the relevant actions contemplated by Section 3.3, the Trustee has a perfected security interest in the Collateral that is of first priority, free of any adverse claim or the legal equivalent thereof.

(c) (i) Deposits to Principal Collection Account. On the Closing Date, the Issuer shall have delivered the Deposit in an amount of approximately $63,000,000 to the Trustee and the Trustee shall have deposited such Deposit in the Principal Collection Account for purchases of Collateral Obligations after the Closing Date; provided that, notwithstanding any other provision of this Indenture (including Article XI), the Issuer, at the option of the Equity Owner, shall have the right to direct the Trustee (such direction to be given on the Closing Date) to make a one-time cash distribution from such Deposit to the Equity Owner in an amount not to exceed $17,650,000. The purchase price to be paid by the Issuer on the Closing Date for the Collateral Obligations listed on Schedule A on the Closing Date shall consist of the issuance of the Issuer's membership interest to the Equity Owner. On or prior to the date of the first Increase on or after the First Amendment Date, the Issuer shall deliver cash in an amount of $60,000,000 to the Trustee for deposit in the Principal Collection Account; provided that the Issuer, at the option of the Equity Owner, may deliver to the Trustee, in lieu of cash, Collateral Obligations in an Aggregate Principal Amount of not less than $60,000,000 and subject to the prior written consent of the Majority of the Controlling Class with respect to each such Collateral Obligation.

(ii) Deposit to Expense Reserve Account. On the Closing Date, the Issuer shall have delivered the Expense Reserve Amount to the Trustee for deposit in the Expense Reserve Account.

(d) Issuer Accounts. Evidence of the establishment of the Issuer Accounts.

(e) Issuer Requests. An Issuer Request from the Issuer directing the Trustee to authenticate the Class A Notes in the amounts and names set forth therein.

(f) Related Collateral Obligations. On the Second Amendment Date the Issuer shall have acquired (or committed to acquire) Collateral Obligations with an Aggregate Principal Amount equal to $371,780,000 from the Equity Owner. Any asset that is subject to a commitment to acquire on the Second Amendment Date shall be termed a "Related Collateral Obligation". The Collateral Manager, on behalf of the Issuer, shall use commercially reasonable efforts to complete the legal assignment of the Related Collateral Obligations to the Issuer in a timely manner after the Second Amendment Date and, in any event, no later than the 30 Business Days after such Second Amendment Date. Any Related Collateral Obligation shall not be considered part of the Collateral hereunder until the settlement date has occurred and such Related Collateral Obligation has been legally assigned to the Issuer. If the completion of the legal assignment of a Related Collateral Obligation has not occurred within 30 Business Days of the Second Amendment Date, then, upon the direction of the Majority of the Controlling Class, as set forth in the relevant sale and participation agreement, the trade with respect to such Related Collateral Obligation shall be deemed cancelled and the Issuer shall have no monetary obligation to the Equity Owner.

Section 3.3 Delivery of Pledged Obligations.

(a) The Trustee shall credit all Collateral Obligations and Eligible Investments purchased in accordance with this Indenture and Cash to the relevant Issuer Account established and maintained pursuant to Article X, as to which in each case the Trustee and the Issuer shall have entered into the Securities Account Control Agreement.

(b) Each time that the Issuer, or the Collateral Manager on behalf of the Issuer, shall direct or cause the acquisition of any Collateral Obligation or Eligible Investment, the Issuer or the Collateral Manager on behalf of the Issuer shall, if such Collateral Obligation or Eligible Investment has not already been transferred to the relevant Issuer Account, cause such Collateral Obligation or Eligible Investment to be Delivered. The security interest of the Trustee in the funds or other property utilized in connection with such acquisition shall, immediately and without further action on the part of the Trustee, thereupon be released. The security interest of the Trustee shall nevertheless come into existence and continue in such Collateral Obligation or Eligible Investment so acquired, including all rights of the Issuer in and to any contracts related to and proceeds of such Collateral Obligation or Eligible Investment.

(c) Without limiting the foregoing, the Issuer, or the Collateral Manager on behalf of the Issuer, will use its commercially reasonable efforts to direct the Issuer Accounts Securities Intermediary to take such different or additional action as may be necessary in order to maintain the perfection or priority of the security interest in the event of any change in applicable law or regulation, including without limitation Articles 8 and 9 of the UCC, in accordance with Section 7.7.

(d) In addition to the steps specified in subclauses (b) and (c) above, the Issuer or the Collateral Manager (at the sole cost and expense of the Issuer) on behalf of the Issuer will use commercially reasonable efforts to take all actions necessary or advisable under the laws of the applicable jurisdiction of organization of the Issuer to protect the security interest of the Trustee.

Section 3.4 Purchase and Delivery of Collateral Obligations and Other Actions During the Initial Investment Period; Effective Date Requirements.

(a) Investment of Deposit in Collateral Obligations. The Collateral Manager on behalf of the Issuer shall seek to invest the Deposits and Increases, as applicable, in Collateral Obligations in accordance with the provisions hereof. Subject to the provisions of this Section 3.4, all or any portion of the Deposit or Increase may be applied prior to the end of the Reinvestment Period to purchase a Collateral Obligation or one or more Eligible Investments for inclusion in the Collateral upon receipt by the Trustee of an Issuer Order with respect thereto directing the Trustee to pay out the amount specified therein against delivery of the Collateral Obligations or Eligible Investments specified therein.

(b) Investment of Deposit in Eligible Investments. Any portion of the Deposit or any Increase that is not invested in Collateral Obligations at 3:00 p.m., New York City time, on any Business Day during the Reinvestment Period shall, on the next succeeding Business Day or as soon as practicable thereafter, be invested in Eligible Investments as directed by the Collateral Manager in writing (which may be in the form of standing instructions).

(c) [Reserved].

(d) Schedule of Collateral Obligations. The Issuer shall cause to be delivered to the Trustee, the Collateral Administrator and the Controlling Class, as promptly as practicable on or after the Effective Date, either an amended Schedule of Collateral Obligations to this Indenture or a list of Collateral Obligations setting forth all Collateral Obligations acquired by the Issuer and Granted to the Trustee pursuant to Section 3.2 and this Section 3.4 between the Closing Date and the Effective Date and between the Second Amendment Date and the Second Effective Date, which schedule or list shall supersede any prior Schedule of Collateral Obligations delivered to the Trustee and the Collateral Administrator, and which schedule or list shall include all Collateral Obligations held as of the Effective Date or the Second Effective Date, as applicable.

(e) Accountants' Certificate. The Issuer shall cause to be delivered to the Trustee, the Collateral Administrator and the Collateral Manager, as promptly as practicable on or after the Effective Date (and in any event no later than the Business Day prior to the Payment Date in January 2012), an Accountants' Certificate, dated as of the Effective Date, (i) confirming certain information with respect to each Collateral Obligation, purchased by or on behalf of the Issuer, set forth on the amended Schedule of Collateral Obligations or list of Collateral Obligations, as the case may be, delivered pursuant to Section 3.4(d) and certain information provided by the Issuer with respect to every other asset included in the Collateral, by reference to such sources as shall be specified therein, (ii) evidencing the calculation of the Class A Par Value Test and the Concentration Limitations as of the Effective Date and (iii) specifying the procedures undertaken by them to review data and computations relating to such information.

(f) Legal Opinion. The Issuer shall cause to be delivered to the Trustee, as promptly as practicable on or after the Effective Date, an Opinion of Counsel as of the Effective Date, similar in substance to the opinions delivered on the Closing Date pursuant to Section 3.1(c) with respect to the perfection of the security interests granted by the Issuer to the Trustee.

Section 3.5 Conditions for Additional Issuances.

(a) Terms for Issuance of Additional Notes. Any additional notes to be issued after the Second Amendment Date but before the end of the Reinvestment Period in accordance with Section 2.14 may be executed by the Issuer and delivered to the Trustee for authentication and thereupon the same shall be authenticated and delivered by the Trustee upon Issuer Order and upon receipt by the Trustee of the following:

(i) Officers' Certificates of the Issuer Regarding Corporate Matters. An Officer's Certificate of the Issuer (A) evidencing the authorization of the execution, authentication and delivery of the notes applied for by it and specifying the Stated Maturity, principal amount and the note interest rate of the notes applied for by it and (B) certifying that (1) the attached copy of the relevant resolution providing such authorization is a true and complete copy thereof, (2) such resolutions have not been rescinded and are in full force and effect on and as of the date of issuance and (3) the Officers authorized to execute and deliver such documents hold the offices and have the signatures indicated thereon.

(ii) Governmental Approvals. Either (A) a certificate of the Issuer or other official document evidencing the due authorization, approval or consent of any governmental body or bodies, at the time having jurisdiction in the premises, together with an Opinion of Counsel of the Issuer that no other authorization, approval or consent of any governmental body is required for the valid issuance of the additional notes or (B) an Opinion of Counsel of the Issuer that no such authorization, approval or consent of any governmental body is required for the valid issuance of such additional notes except as has been given.

(iii) Officers' Certificates of the Issuer Regarding Indenture. An Officer's Certificate of the Issuer stating that, to the best of the signing Officer's knowledge, the Issuer is not in default under this Indenture and that the issuance of the additional notes applied for by it will not result in a default or a breach of any of the terms, conditions or provisions of, or constitute a default under, its organizational documents, any indenture or other agreement or instrument to which it is a party or by which it is bound, or any order of any court or administrative agency entered in any Proceeding to which it is a party or by which it may be bound or to which it may be subject; that the provisions of Section 2.14 and all conditions precedent provided in this Indenture relating to the authentication and delivery of the additional notes applied for by it have been complied with; and that all expenses due or accrued with respect to the offering of such notes or relating to actions taken on or in connection with the additional issuance have been paid or reserves therefor have been made. The Officer's Certificate of the Issuer shall also state that all of its representations and warranties contained herein are true and correct as of the date of additional issuance.

(iv) Supplemental Indenture. A fully executed counterpart of the supplemental indenture pursuant to Article VIII making such changes to this Indenture as shall be necessary to permit such additional issuance.

(v) S&P Rating Condition. If the Class A Notes are rated by S&P at the time of the additional issuance, an Officer's Certificate of the Issuer confirming that the S&P Rating Condition has been satisfied with respect to the additional issuance.

(vi) Issuer Order for Deposit of Funds into Accounts. One or more Issuer Orders signed in the name of the Issuer by an Authorized Officer of the Issuer, dated as of the date of the additional issuance, authorizing the deposit of (1) such amounts as are determined (at the date of issuance by the Collateral Manager) to be necessary to account for expenses arising in connection with such additional issuance into the Expense Reserve Account for use pursuant to Section 10.3(d), and (2) the net proceeds of the issuance into the Principal Collection Account for use pursuant to Section 10.3(b).

(vii) Evidence of Required Consents. A certificate of the Collateral Manager consenting to such additional issuance and satisfactory evidence of the consent of a Majority of the Controlling Class.

(viii) Opinion and Certificate. An Opinion of Counsel and Officer's Certificate of the Issuer delivered to the Trustee stating that the foregoing conditions (i) through (vii) have been satisfied.

(ix) Other Documents. Such other documents as the Trustee may reasonably require.

ARTICLE IV.

SATISFACTION AND DISCHARGE

Section 4.1 Satisfaction and Discharge of Indenture. This Indenture shall cease to be of further effect with respect to the Class A Notes except as to (i) rights of registration of transfer and exchange, (ii) substitution of mutilated, destroyed, lost or stolen Class A Notes, (iii) rights of Holders to receive payments of principal thereof, interest thereon and distributions as provided herein, (iv) the rights and immunities of the Trustee hereunder and the obligations of the Trustee in respect of the matters described in this Section 4.1, and in the last sentence of Section 4.1(c), (v) the rights and immunities of the Collateral Manager hereunder and under the Collateral Management Agreement, (vi) the rights and immunities of the Collateral Administrator hereunder and under the Collateral Administration Agreement and (vii) the rights of Holders as beneficiaries hereof with respect to the property deposited with the Trustee and payable to all or any of them, and the Trustee, on demand of and at the expense of the Issuer, shall execute proper instruments acknowledging satisfaction and discharge of this Indenture, when:

(a) either

(i) all Class A Notes theretofore authenticated and delivered (other than (A) Class A Notes which have been mutilated, destroyed, lost or stolen and which have been replaced or paid as provided in Section 2.6 and (B) Class A Notes for whose payment money has theretofore irrevocably been deposited in trust and thereafter repaid to the Issuer or discharged from such trust as provided in Section 7.5) have been delivered to the Trustee for cancellation; or

(ii) all Class A Notes not theretofore delivered to the Trustee for cancellation (A) have become due and payable, or (B) will become due and payable at their Stated Maturity within one year, or (C) are to be called for redemption within one year pursuant to Section 9.1 under an arrangement satisfactory to the Trustee and there has been given notice of redemption by the Issuer pursuant to Section 9.3 and, in the case of (A), (B) or (C) the Issuer has irrevocably deposited or caused to be deposited with the Trustee in an account which account shall be maintained for the benefit of the Holders, in trust for such purpose, Cash or non-callable direct obligations of the United States of America, provided that (x) the obligations are Eligible Investments, in an amount sufficient, as verified by a firm of certified public accountants which are nationally recognized, to pay and discharge the entire indebtedness on such Class A Notes not theretofore delivered to the Trustee for cancellation, for principal and interest to the date of such deposit (in the case of Class A Notes which have become due and payable), or to the Stated Maturity or the Redemption Date, as the case may be and (y) the obligations constitute all of the Eligible Investments owned by the Issuer, the Issuer owns no Collateral Obligations and all such obligations mature no later than the Stated Maturity; provided, however, that this subsection (ii) shall not apply if an election to act in accordance with the provisions of Section 5.5(a) shall have been made and not rescinded;

(b) the Issuer has paid or caused to be paid all other sums payable hereunder and under the Collateral Management Agreement by the Issuer; and

(c) (i) the Issuer has delivered to the Trustee an Officer's Certificate and an Opinion of Counsel stating that all conditions precedent relating to the satisfaction and discharge of this Indenture have been complied with; or

(ii) the Issuer has delivered to the Trustee an Officer's Certificate stating that (i) there are no Pledged Obligations that remain subject to the lien of this Indenture and (ii) all funds on deposit in the Issuer Accounts have been distributed in accordance with the terms of this Indenture (including the Priority of Payments) or have otherwise been irrevocably deposited in trust with the Trustee for such purpose.

Notwithstanding the satisfaction and discharge of this Indenture, the rights and obligations of the Issuer, the Trustee, the Collateral Administrator and, if applicable, the Collateral Manager and the Noteholders, as the case may be, under Sections 2.5, 2.6, 2.7, 4.2, 5.4(d), 5.9, 5.18, 6.1, 6.3, 6.4, 6.5, 6.6, 6.7, 6.8, 6.11, 6.16, 6.17, 7.1, 7.4, 7.5, 7.16(d) and Article XIII and Article XIV shall survive the satisfaction and discharge of this Indenture.

Section 4.2 Application of Trust Money.

All monies deposited with the Trustee pursuant to Section 4.1 shall be held in trust and applied by it in accordance with the provisions of Class A Notes and this Indenture, including the Priority of Payments, to the payment of the principal, interest and either directly or through any Paying Agent, as the Trustee may determine, to the Person entitled thereto of the principal and interest for whose payment such money has been deposited with the Trustee; but such money need not be segregated from other funds except to the extent required herein or required by law.

Section 4.3 Repayment of Monies Held by Paying Agent.

In connection with the satisfaction and discharge of this Indenture with respect to the Class A Notes, all monies then held by any Paying Agent other than the Trustee under the provisions of this Indenture shall, upon demand of the Issuer, be paid to the Trustee to be held and applied pursuant to Section 7.5 and in accordance with the Priority of Payments and thereupon such Paying Agent shall be released from all further liability with respect to such monies.

ARTICLE V.

REMEDIES

Section 5.1 Events of Default.

"Event of Default," wherever used herein, means any one of the following events:

(a) a default in the payment, when due and payable, of any interest on any Class A Note, which default shall continue for a period of five Business Days (or, in the case of a default in payment resulting solely from an administrative error or omission by the Trustee, any Paying Agent or the Registrar, such default continues for a period of five or more Business Days after the Trustee receives written notice of or a Trust Officer has actual knowledge of such administrative error or omission);

(b) a default in the payment of principal on any Class A Note at its Stated Maturity or Redemption Date (unless notice of such redemption has been timely withdrawn);

(c) the failure on any Payment Date to disburse amounts available in the Payment Account in excess of $1,000 in accordance with the Priority of Payments and continuation of such failure for a period of ten Business Days (provided, if such failure results solely from an administrative error or omission by the Trustee, such default continues for a period of ten or more Business Days after the Trustee receives written notice of or a Trust Officer has actual knowledge of such administrative error or omission);

(d) as of any Measurement Date, failure of the percentage equivalent of a fraction, (i) the numerator of which is equal to (1) the Aggregate Principal Amount of all Collateral Obligations plus (2) the aggregate Market Value of all Defaulted Obligations as of such date and (ii) the denominator of which is equal to the Aggregate Outstanding Amount of the Class A Notes, to equal or exceed 130%;

(e) a circumstance in which the Issuer or the pool of Collateral becomes an investment company required to be registered under the Investment Company Act;

(f) a default in the performance, in a material respect, or breach, in a material respect, of any covenant, representation, warranty or other agreement of the Issuer in this Indenture (other than a covenant or agreement which is specifically addressed elsewhere in this Section 5.1) (it being understood that a failure to satisfy a Collateral Quality Test, a Coverage Test, a Concentration Limitation or, other than in connection with the purchase of a Collateral Obligation, any of the Reinvestment Criteria, does not constitute a default or breach) or in any certificate or other writing delivered pursuant hereto or in connection herewith or if any representation or warranty of the Issuer in this Indenture or in any certificate or writing delivered pursuant hereto proves to be incorrect in any material respect when made, and, in each case, the continuance of such default or breach for a period of 5 Business Days after written notice thereof shall have been given to the Issuer and the Collateral Manager by the Trustee or to the Issuer, the Collateral Manager and the Trustee by the Holders of at least 25% of the Aggregate Outstanding Amount of the Controlling Class, specifying such default, breach or failure and requiring it to be remedied and stating that such notice is a "Notice of Default" hereunder;

(g) the entry of a decree or order by a court having competent jurisdiction adjudging the Issuer as bankrupt or insolvent or granting an order for relief or approving as properly filed a petition seeking reorganization, arrangement, adjustment or composition of or in respect of the Issuer under the Bankruptcy Code or any other applicable law, or appointing a receiver, liquidator, assignee, or sequestrator (or other similar official) of the Issuer or of any substantial part of its property, or ordering the winding up or liquidation of its affairs; or an involuntary case or Proceeding shall be commenced against the Issuer seeking any of the foregoing and such case or Proceeding shall continue in effect for a period of 60 consecutive days;

(h) the institution by the Issuer of Proceedings to be adjudicated as bankrupt or insolvent, or the consent by it to the institution of bankruptcy or insolvency Proceedings against it, or the filing by the Issuer of a petition or answer or consent seeking reorganization or relief under the Bankruptcy Code or any other applicable law, or the consent by it to the filing of any such petition or to the appointment of a receiver, liquidator, assignee, trustee or sequestrator (or other similar official) of the Issuer or of any substantial part of its property, or the making by it of an assignment for the benefit of creditors, or the admission by it in writing of its inability to pay its debts generally as they become due, or the taking of any action by the Issuer in furtherance of any such action;

(i) GSO / Blackstone Debt Funds Management LLC ceases to be the sub-advisor of FB Income Advisor, LLC; or

(j) the failure of the Issuer to deliver the tax opinion required under Section 7.17(e) hereof.

Upon the occurrence of an Event of Default, the Issuer shall promptly notify the Trustee, the Collateral Administrator, the Collateral Manager, the Holders and each Paying Agent in writing.

Section 5.2 Acceleration of Maturity; Rescission and Annulment.

(a) If an Event of Default occurs and is continuing (other than an Event of Default specified in Section 5.1(g) or 5.1(h)), the Trustee may by notice to the Issuer or shall, at the written direction of a Majority of the Controlling Class by notice to the Issuer (and the Trustee shall in turn provide notice to the Holders of all Class A Notes then Outstanding) declare the principal of and accrued and unpaid interest on all the Class A Notes to be immediately due and payable, and upon any such declaration such principal, together with all accrued and unpaid interest thereon, and other amounts payable hereunder, shall become immediately due and payable. If an Event of Default specified in Section 5.1(g) or (h) occurs, all unpaid principal, together with all accrued and unpaid interest thereon, of all the Class A Notes, and other amounts payable hereunder, shall automatically become due and payable without any declaration or other act on the part of the Trustee or any Noteholder.

(b) At any time after such a declaration of acceleration of the Stated Maturity of the Class A Notes has been made and before a judgment or decree for payment of the money due has been obtained by the Trustee as hereinafter provided in this Article V, a Majority of the Controlling Class, by written notice to the Issuer and the Trustee, may rescind and annul such declaration and its consequences if:

(i) the Issuer has paid or deposited with the Trustee a sum sufficient to pay, and shall pay:

(A) all overdue installments of interest on and principal of the Class A Notes (other than amounts due solely as a result of such acceleration);

(B) to the extent that payment of such interest is lawful, interest upon any Defaulted Interest at the Note Interest Rate;

(C) all unpaid taxes and Administrative Expenses and other sums paid or advanced by the Trustee and the Collateral Administrator hereunder and the reasonable compensation, expenses, disbursements and advances of the Trustee and the Collateral Administrator and their agents and counsel; and

(ii) the Trustee has determined that either (1) all Events of Default, other than the non-payment of the interest on or principal of Class A Notes that have become due solely by such acceleration, have been cured and a Majority of the Controlling Class by written notice to the Trustee has agreed with such determination or (2) a Majority of the Controlling Class by written notice to the Trustee has waived such Event of Default as provided in Section 5.14.

No such rescission shall affect any subsequent Default or impair any right consequent thereon.

Section 5.3 Collection of Indebtedness and Suits for Enforcement by Trustee.

If an Event of Default has occurred and is continuing and the Class A Notes have been declared due and payable and such declaration and its consequences have not been rescinded and annulled, or at any time on or after the Stated Maturity of the Class A Notes, the Trustee may in

its discretion after written notice to the Holders of the Class A Notes and shall upon written direction of a Majority of the Controlling Class (subject to the terms hereof) proceed to protect and enforce its rights and the rights of the Secured Parties by such appropriate Proceedings, in its own name and as trustee of an express trust, as the Trustee shall reasonably deem most effective (if no direction by a Majority of the Controlling Class is received by the Trustee) or as the Trustee may be directed by a Majority of the Controlling Class, to protect and enforce any such rights, whether for the specific enforcement of any covenant or agreement in this Indenture or in aid of the exercise of any power granted herein, or to enforce any other proper remedy or legal or equitable right vested in the Trustee by this Indenture or by law.

In case there shall be pending Proceedings relative to the Issuer or any other obligor upon the Class A Notes under the Bankruptcy Code or any other applicable bankruptcy, insolvency or other similar law, or in case a receiver, assignee or trustee in bankruptcy or reorganization, liquidator, sequestrator or similar official shall have been appointed for or taken possession of the Issuer or its property or such other obligor or its property, or in case of any other comparable Proceedings relative to the Issuer or other obligor upon the Class A Notes, or the creditors or property of the Issuer or such other obligor, the Trustee, regardless of whether the principal of any Class A Notes shall then be due and payable as therein expressed or by declaration or otherwise and regardless of whether the Trustee shall have made any demand pursuant to the provisions of this Section 5.3, shall be entitled and empowered, by intervention in such Proceedings or otherwise:

(a) to file and prove a claim or claims for the whole amount of principal and interest owing and unpaid in respect of each of the Class A Notes and, to file such other papers or documents and take such other actions as may be necessary, including sitting on a committee of creditors, or advisable in order to have the claims of the Trustee (including any claim for reasonable compensation to the Trustee and each predecessor Trustee, and their respective agents, attorneys and counsel, and for reimbursement of all expenses and liabilities incurred, and all advances made, by the Trustee and each predecessor Trustee) and of the Holders of Class A Notes allowed in any Proceedings relative to the Issuer or other obligor upon the Class A Notes or to the creditors or property of the Issuer or such other obligor;

(b) unless prohibited by applicable law and regulations, to vote on behalf of the Holders of the Class A Notes in any election of a trustee or a standby trustee in arrangement, reorganization, liquidation or other bankruptcy or insolvency Proceedings or a Person performing similar functions in comparable Proceedings; and

(c) to collect and receive any monies or other property payable to or deliverable on any such claims, and to distribute all amounts received with respect to the claims of the Holders of Class A Notes and of the Trustee on their behalf; and any trustee, receiver or liquidator, custodian or other similar official is hereby authorized by each of the Holders of Class A Notes to make payments to the Trustee, and, in the event that the Trustee shall consent to the making of payments directly to the Holders of Class A Notes, to pay to the Trustee such amounts as shall be sufficient to cover reasonable compensation to the Trustee, each predecessor Trustee and their respective agents, attorneys and counsel, and all other reasonable expenses and liabilities incurred, and all advances made, by the Trustee and each predecessor Trustee, except as a result of its negligence or bad faith.

Nothing herein contained shall be deemed to authorize the Trustee to authorize or consent to or vote for or accept or adopt on behalf of any Holder any plan of reorganization, arrangement, adjustment or composition affecting the Class A Notes or the rights of any Holder thereof or to authorize the Trustee to vote in respect of the claim of any Holder in any such Proceeding except, as aforesaid, to vote for the election of a trustee in bankruptcy or similar Person.

In any Proceedings brought by the Trustee on behalf of the Holders of Class A Notes (and any such Proceedings involving the interpretation of any provision of this Indenture to which the Trustee shall be a party), the Trustee shall be held to represent all the Holders of Class A Notes.

Section 5.4 Remedies.

(a) If an Event of Default shall have occurred and be continuing, and the Class A Notes have been declared due and payable and such declaration and its consequences have not been rescinded and annulled, the Issuer agrees that the Trustee may (and shall, subject to the terms hereof, upon written direction by a Majority of the Controlling Class), to the extent permitted by applicable law, exercise one or more of the following rights, privileges and remedies:

(i) institute Proceedings for the collection of all amounts then payable on the Class A Notes or otherwise payable under this Indenture, whether by declaration or otherwise, enforce any judgment obtained, and collect from the Collateral monies adjudged due;

(ii) sell all or a portion of the Collateral or rights of interest therein, at one or more public or private sales called and conducted in any manner permitted by law and in accordance with Section 5.17 and provided such sale of all or a portion of the Collateral is at market prices obtained at public auction;

(iii) institute Proceedings from time to time for the complete or partial foreclosure of this Indenture with respect to the Collateral;

(iv) exercise any remedies of a secured party under the UCC and take any other appropriate action to protect and enforce the rights and remedies of the Secured Parties hereunder; and

(v) to the extent not inconsistent with subclauses (i) through (iv), exercise any other rights and remedies that may be available at law or in equity;

provided, however, that the Trustee may not sell or liquidate the Collateral or institute Proceedings in furtherance thereof pursuant to this Section 5.4 unless any of the conditions specified in Section 5.5(a) is met or the preservation of the Collateral by the Trustee is prohibited by applicable law.

The Trustee may, but need not, obtain and rely upon an opinion or advice of an Independent investment banking firm of national reputation as to the feasibility and recommended manner of any action proposed to be taken in accordance with this Section 5.4 and as to the sufficiency of the Proceeds and other amounts receivable with respect to the Collateral to make the required payments of principal and interest on the Class A Notes, which opinion shall be conclusive evidence as to such feasibility or sufficiency and the fees and expenses of any firm so retained shall be Administrative Expenses.

(b) If an Event of Default as described in Section 5.1(f) shall have occurred and be continuing the Trustee at the written request of the Holders of not less than 25% of the Aggregate Outstanding Amount of the Controlling Class shall institute a Proceeding solely to compel performance of the covenant or agreement or to cure the representation or warranty, the breach of which gave rise to the Event of Default under Section 5.1(f), and enforce any equitable decree or order arising from such Proceeding.

(c) Upon any sale, whether made under the power of sale hereby given or by virtue of judicial proceedings, any Secured Party, to the extent permitted by the UCC, may bid for and purchase the Collateral or any part thereof and, upon compliance with the terms of sale, may hold, retain, possess or dispose of such property in its or their own absolute right without accountability; and any purchaser at any such sale may, in paying the purchase money, turn in any of the Class A Notes in lieu of Cash equal to the amount which shall, upon distribution of the net proceeds of such sale, be payable on the Class A Notes so turned in by such Holder (taking into account any amounts payable prior to such Secured Party in accordance with the Priority of Payments and Article XIII). Said Class A Notes, in case the amounts so payable thereon shall be less than the amount due thereon, shall be returned to the Holders thereof after proper notation has been made thereon to show partial payment.

Upon any sale, whether made under the power of sale hereby given or by virtue of judicial proceedings, the receipt of the Trustee, or of the officer making a sale under judicial proceedings, shall be a sufficient discharge to the purchaser or purchasers at any sale for its or their purchase money, and such purchaser or purchasers shall not be obliged to see to the application thereof.

Any such sale, whether under any power of sale hereby given or by virtue of judicial proceedings, shall bind the Issuer, the Trustee and the Secured Parties, shall operate to divest all right, title and interest whatsoever, either at law or in equity, of each of them in and to the property sold, and shall be a perpetual bar, both at law and in equity, against each of them and their successors and assigns, and against any and all Persons claiming through or under them.

(d) Notwithstanding any other provision of this Indenture, neither the Trustee, in its own capacity, or on behalf of any Holder of Class A Notes, nor any Secured Parties may, prior to the date which is one year and one day (or, if longer, the applicable preference period) after the payment in full of all Class A Notes, institute against, or join any other Person in instituting against, the Issuer any bankruptcy, reorganization, arrangement, insolvency, moratorium or liquidation proceedings, or other proceedings under United States federal or state bankruptcy or similar laws. Subject to Section 2.7(i), nothing in this Section 5.4 shall preclude, or be deemed to stop, the Trustee (i) from taking any action prior to the expiration of the aforementioned one year and one day (or longer) period in (A) any case or proceeding voluntarily filed or commenced by the Issuer or (B) any involuntary insolvency proceeding filed or commenced by a Person other than the Trustee or (ii) from commencing against the Issuer or any of its properties any legal action which is not a bankruptcy, reorganization, arrangement, insolvency, moratorium or liquidation proceeding.

Section 5.5 Optional Preservation of Collateral.

(a) If an Event of Default shall have occurred and be continuing and an acceleration has occurred, the Trustee shall retain the Collateral, collect and cause the collection of the proceeds thereof and make and apply all payments and deposits and maintain all accounts hereunder in accordance with the provisions of Article X, Article XI, Article XII and Article XIII unless:

(i) the Trustee determines (based upon information provided to it by the Collateral Manager in accordance with Section 5.5(c) or, if Cause has occurred under the Collateral Management Agreement, a Majority of the Controlling Class), and a Majority of the Controlling Class agree with such determination, that the anticipated proceeds of a sale or liquidation of the Collateral (after deducting the expenses of such sale or liquidation) would be sufficient to pay in full the sum of:

(A) the principal and accrued interest with respect to all the Outstanding Class A Notes; and

(B) all items prior to payments on the Outstanding Class A Notes pursuant to Section 11.1(a)(D); or

(ii) (1) with respect to an Event of Default other than an Event of Default under Section 5.1(i), a Majority of the Controlling Class, subject to the terms and conditions set forth below, direct the sale and liquidation of the Collateral, or (2) with respect to an Event of Default under Section 5.1(i), 100% of the Controlling Class, subject to the terms and conditions set forth below, direct the sale and liquidation of the Collateral.

(b) Nothing contained in Section 5.5(a) shall be construed to require the Trustee to sell the Collateral if the conditions set forth in Section 5.5(a) are not satisfied. Nothing contained in Section 5.5(a) shall be construed to require the Trustee to preserve the Collateral if prohibited by applicable law or if the Trustee is directed to liquidate the Collateral pursuant to Section 5.5(a)(ii).

(c) In determining whether the conditions specified in Section 5.5(a)(i) are satisfied, the Trustee shall rely upon the bid prices obtained by the Collateral Manager (or if Cause has occurred under the Collateral Management Agreement, a Majority of the Controlling Class) with respect to each security and debt obligation contained in the Collateral from two nationally recognized dealers(or in the event that there is only one market maker, then the Collateral Manager (or a Majority of the Controlling Class, as applicable) shall obtain a bid price from that market maker), as specified by the Collateral Manager (or a Majority of the Controlling Class, as applicable) in writing, at the time making a market in such securities and debt obligations and shall compute the anticipated proceeds of sale or liquidation on the basis of the lower of such bid prices (or if only one bid price is received, on the basis of such bid price) for each such security

and debt obligation. In addition, in determining issues relating to whether the conditions specified in Section 5.5(a)(i) are satisfied and to the terms of a bid and sale, the Trustee may retain and rely on an opinion or advice of an Independent investment banking firm of national reputation and their fees will be an Administrative Expense. So long as the Collateral Manager obtains bid prices from at least two nationally recognized dealers (unaffiliated with the Collateral Manager or its affiliates) for any security or debt obligation contained in the Collateral Portfolio, the Collateral Manager and its affiliates, subject to Section 12.3, will also be permitted to bid on such security or debt obligation and submit such bid to the Trustee.

(d) The Trustee shall promptly deliver to the Holders of the Class A Notes and the Collateral Manager a report stating the results of any determination required pursuant to Section 5.5(a)(i). The Trustee shall make the determinations required by Section 5.5(a)(i) within 30 days after an Event of Default and acceleration which is continuing and at the request of a Majority of the Controlling Class at any time during which the Trustee retains the Collateral pursuant to Section 5.5(a)(i). In the case of each calculation made by the Trustee pursuant to Section 5.5(a)(i), the Trustee shall, at the expense of the Issuer, obtain a letter of an Independent certified public accountant of national reputation confirming the mathematical accuracy of the computations of the Trustee and certifying their conformity to the requirements of this Indenture.

Section 5.6 Trustee May Enforce Claims Without Possession of Class A Notes. All rights of action and claims under this Indenture or the Class A Notes may be prosecuted and enforced by the Trustee without the possession of any of the Class A Notes or the production thereof in any Proceeding relating thereto, and any such Proceeding instituted by the Trustee shall be brought in its own name as Trustee of an express trust, and any recovery of judgment, subject to the payment of the reasonable expenses, disbursements and compensation of the Trustee, each predecessor Trustee and its agents and attorneys in counsel, shall be applied as set forth in Section 5.7.

Section 5.7 Application of Money Collected.

The application of any money collected by the Trustee pursuant to this Article V and any money that may then be held or thereafter received by the Trustee hereunder shall be applied on one or more dates fixed by the Trustee (which may be dates other than Payment Dates) subject to Section 13.1, and otherwise in accordance with Section 11.1(a)(D). For the avoidance of doubt, any such application of money under this Indenture shall be made only in accordance with the Priority of Payments set forth in Section 11.1(a)(D) except to the extent provided otherwise in Section 13.1.

Section 5.8 Limitation on Suits.

No Noteholder shall have any right to institute any Proceedings, judicial or otherwise, with respect to this Indenture, or for the appointment of a receiver or Trustee, or for any other remedy hereunder, unless:

(a) such Holder has previously given written notice to the Trustee of a continuing Event of Default;

(b) except as otherwise provided in Section 5.9, the Holders of at least 25% of the Aggregate Outstanding Amount of the Controlling Class shall have made a written request to the Trustee to institute Proceedings in respect of such Event of Default in its own name as the Trustee hereunder;

(c) such Holder or Holders have offered to the Trustee indemnity reasonably satisfactory to it against the costs, expenses and liabilities to be incurred in compliance with such request;

(d) the Trustee for 30 days after its receipt of such notice, request and offer of indemnity has failed to institute any such Proceeding; and

(e) no direction inconsistent with such written request has been given to the Trustee during such 30-day period by a Majority of the Controlling Class;

it being understood and intended that no one or more Holders shall have any right in any manner whatever by virtue of, or by availing of, any provision of this Indenture to affect, disturb or prejudice the rights of any other Holders of Class A Notes or to obtain or to seek to obtain priority or preference over any other Holders of Class A Notes or to enforce any right under this Indenture, except in the manner herein provided and for the equal and ratable benefit of all the Holders of Class A Notes, subject to and in accordance with Section 13.1 and otherwise in accordance with the Priority of Payments. In addition, any action taken by any one or more Holders of Class A Notes shall be subject to the same restrictions imposed on the Trustee in accordance with Section 5.4(d).

In the event the Trustee shall receive conflicting or inconsistent requests and indemnity pursuant to this Section 5.8 from two or more groups of Holders of the Controlling Class, each representing less than a Majority of the Controlling Class, the Trustee shall act on the direction of the group of Holders representing the greater percentage of the Controlling Class and if the groups shall represent the same percentage, the Trustee in its sole discretion may determine what action, if any, shall be taken, notwithstanding any other provisions of this Indenture.

Section 5.9 Unconditional Rights of Holders of Class A Notes to Receive Principal and Interest.

(a) Notwithstanding any other provision in this Indenture (but subject to Section 2.7(i)), the Holder of any Class A Note shall have the right, which is absolute and unconditional, to receive payment of the principal of and interest on such Class A Note as such principal and interest become due and payable in accordance with the Priority of Payments, except as provided otherwise in Section 13.1.

Section 5.10 Restoration of Rights and Remedies.

If the Trustee or any Holder of Class A Notes has instituted any Proceeding to enforce any right or remedy under this Indenture and such Proceeding has been discontinued or abandoned for any reason, or has been determined adversely to the Trustee or to such Holder of Class A Notes then and in every such case the Issuer, the Trustee and such Holder of Class A Notes shall, subject to any determination in such Proceeding, be restored severally and respectively to their former positions hereunder, and thereafter all rights and remedies of the Trustee and the Holders of Class A Notes shall continue as though no such Proceeding had been instituted.

Section 5.11 Rights and Remedies Cumulative.

No right or remedy herein conferred upon or reserved to the Trustee or to the Holders of the Class A Notes is intended to be exclusive of any other right or remedy, and every right and remedy shall, to the extent permitted by law, be cumulative and in addition to every other right and remedy given hereunder or now or hereafter existing by law or in equity or otherwise. The assertion or employment of any right or remedy hereunder, or otherwise, shall not prevent the concurrent assertion or employment of any other appropriate right or remedy.

Section 5.12 Delay or Omission Not Waiver.

No delay or omission of the Trustee or of any Holder to exercise any right or remedy accruing upon any Event of Default shall impair any such right or remedy or constitute a waiver of any such Event of Default or an acquiescence therein. Every right and remedy given by this Article V or by law to the Trustee or to the Holders may be exercised from time to time, and as often as may be deemed expedient, by the Trustee or by the Holders, as the case may be.

Section 5.13 Control by Noteholders.

A Majority of the Controlling Class shall have the right to cause the institution of and direct the time, method and place of conducting any Proceeding for any remedy available to the Trustee or exercising any trust, right, remedy or power conferred on the Trustee; provided that:

(a) such direction be in writing and shall not be in conflict with any rule of law or with this Indenture;

(b) the Trustee may take any other action deemed proper by it that is not inconsistent with such direction or this Indenture; provided, however, that, subject to Section 6.1, it need not take any action that it determines might involve it in liability;

(c) the Trustee shall have been provided with indemnity reasonably satisfactory to it; and

(d) any direction to the Trustee to undertake a sale of the Collateral shall be by the Noteholders secured thereby representing the percentage of the Aggregate Outstanding Amount of Class A Notes specified in Section 5.4 or 5.5, as applicable.

Section 5.14 Waiver of Past Defaults.

Prior to the time a judgment or decree for payment of the money due has been obtained by the Trustee as provided in this Article V, a Majority of the Controlling Class may on behalf of the Holders of all the Class A Notes waive any past Default and its consequences, except a Default:

(a) constituting a Payment Default; or

(b) in respect of a covenant or provision for the individual protection or benefit of the Trustee, without its consent.

In the case of any such waiver, the Issuer, the Trustee and the Holders shall be restored to their former positions and rights hereunder, respectively, but no such waiver shall extend to any subsequent or other Default or impair any right consequent thereto. The Trustee shall promptly give notice of any such waiver to the Collateral Manager.

Upon any such waiver, such Default shall cease to exist, and any Event of Default arising therefrom shall be deemed to have been cured, for every purpose of this Indenture, but no such waiver shall extend to any subsequent or other Default or impair any right consequent thereto.

Section 5.15 Undertaking for Costs.

All parties to this Indenture agree, and each Holder of any Class A Note by his acceptance thereof shall be deemed to have agreed, that any court may in its discretion require, in any suit for the enforcement of any right or remedy under this Indenture, or in any suit against the Trustee for any action taken, or omitted by it as Trustee, the filing by any party litigant in such suit of an undertaking to pay the costs of such suit, and that such court may in its discretion assess reasonable costs, including reasonable attorneys' fees, against any party litigant in such suit, having due regard to the merits and good faith of the claims or defenses made by such party litigant; but the provisions of this Section shall not apply to any suit instituted by the Trustee, to any suit instituted by any Holder of Class A Notes, or group of Holders of Class A Notes, holding in the aggregate more than 10% of the Aggregate Outstanding Amount of the Controlling Class, or to any suit instituted by any Holder of Class A Notes for the enforcement of the payment of the principal of or interest on any Class A Note on or after the Stated Maturity expressed in such Class A Note (or, in the case of redemption, on or after the applicable Redemption Date).

Section 5.16 Waiver of Stay or Extension Laws.

The Issuer covenants (to the extent that they may lawfully do so) that it will not at any time insist upon, or plead, or in any manner whatsoever claim or take the benefit or advantage of, any stay or extension law wherever enacted, now or at any time hereafter in force, which may affect the covenants, the performance of or any remedies under this Indenture; and the Issuer (to the extent that it may lawfully do so) hereby expressly waive all benefit or advantage of any such law, and covenants that it will not hinder, delay or impede the execution of any power herein granted to the Trustee, but will suffer and permit the execution of every such power as though no such law had been enacted.

Section 5.17 Sale of Collateral.

(a) The power to effect any sale of any portion of the Collateral pursuant to Sections 5.4 and 5.5 shall not be exhausted by any one or more sales as to any portion of such Collateral remaining unsold, but shall continue unimpaired (subject to Section 5.5(d) in the case of sales pursuant to Section 5.5) until the entire Collateral shall have been sold or all amounts secured by

the Collateral shall have been paid. The Trustee may and shall, upon written direction of a Majority of the Controlling Class, from time to time postpone any sale. The Trustee hereby expressly waives its rights to any amount fixed by law as compensation for any sale; provided that the Trustee shall be authorized to deduct the reasonable costs, charges and expenses incurred by it in connection with such sale from the proceeds thereof notwithstanding the provisions of Section 6.7.

(b) The Trustee may bid for and acquire any portion of the Collateral in connection with a public sale thereof. The Trustee may hold, lease, operate, manage or otherwise deal with any property so acquired in any manner permitted by law in accordance with this Indenture.

(c) If any portion of the Collateral consists of Unregistered Securities, the Trustee may seek an Opinion of Counsel, or, if no such Opinion of Counsel can be obtained and with the consent of a Majority of the Controlling Class, seek a no-action position from the Securities and Exchange Commission or any other relevant federal or state regulatory authorities, regarding the legality of a public or private sale of such Unregistered Securities.

(d) The Trustee shall execute and deliver an appropriate instrument of conveyance transferring its interest, without recourse, representation or warranty, in any portion of the Collateral in connection with a sale thereof. In addition, the Trustee is hereby irrevocably appointed the agent and attorney-in-fact of the Issuer to transfer and convey its interest in any portion of the Collateral in connection with a sale thereof, and to execute and deliver any instruments and take all action (whether in its name or in the name of the Issuer) necessary to effect such sale. No purchaser or transferee at such a sale shall be bound to ascertain the Trustee's authority, to inquire into the satisfaction of any conditions precedent or see to the application of any monies.

Section 5.18 Action on the Class A Notes.

The Trustee's right to seek and recover judgment on the Class A Notes or under this Indenture shall not be affected by the seeking or obtaining of or application for any other relief under or with respect to this Indenture. Neither the lien of this Indenture nor any rights or remedies of the Trustee or the Holders of the Class A Notes shall be impaired by the recovery of any judgment by the Trustee against the Issuer or by the levy of any execution under such judgment upon any portion of the Collateral or upon any of the assets of the Issuer.

ARTICLE VI.

THE TRUSTEE

Section 6.1 Certain Duties and Responsibilities.

(a) Except during the continuance of an Event of Default actually known to a Trust Officer of the Trustee:

(i) the Trustee undertakes to perform such duties and only such duties as are specifically set forth in this Indenture, and no implied covenants or obligations shall be read into this Indenture against the Trustee; and

(ii) in the absence of bad faith on its part, the Trustee may conclusively rely, as to the truth of the statements and the correctness of the opinions expressed therein, upon certificates or opinions furnished to the Trustee and conforming to the requirements of this Indenture; provided, however, that in the case of any such certificates or opinions which by any provision hereof are specifically required to be furnished to the Trustee, the Trustee shall be under a duty to examine the same to determine whether or not they substantially conform on their face to the requirements of this Indenture and shall promptly notify the party delivering the same if such certificate or opinion does not conform. If a corrected form shall not have been delivered to the Trustee within fifteen (15) days after such notice from the Trustee, the Trustee shall so notify the Noteholders.

(b) In case an Event of Default actually known to a Trust Officer of the Trustee has occurred and is continuing, the Trustee shall, prior to the receipt of directions, if any, from a Majority of the Controlling Class, exercise such of the rights and powers vested in it by this Indenture, and use the same degree of care and skill in its exercise as a prudent person would exercise or use under the circumstances in the conduct of such person's own affairs.

(c) No provision of this Indenture shall be construed to relieve the Trustee from liability for its own negligent action, its own negligent failure to act, or its own willful misconduct, except that:

(i) this subsection shall not be construed to limit the effect of subsection (a) of this Section 6.1;

(ii) the Trustee shall not be liable for any error of judgment made in good faith by a Trust Officer, unless it shall be proven that the Trustee was negligent in ascertaining the pertinent facts;

(iii) the Trustee shall not be liable with respect to any action taken or omitted to be taken by it in good faith in accordance with the direction of the Issuer or the Collateral Manager and/or a Majority (or such larger percentage as may be expressly required by the terms hereof) of the Controlling Class or any other required Classes relating to its obligations as set forth herein and relating to the time, method and place of conducting any Proceeding for any remedy available to the Trustee, or exercising any trust or power conferred upon the Trustee, under this Indenture;

(iv) no provision of this Indenture shall require the Trustee to expend or risk its own funds or otherwise incur any financial liability in the performance of any of its duties hereunder, or in the exercise of any of its rights or powers, if it shall have reasonable grounds for believing that repayment of such funds or indemnity satisfactory to it against such risk or liability is not reasonably assured to it unless such risk or liability relates to its ordinary services, including mailing of notices under Article V under the Indenture; and

(v) in no event shall the Trustee be liable for special, indirect, or consequential loss or damage (including loss profits) even if the Trustee has been advised of the likelihood of such damages and regardless of such action.

(d) For all purposes under this Indenture, the Trustee shall not be deemed to have notice or knowledge of any Default or Event of Default described in Sections 5.1(e), 5.1(f) 5.1(g), 5.1(h), or 5.1(i), unless a Trust Officer assigned to and working in the Corporate Trust Office has actual knowledge thereof or unless written notice of any event which is in fact such an Event of Default or Default is received by the Trustee at the Corporate Trust Office, and such notice references the Class A Notes generally, the Issuer, the Collateral or this Indenture. For purposes of determining the Trustee's responsibility and liability hereunder, whenever reference is made in this Indenture to such an Event of Default or a Default, such reference shall be construed to refer only to such an Event of Default or Default of which the Trustee is deemed to have notice as described in this Section 6.1.

(e) Whether or not therein expressly so provided, every provision of this Indenture relating to the conduct or affecting the liability of or affording protection to the Trustee shall be subject to the provisions of this Section 6.1 and Section 6.3.

Section 6.2 Notice of Default.

Promptly (and in no event later than three Business Days) after the occurrence of any Default actually known to a Trust Officer of the Trustee or after any declaration of acceleration has been made or delivered to the Trustee pursuant to Section 5.2, the Trustee shall transmit by mail or telecopy to the Collateral Manager and to all Holders of Class A Notes, as their names and addresses appear on the Register, notice of all Defaults hereunder actually known to a Trust Officer of the Trustee, unless such Default shall have been cured or waived.

Section 6.3 Certain Rights of Trustee.

Except as otherwise provided in Section 6.1:

(a) the Trustee may conclusively rely and shall be protected in acting or refraining from acting upon any resolution, certificate, statement, instrument, opinion, report, notice, request, direction, consent, order, note or other paper or document (including the Valuation Report) reasonably believed by it to be genuine and to have been signed or presented by the proper party or parties;

(b) any request or direction of the Issuer mentioned herein shall be sufficiently evidenced by an Issuer Request or Issuer Order, as the case may be;

(c) whenever in the administration of this Indenture the Trustee shall (i) deem it desirable that a matter be proved or established prior to taking, suffering or omitting any action hereunder, the Trustee (unless other evidence be herein specifically prescribed) may, in the absence of bad faith on its part, rely upon an Officer's Certificate or (ii) be required to determine the value of any Collateral or funds hereunder or the cashflows projected to be received therefrom, the Trustee may, in the absence of bad faith on its part, rely on reports, opinions or advice of nationally recognized accountants, investment bankers or other persons qualified to provide the information required to make such determination, including nationally recognized dealers in securities of the type being valued and securities or loan pricing quotation services;

(d) as a condition to the taking or omitting of any action by it hereunder, the Trustee may consult with counsel and the advice of such counsel or any Opinion of Counsel shall be full and complete authorization and protection in respect of any action taken or omitted by it hereunder in good faith and in reliance thereon;

(e) the Trustee shall be under no obligation to exercise or to honor any of the rights or powers vested in it by this Indenture or to institute, conduct or defend any litigation hereunder or in relation hereto at the request or direction of any of the Noteholders pursuant to this Indenture, unless such Noteholders shall have offered to the Trustee security or indemnity satisfactory to it against all costs, expenses (including reasonable attorneys' fees and expenses) and liabilities which might reasonably be incurred by it in compliance with such request or direction;

(f) the Trustee shall not be bound to make any investigation into the facts or matters stated in any resolution, certificate, statement, instrument, opinion, report, notice, request, direction, consent, order, note or other paper or documents, but the Trustee, in its discretion, may and, upon the written direction of a Majority of the Controlling Class, shall make such further inquiry or investigation into such facts or matters as it may see fit or as it shall be directed, and the Trustee shall be entitled to receive, on reasonable prior notice to the Collateral Manager, copies of the books and records of the Collateral Manager relating to the Class A Notes and the Collateral, and on reasonable prior notice to the Issuer, to examine the books and records relating to the Class A Notes and the Collateral and the premises of the Issuer personally or by agent or attorney during the Issuer's normal business hours; provided that the Trustee shall, and shall cause its agents, to hold in confidence all such information, except (i) to the extent disclosure may be required by law or by any regulatory or governmental authority and (ii) except to the extent that the Trustee in its sole judgment may determine that such disclosure is consistent with its obligations hereunder; provided, further, that the Trustee may disclose on a confidential basis any such information to its agents, attorneys and auditors in connection with the performance of its responsibilities hereunder.

(g) the Trustee may execute any of the trusts or powers hereunder or perform any duties hereunder either directly or by or through agents or attorneys; provided that the Trustee shall not be responsible for any misconduct or negligence on the part of any agent or attorney appointed with due care by it hereunder;

(h) the Trustee shall not be liable for any action it takes or omits to take in good faith that it reasonably and, after the occurrence and during the continuance of an Event of Default, subject to Section 6.1(b), prudently believes to be authorized or within its rights or powers hereunder;

(i) for the avoidance of doubt, any permissive right or discretionary act of the Trustee to take or refrain from taking any actions enumerated in this Indenture shall not be construed as a duty and the Trustee shall not be responsible for other than its own negligent action, its own negligent failure to act, or its own willful misconduct with respect to the performance of such act;

(j) the Trustee shall not be responsible for the accuracy of the books or records of, or for any acts or omissions of, DTC, any Transfer Agent (other than the Bank acting in such capacity), Issuer Accounts Securities Intermediary (other than the Bank acting in such capacity), any Calculation Agent (other than the Trustee itself acting in such capacity) or any Paying Agent (other than the Bank acting in that capacity);

(k) in making or disposing of any investment permitted by this Indenture, the Trustee is authorized to deal with itself (in its individual capacity) or with any one or more of its Affiliates, whether it or such Affiliate is acting as a subagent of the Trustee or for any third person or dealing as principal for its own account. If otherwise qualified, obligations of the Bank or any of its Affiliates shall qualify as Eligible Investments hereunder;

(l) the Trustee shall not be liable for the actions or omissions of the Collateral Manager, and without limiting the foregoing, the Trustee shall not (except to the extent expressly provided in this Indenture) be under any obligation to monitor, evaluate or verify compliance by the Collateral Manager with the terms hereof or the Collateral Management Agreement, or to verify or independently determine the accuracy of information received by it from the Collateral Manager (or from any selling institution, agent bank, trustee or similar source) with respect to the Collateral and the Trustee shall have no additional duties following the resignation or removal of the Collateral Manager;

(m) the Trustee shall have no duty (i) to see to any recording, filing, or depositing of this Indenture or any Indenture referred to herein or any financing statement or continuation statement evidencing a security interest, or to see to the maintenance of any such recording or filing or depositing or to any rerecording, refiling or redepositing of any thereof or (ii) to see to any insurance;

(n) the Trustee shall not be required to give any bond or surety in respect of the execution of this Indenture or the powers granted hereunder;

(o) nothing herein shall be construed to impose an obligation on the part of the Trustee to recalculate, evaluate, verify or independently determine the accuracy of any report, certificate or information received from the Issuer or Collateral Manager;

(p) the Trustee shall not be responsible or liable for any failure or delay in the performance of its obligations under this Indenture arising out of or caused, directly or indirectly, by circumstances beyond its reasonable control, including without limitation, acts of God; earthquakes; fires; floods; wars; civil or military disturbances; sabotage; epidemics; riots; interruptions, loss or malfunctions of utilities, computer (hardware or software) or communications service, accidents; labor disputes; acts of civil or military authority or governmental actions (it being understood that the Trustee shall use commercially reasonable efforts to resume performance as soon as practicable under the circumstances);

(q) the Trustee or its Affiliates are permitted to receive additional compensation that could be deemed to be in the Trustee's economic self-interest for (i) serving as investment adviser, administrator, shareholder, servicing agent, custodian or sub-custodian with respect to certain of the Eligible Investments, (ii) using Affiliates to effect transactions in certain Eligible Investments and (iii) effecting transactions in certain Eligible Investments. Such compensation is not payable or reimbursable under Section 6.7 of this Indenture;

(r) to help fight the funding of terrorism and money laundering activities, the Trustee will obtain, verify, and record information that identifies individuals or entities that establish a relationship or open an account with the Trustee. The Trustee will ask for the name, address, tax identification number and other information that will allow the Trustee to identify the individual or entity who is establishing the relationship or opening the account. The Trustee may also ask for formation documents such as articles of incorporation, an offering memorandum, or other identifying documents to be provided; and

(s) Notwithstanding anything to the contrary herein, any and all communications (both text and attachments) by or from the Trustee that the Trustee in its sole discretion deems to contain confidential, proprietary, and/or sensitive information and sent by electronic mail will be encrypted. The recipient of the email communication will be required to complete a one-time registration process. Information and assistance on registering and using the email encryption technology can be found at the Trustee's secure website www.citigroup.com/citigroup/citizen/privacy/email.htm or by calling (866) 535-2504 (in the U.S.) or (904) 954-6181 at any time.

(t) The Collateral Administrator shall have the same rights, privileges and indemnities afforded to the Trustee in this Article VII.

Section 6.4 Not Responsible for Recitals or Issuance of Class A Notes.

The recitals contained herein and in the Class A Notes, other than the Certificate of Authentication thereon with respect to the Trustee, shall be taken as the statements of the Issuer, and the Trustee assumes no responsibility for their correctness. Except as set forth in Section 6.14, the Trustee makes no representation as to the validity or sufficiency of this Indenture (except as may be made with respect to the validity of the Trustee's obligations hereunder), of the Collateral or of the Class A Notes. The Trustee shall not be accountable for the use or application by the Issuer of the Class A Notes or the Proceeds thereof or any money paid to the Issuer pursuant to the provisions hereof.

Section 6.5 May Hold Class A Notes.

The Trustee, any Paying Agent, Registrar or any other agent of the Issuer, in its individual or any other capacity, may become the owner or pledgee of Class A Notes and may otherwise deal with the Issuer or any of its Affiliates, with the same rights it would have if it were not Trustee, Paying Agent, Registrar or such other agent.

Section 6.6 Money Held in Trust.

Money held by the Trustee hereunder shall be held in trust to the extent required herein. The Trustee shall be under no liability for interest on any money received by it hereunder except as otherwise agreed upon with the Issuer and except to the extent of income or other gain on investments that are deposits in or certificates of deposit of the Trustee in its commercial capacity and income or other gain actually received by the Trustee on Eligible Investments.

Section 6.7 Compensation and Reimbursement.

(a) The Issuer agrees:

(i) to pay the Trustee on each Payment Date, the compensation set forth in the letter agreement dated June 22, 2011 (which compensation shall not be limited by any provision of law in regard to the compensation of a trustee of an express trust);

(ii) except as otherwise expressly provided herein, to reimburse the Trustee (subject to any written agreement between the Issuer and the Trustee) in a timely manner upon its request for all reasonable expenses, costs, disbursements and advances incurred or made by the Trustee in accordance with any provision of this Indenture relating to the maintenance and administration of the Collateral, the administration of the terms of this Indenture, the performance of its duties hereunder, or in the enforcement of any provision hereof or exercise of any rights or remedies hereunder (including securities transaction charges and the reasonable compensation and expenses and disbursements of its agents and legal counsel and of any accounting firm or investment banking firm employed by the Trustee pursuant to Section 5.4, 5.5, 5.17, 10.5 or 10.7, except any such expense, disbursement or advance as may be attributable to its negligence, willful misconduct or bad faith);

(iii) to indemnify the Trustee and its officers, directors, employees and agents for, and to hold them harmless against, any loss, liability or expense (including reasonable attorneys' fees and expenses) incurred without negligence, willful misconduct or bad faith on their part, arising out of or in connection with the acceptance or administration of this trust, including the costs and expenses of defending themselves against any claim or liability in connection with the exercise or performance of any of its powers or duties hereunder; and

(iv) to pay the Trustee reasonable additional compensation together with its expenses (including reasonable counsel fees) for any collection action taken pursuant to Section 6.13.

(b) The Issuer shall pay the Trustee the fees and expenses specified in this Section 6.7 in accordance with Section 11.1 of this Indenture.

(c) The Trustee hereby agrees not to cause the filing of a petition in bankruptcy against the Issuer for the non-payment to the Trustee of any amounts provided by this Section 6.7 until at least one year and one day (or, if longer, the applicable preference period) after the payment in full of all of the Class A Notes.

(d) The amounts payable to the Trustee on any Payment Date pursuant to Section 6.7(a), or which may be deducted by the Trustee pursuant to Section 6.7(b) shall not exceed the amounts permitted to be applied to such Administrative Expenses on such Payment Date as provided in and in accordance with the Priority of Payments, and the Trustee shall have a lien ranking senior to that of the Holders upon all property and funds held or collected as part of the Collateral to secure payment of amounts payable to the Trustee under Section 6.7 not to exceed such amount with respect to any Payment Date; provided, however, that the Trustee shall not

institute any Proceeding for the enforcement of such lien except in connection with an action pursuant to Section 5.3 for the enforcement of the lien of this Indenture for the benefit of the Secured Parties; provided, further, that the Trustee may only enforce such a lien in conjunction with the enforcement of the rights of Holders in the manner set forth in Sections 5.4 and 5.5. For the avoidance of doubt, any amount payable to the Trustee pursuant to Section 6.7(a) and not paid on any Payment Date pursuant to this paragraph shall remain outstanding and be payable on the next Payment Date (subject to the limitations of this paragraph and the Priority of Payments).

The fees payable to the Trustee shall be computed on the basis of the actual number of days elapsed in the applicable Due Period divided by 360, and fees applicable to periods shorter or longer than a calendar quarterly period shall be prorated based on the number of days within such period. The Trustee shall apply amounts pursuant to Section 5.7 and Section 11.1(a)(A), (B) or (D) only to the extent that the payment thereof will not result in an Event of Default and the failure to pay such amounts to the Trustee will not, by itself, constitute an Event of Default. Subject to Section 6.1(c)(iv) and Section 6.9, the Trustee shall continue to serve as Trustee under this Indenture notwithstanding the fact that the Trustee shall not have received amounts due it hereunder. No direction by a Majority of the Controlling Class shall affect the right of the Trustee to collect amounts owed to it under this Indenture.

The payment of any fee or expense due to the Trustee is subject to the availability of funds and the Priority of Payments. If, on any date when a fee shall be payable to the Trustee pursuant to this Indenture, insufficient funds are available for the payment thereof, any portion of a fee not so paid shall be deferred and payable, together with compensatory interest thereon (at a rate not to exceed the federal funds rate), on such later date on which a fee shall be payable and sufficient funds are available therefor.

Section 6.8 Corporate Trustee Required; Eligibility.

There shall at all times be a Trustee hereunder which shall be a corporation or association organized and doing business under the laws of the United States of America or of any state thereof and subject to supervision or examination by federal or state banking authority, authorized under such laws to exercise corporate trust powers, having a combined capital and surplus of at least $200,000,000, having an office within the United States and having a long-term senior unsecured debt rating of at least “BBB” by S&P (an institution meeting such ratings, an “Eligible Institution”); provided that if any such institution is downgraded such that it no longer constitutes an Eligible Institution hereunder, the Issuer shall use commercially reasonable efforts to replace such institution with a replacement Eligible Institution within 60 calendar days of the ratings downgrade. If such corporation or association publishes reports of condition at least annually, pursuant to law or to the requirements of the aforesaid supervising or examining authority, then for purposes of this Section 6.8, the combined capital and surplus of such corporation shall be deemed to be its combined capital and surplus as set forth in its most recent report of condition so published. Subject to the proviso above, if at any time the Trustee shall cease to be eligible in accordance with the provisions of this Section 6.8, it shall resign immediately in the manner and with the effect hereinafter specified in this Article VI.

Section 6.9 Resignation and Removal; Appointment of Successor.

(a) No resignation or removal of the Trustee and no appointment of a successor Trustee pursuant to this Article VI shall become effective until the acceptance of appointment by the successor Trustee under Section 6.10. The indemnification in favor of the Trustee in Section 6.7 shall survive any resignation or removal of the Trustee (to the extent of indemnified liabilities, costs, expenses and other indemnified amounts arising or incurred prior to, or arising as a result of actions or omissions occurring prior to, such resignation or removal).

(b) The Trustee may resign at any time by giving 30 days prior written notice thereof to the Issuer, the Noteholders and the Collateral Manager.

(c) The Trustee may be removed at any time by Act of a Majority of the Controlling Class, or may be removed at any time when an Event of Default shall have occurred and be continuing, by Act of a Majority of the Controlling Class, delivered to the Trustee, the Collateral Manager and the Issuer.

(d) If at any time:

(i) the Trustee shall cease to be eligible under Section 6.8 and shall fail to resign after written request therefor by the Issuer or by a Majority of the Controlling Class; or

(ii) the Trustee shall become incapable of acting or shall be adjudged as bankrupt or insolvent or a receiver or liquidator of the Trustee or of its property shall be appointed or any public officer shall take charge or control of the Trustee or of its property or affairs for the purpose of rehabilitation, conservation or liquidation;

then, in any such case (subject to Section 6.9(a)), (A) the Issuer, by Issuer Order, may remove the Trustee or (B) subject to Section 5.15, any Holder may, on behalf of himself and all others similarly situated, petition any court of competent jurisdiction for the removal of the Trustee and the appointment of a successor Trustee.

(e) Upon (i) receiving any notice of resignation of the Trustee, (ii) any determination that the Trustee be removed, or (iii) any vacancy in the position of Trustee, then the Issuer shall promptly appoint a successor Trustee or Trustees by written instrument, in duplicate, executed by an Authorized Officer of the Issuer, one copy of which shall be delivered to the Trustee so resigning and one copy to the successor Trustee or Trustees; provided that such successor Trustee shall be appointed (i) only upon the written consent of a Majority of the Controlling Class, and (ii) subject to the approval of the Collateral Manager, not to be unreasonably withheld. If the Issuer shall fail to appoint a successor Trustee within 30 days after such notice of resignation, determination of removal or the occurrence of a vacancy, a successor Trustee may be appointed by Act of a Majority of the Controlling Class with the consent of the Collateral Manager (not to be unreasonably withheld). If no successor Trustee shall have been appointed and an instrument of acceptance by a successor Trustee shall not have been delivered to the Trustee within 60 days after the giving of such notice of resignation, determination of removal or the occurrence of a vacancy, then the Trustee to be replaced, or any Noteholder, on behalf of himself and all others similarly situated, may petition any court of competent jurisdiction for the appointment of a successor Trustee. Notwithstanding the foregoing, at any time that an Event of

Default shall have occurred and be continuing, a Majority of the Controlling Class shall have in lieu of the Issuer the Issuer's rights to appoint a successor Trustee, such rights to be exercised by notice delivered to the Issuer and the retiring Trustee. Any successor Trustee shall, forthwith upon its acceptance of such appointment in accordance with Section 6.10, become the successor Trustee and supersede any successor Trustee.

(f) The Issuer shall give prompt notice of each resignation and each removal of the Trustee and each appointment of a successor Trustee (which shall be subject to the approval of the Collateral Manager, not to be unreasonably withheld) to the Collateral Manager and to the Holders of the Class A Notes as their names and addresses appear in the Register. Each notice shall include the name of the successor Trustee and the address of its Corporate Trust Office. If the Issuer fails to mail any such notice within 10 days after acceptance of appointment by the successor Trustee, the successor Trustee shall cause such notice to be given at the expense of the Issuer.

Section 6.10 Acceptance of Appointment by Successor.

Every successor Trustee appointed hereunder shall execute, acknowledge and deliver to the Issuer and the retiring Trustee an instrument accepting such appointment. Upon delivery of the required instruments, the resignation or removal of the retiring Trustee shall become effective and such successor Trustee, without any further act, deed or conveyance, shall become vested with all the rights, powers, trusts, duties and obligations of the retiring Trustee; but, on request of the Issuer or a Majority of the Controlling Class or the successor Trustee, such retiring Trustee shall, upon payment of its charges then unpaid, execute and deliver an instrument transferring to such successor Trustee all the rights, powers and trusts of the retiring Trustee, and shall duly assign, transfer and deliver to such successor Trustee all property and money held by such retiring Trustee hereunder, subject nevertheless to its lien, if any, provided for in Section 6.7(d). Upon request of any such successor Trustee, the Issuer shall execute any and all instruments for more fully and certainly vesting in and confirming to such successor Trustee all such rights, powers and trusts.

Section 6.11 Merger, Conversion, Consolidation or Succession to Business of Trustee.

Any corporation or association into which the Trustee may be merged or converted or with which it may be consolidated, or any corporation resulting from any merger, conversion or consolidation to which the Trustee (which for purposes of this Section 6.11 shall be deemed to be the Trustee) shall be a party, or any corporation succeeding to all or substantially all of the corporate trust business of the Trustee, shall be the successor of the Trustee hereunder, provided such corporation shall be otherwise qualified and eligible under this Article VI, without the execution or filing of any paper or any further act on the part of any of the parties hereto. In case any of the Class A Notes have been authenticated, but not delivered, by the Trustee then in office, any successor by merger, conversion or consolidation to such authenticating Trustee may adopt such authentication and deliver the Class A Notes so authenticated with the same effect as if such successor Trustee had itself authenticated such Class A Notes.

Section 6.12 Co-Trustees and Separate Trustee.

At any time or times, for the purpose of meeting the legal requirements of any jurisdiction in which any part of the Collateral may at the time be located, the Issuer and the Trustee (which for purposes of this Section 6.12 shall be deemed to be the Trustee) shall have power to appoint one or more Persons to act as co-Trustee jointly with the Trustee of all or any part of the Collateral, with the power to file such proofs of claim and take such other actions pursuant to Section 5.4 and to make such claims and enforce such rights of action on behalf of the Noteholders subject to the other provisions of this Section.

The Issuer shall join with the Trustee in the execution, delivery and performance of all instruments and agreements necessary or proper to appoint a co-Trustee. If the Issuer does not join in such appointment within 15 days after the receipt by it of a request to do so, the Trustee shall have power to make such appointment.

Should any written instrument from the Issuer be required by any co-Trustee so appointed for more fully confirming to such co-Trustee such property, title, right or power, any and all such instruments shall, on request, be executed, acknowledged and delivered by the Issuer. The Issuer agrees to pay (but only from and to the extent of the Collateral, after payment in full of the amounts payable pursuant to subclauses (i) through (vii) of Section 11.1(a)(A)) for any reasonable fees and expenses in connection with such appointment.

Every co-trustee shall, to the extent permitted by law, but to such extent only, be appointed subject to the following terms:

(a) the Class A Notes shall be authenticated and delivered by, and all rights, powers, duties and obligations hereunder in respect of the custody of securities, Cash and other personal property held by, or required to be deposited or pledged with, the Trustee hereunder, shall be exercised solely by, the Trustee;

(b) the rights, powers, duties and obligations hereby conferred or imposed upon the Trustee in respect of any property covered by the appointment of a co-Trustee shall be conferred or imposed upon and exercised or performed by the Trustee or by the Trustee and such co-Trustee jointly in the case of the appointment of a co-Trustee, except to the extent that under any law of any jurisdiction in which any particular act is to be performed, the Trustee shall be incompetent or unqualified to perform such act, in which event such rights, powers, duties and obligations shall be exercised and performed by a co-Trustee;

(c) the Trustee at any time, by an instrument in writing executed by it, with the concurrence of the Issuer evidenced by an Issuer Order with a copy to the Collateral Manager, may accept the resignation of or remove any co-Trustee appointed under this Section 6.12, and in case an Event of Default has occurred and is continuing, the Trustee shall have the power to accept the resignation of, or remove, any such co-Trustee without the concurrence of the Issuer. A successor to any co-Trustee so resigned or removed may be appointed in the manner provided in this Section 6.12.

(d) no co-Trustee hereunder shall be personally liable by reason of any act or omission of the Trustee hereunder;

(e) the Trustee shall not be liable by reason of any act or omission of a co-Trustee; and

(f) any Act of Noteholders delivered to the Trustee shall be deemed to have been delivered to each co-Trustee.

Section 6.13 Certain Duties of Trustee Related to Delayed Payment of Proceeds.

In the event that in any month the Trustee determines based upon the information contained in the Monthly Report or information received from the Collateral Administrator that it has not received a payment with respect to any Pledged Obligation on its Due Date, (a) the Trustee shall promptly notify the Issuer and the Collateral Manager in writing and (b) unless within three Business Days (or the end of the applicable grace period for such payment, if longer), after such notice such payment shall have been received by the Trustee, or the Issuer, in its absolute discretion (but only to the extent permitted by Section 10.2(a)), shall have made provision for such payment satisfactory to the Trustee in accordance with Section 10.2(a), the Trustee shall request the issuer of such Pledged Obligation, the trustee under the related Reference Instrument or Paying Agent designated by either of them, as the case may be, to make such payment as soon as practicable after such request but in no event later than three Business Days after the date of such request. In the event that such payment is not made within such time period, the Trustee, subject to the provisions of subclause (iv) of Section 6.1(c), shall take such action as the Collateral Manager shall reasonably direct in writing. Any such action shall be without prejudice to any right to claim a Default or Event of Default under this Indenture. In the event that the Issuer or the Collateral Manager requests a release of a Pledged Obligation in connection with any such action under the Collateral Management Agreement, such release shall be subject to Section 10.6 and Article XII of this Indenture, as the case may be. Notwithstanding any other provision hereof, the Trustee shall deliver to the Issuer or its designee any payment with respect to any Pledged Obligation received after the Due Date thereof to the extent the Issuer previously made provisions for such payment satisfactory to the Trustee in accordance with this Section 6.13 and such payment shall not be deemed part of the Collateral.

Section 6.14 Representations and Warranties of the Trustee.

The Trustee represents and warrants that: (a) the Trustee is a national banking association or a state-chartered banking association or corporation with trust powers, duly and validly existing under the laws of the United States or a state thereof, with corporate power and authority to execute, deliver and perform its obligations under this Indenture, and is duly eligible and qualified to act as Trustee under this Indenture; (b) this Indenture has been duly authorized, executed and delivered by the Trustee and constitutes the valid and binding obligation of the Trustee, enforceable against it in accordance with its terms except (i) as limited by bankruptcy, fraudulent conveyance, fraudulent transfer, insolvency, reorganization, liquidation, receivership, moratorium or other similar laws now or hereafter in effect relating to creditors' rights generally and by general equitable principles, regardless of whether considered in a proceeding in equity or at law, and (ii) that the remedy of specific performance and injunctive and other forms of equitable relief may be subject to equitable defenses and to the discretion of the court before which any proceeding therefor may be brought; (c) neither the execution or delivery by the Trustee of this Indenture nor performance by the Trustee of its obligations under this Indenture

requires the consent or approval of, the giving notice to or the registration or filing with, any governmental authority or agency under any existing law of the United States governing the banking or trust powers of the Trustee; (d) there is no charge, investigation, action, suit or proceeding before or by any court pending or, to the best knowledge of a Trust Officer of the Trustee, threatened that, if determined adversely to the Trustee, would have a material adverse effect upon the performance by the Trustee of its duties under, or on the validity or enforceability of, this Indenture; (e) the Trustee is not in breach or violation of or in default under any contract or agreement to which it is a party or by which it or any of its property may be bound, or any applicable statute or any rule, regulation or order of any court, government agency or body having jurisdiction over the Trustee or its properties, the breach or violation of which or default under which would have a material adverse effect on the validity or enforceability of this Indenture or the performance by the Trustee of its duties hereunder; and (f) as of the Closing Date, the Trustee has a combined capital and surplus in excess of $200,000,000, has an office within the United States and its long-term senior debt is rated "BBB" or above by S&P.

Section 6.15 Authenticating Agents.

Upon the request of the Issuer, the Trustee shall, and if the Trustee so chooses the Trustee may, appoint one or more Authenticating Agents with power to act on its behalf and subject to its direction in the authentication of Class A Notes in connection with issuances, transfers and exchanges under Sections 2.4, 2.5, 2.6 and 8.5, as fully to all intents and purposes as though each such Authenticating Agent had been expressly authorized by those Sections to authenticate such Class A Notes. For all purposes of this Indenture, the authentication of Class A Notes by an Authenticating Agent pursuant to this Section 6.15 shall be deemed to be the authentication of Class A Notes by the Trustee.

Any corporation into which any Authenticating Agent may be merged or converted or with which it may be consolidated, or any corporation resulting from any merger, consolidation or conversion to which any Authenticating Agent shall be a party, or any corporation succeeding to the corporate trust business of any Authenticating Agent, shall be the successor of such Authenticating Agent hereunder, without the execution or filing of any further act on the part of the parties hereto or such Authenticating Agent or such successor corporation.

Any Authenticating Agent may at any time resign by giving written notice of resignation to the Trustee and the Issuer. The Trustee may at any time terminate the agency of any Authenticating Agent by giving written notice of termination to such Authenticating Agent and the Issuer. Upon receiving such notice of resignation or upon such a termination, the Trustee shall promptly appoint a successor Authenticating Agent and shall give written notice of such appointment to the Issuer if the resigning or terminated Authenticating Agent was originally appointed at the request of the Issuer.

Unless the Authenticating Agent is the same entity as the Trustee, the Issuer agrees to pay to each Authenticating Agent from time to time reasonable compensation for its services, and reimbursement for its reasonable expenses relating thereto as an Administrative Expense under Section 11.1. The provisions of Sections 2.9, 6.3, 6.4 and 6.5 shall be applicable to any Authenticating Agent.

Section 6.16 Representative for Holders of the Class A Notes Only; Agent for all other Secured Parties.

With respect to the security interests created hereunder, the pledge of any item of Collateral to the Trustee is to the Trustee as representative of the Holders of the Class A Notes and agent for each of the other Secured Parties; in furtherance of the foregoing, the possession by the Trustee of any item of Collateral, the endorsement to or registration in the name of the Trustee of any item of Collateral (including as entitlement Holder of the Collateral Account) are all undertaken by the Trustee in its capacity as representative of the Holders of the Class A Notes and agent for each of the other Secured Parties. The Trustee shall have no fiduciary duties to each of the other Secured Parties; provided that the foregoing shall not limit any of the express obligations of the Trustee under this Indenture.

Section 6.17 Right of Trustee in Capacity of Registrar, Paying Agent, Calculation Agent or Securities Intermediary.

In the event that the Trustee is also acting in the capacity of Paying Agent, Registrar or Calculation Agent hereunder, the rights, protections, immunities or indemnities afforded to the Trustee pursuant to this Article VI shall also be afforded to the Trustee in its capacity as Paying Agent, Registrar or Calculation Agent.

ARTICLE VII.

COVENANTS

Section 7.1 Payment of Principal and Interest.

The Issuer will duly and punctually pay the principal of and interest on the Class A Notes in accordance with the terms of the Class A Notes and this Indenture. Amounts properly withheld under the Code, the United States Treasury Regulations under the Code or other applicable law, by the Issuer, the Trustee, any Paying Agent or any other Person from a payment to any Holder of the Class A Notes of interest, principal, and/or distribution shall be considered as having been paid by the Issuer to such Holder for all purposes of this Indenture, and the Issuer shall not be obligated to pay any additional amounts to such Holder or any beneficial owner of the Class A Notes as a result of any withholding or deduction for, or on account of, any present or future taxes, duties, assessments or governmental charges.

Section 7.2 Compliance With Laws.

The Issuer will comply in all material respects with applicable laws, rules, regulations, writs, judgments, injunctions, decrees, awards and orders with respect to it, its business and its properties. The Issuer will always maintain at least two Independent Managers who are not Affiliates of the Collateral Manager.

Section 7.3 Maintenance of Books and Records.

The Issuer shall maintain and implement administrative and operating procedures reasonably necessary in the performance of its obligations hereunder and the Issuer shall keep and maintain, or cause the Board of Managers to keep or maintain at all times, or cause to be kept and maintained at all times in the registered office of the Issuer specified in the Limited Liability Company Agreement, all documents, books, records, accounts and other information as are required under the laws of Delaware.

Section 7.4 Maintenance of Office or Agency.

The Issuer hereby appoints the Trustee as a Paying Agent for the payment of principal and interest on the Class A Notes and where Class A Notes may be surrendered for registration of transfer or exchange.

Section 7.5 Money for Security Payments to be Held in Trust.

All payments of amounts due and payable with respect to any Class A Notes that are to be made from amounts withdrawn from the Payment Account shall be made on behalf of the Issuer.

When the Issuer shall have a Paying Agent that is not also the Registrar, the Issuer shall furnish, or cause the Registrar to furnish, no later than

(a) the fifth calendar day after each Regular Record Date; and

(b) the fifth calendar day after each Special Record Date applicable to a Special Payment Date;

a list, if necessary, in such form as such Paying Agent may reasonably request, of the names and addresses of the Holders and of the certificate numbers of individual Class A Notes held by each such Holder.

Whenever the Issuer shall have a Paying Agent other than the Trustee, the Issuer shall, on or before the Business Day preceding each Payment Date or Special Payment Date, as the case may be, direct the Trustee in writing to deposit on such Payment Date with such Paying Agent, if necessary, an aggregate sum sufficient to pay the amounts then becoming due (to the extent funds are then available for such purpose in the Payment Account), such sum to be held in trust for the benefit of the Persons entitled thereto and (unless such Paying Agent is the Trustee) the Issuer shall promptly notify the Trustee of its action or failure so to act. Any moneys deposited with a Paying Agent (other than the Trustee) in excess of an amount sufficient to pay the amounts then becoming due on the Class A Notes with respect to which such deposit was made shall be paid over by such Paying Agent to the Trustee for application in accordance with Article X.

The initial Paying Agents shall be as set forth in Section 7.4. Any additional or successor Paying Agents shall be appointed by Issuer Order with written notice thereof to the Trustee; provided, however, that, such additional or successor Paying Agent must either (i) have a rating of “Aa2” or its equivalent by Moody’s and “AA” by S&P, (ii) agree not to hold any funds pursuant to this Indenture overnight or (iii) be acceptable to the Majority of the Controlling Class. The Issuer shall not appoint any Paying Agent (other than an initial Paying Agent) that is not, at the time of such appointment, a depositary institution or trust company subject to

supervision and examination by federal and/or state and/or national banking authorities. The Issuer shall cause each Paying Agent other than the Trustee to execute and deliver to the Trustee an instrument in which such Paying Agent shall agree with the Trustee (and if the Trustee acts as Paying Agent, it hereby so agrees), subject to the provisions of this Section 7.5, that such Paying Agent will:

(A) allocate all sums received for payment or distribution to the Holders of Class A Notes for which it acts as Paying Agent on each Payment Date and Special Payment Date among such Holders in the proportion specified in the applicable report or statement in accordance herewith, in each case to the extent permitted by applicable law;

(B) hold all sums held by it for the payment of amounts due with respect to the Class A Notes in trust for the benefit of the Persons entitled thereto until such sums shall be paid to such Persons or otherwise disposed of as herein provided and pay such sums to such Persons as herein provided;

(C) if such Paying Agent is not the Trustee, immediately resign as a Paying Agent and forthwith pay to the Trustee all sums held by it in trust for the payment of Class A Notes if at any time it ceases to meet the standards set forth above required to be met by a Paying Agent at the time of its appointment;

(D) if such Paying Agent is not the Trustee, at any time during the continuance of any such Default, upon the written request of the Trustee, forthwith pay to the Trustee all sums so held in trust by such Paying Agent; and

(E) not, prior to the date which is one year and one day (or, if longer, the applicable preference period) after the payment in full of the Class A Notes, institute against the Issuer, or voluntarily join in any institution against the Issuer of, any bankruptcy, reorganization, arrangement, insolvency or liquidation proceedings, or other proceedings under any United States federal or state bankruptcy or similar laws of any jurisdiction within or without the United States. Nothing in this subclause (E) shall preclude, or be deemed to stop, the Paying Agent (i) from taking any action prior to the expiration of the aforementioned one year and one day (or longer) period in (A) any case or proceeding voluntarily filed or commenced by the Issuer or (B) any involuntary insolvency proceeding filed or commenced by a Person other than the Paying Agent, or (ii) from commencing against the Issuer or any of its properties any legal action which is not a bankruptcy, reorganization, arrangement, insolvency, moratorium or liquidation proceeding.

The Issuer may at any time, for the purpose of obtaining the satisfaction and discharge of this Indenture or for any other purpose, pay, or by Issuer Order direct any Paying Agent to pay, to the Trustee all sums held in trust by the Issuer or such Paying Agent, such sums to be held by the Trustee upon the same trusts as those upon which such sums were held by the Issuer or such Paying Agent; and, upon such payment by any Paying Agent to the Trustee, such Paying Agent shall be released from all further liability with respect to such money.

Any money deposited with a Paying Agent and not previously returned that remains unclaimed for twenty Business Days shall be returned to the Trustee. Except as otherwise required by applicable law, any money deposited with the Trustee or any Paying Agent in trust for the payment of the principal of or interest or distribution on any Class A Note and remaining unclaimed for two years after such principal, interest or distribution has become due and payable shall be paid to the Issuer on Issuer Request; and the Holder of such Class A Note shall thereafter, as an unsecured general creditor, look only to the Issuer, and all liability of the Trustee or such Paying Agent with respect to such trust money (but only to the extent of the amounts so paid to the Issuer) shall thereupon cease.

Section 7.6 Existence of Issuer.

(a) The Issuer shall take all reasonable steps to maintain its identity as a separate legal entity from that of its members. The Issuer shall keep its principal place of business at the address specified in Section 14.3. The Issuer shall keep separate books and records and will not commingle its respective funds with those of any other Person. The Issuer shall, to the maximum extent permitted by applicable law, keep in full force and effect its rights and franchises as a limited liability company incorporated under the laws of the State of Delaware, shall comply with the provisions of its organizational documents, and shall obtain and preserve its qualification to do business as a foreign limited liability company in each jurisdiction in which such qualification is or shall be necessary to protect the validity and enforceability of this Indenture, the Class A Notes or any of the Collateral.

(b) The Issuer shall ensure that all limited liability company or other formalities regarding its existence (including, to the extent required by applicable law, holding regular member and managers or other similar meetings) are followed and shall conduct business in its name. The Issuer shall not take any action, or conduct its affairs in a manner, that is likely to result in its separate existence being ignored, will fail to correct any known misunderstanding regarding its existence, or in its assets and liabilities being substantively consolidated with any other Person in a bankruptcy, reorganization or other insolvency proceeding. Without limiting the foregoing, (i) the Issuer shall not (A) have any employees (other than members, managers and any other officers appointed in compliance with the Limited Liability Company Agreement), (B) engage in any transaction with any member (other than the issuance of the Issuer's equity) that would constitute a conflict of interest (provided that the Limited Liability Company Agreement, the Collateral Administration Agreement, the Asset Transfer Agreement and the Collateral Management Agreement shall not be deemed to be such a transaction that would constitute a conflict of interest) or (C) pay dividends other than in accordance with the provisions of this Indenture.

Section 7.7 Protection of Collateral.

(a) The Issuer shall from time to time execute and deliver all such supplements and amendments hereto and all such financing statements, continuation statements, instruments of further assurance and other instruments, and shall take such other action as may be necessary to secure the rights and remedies of the Secured Parties hereunder and to:

(i) Grant more effectively all or any portion of the Collateral;

(ii) maintain or preserve the lien (and the priority thereof) of this Indenture or to carry out more effectively the purposes hereof;

(iii) perfect, publish notice of or protect the validity of any Grant made or to be made by this Indenture;

(iv) enforce any of the Pledged Obligations or other instruments or property included in the Collateral;

(v) preserve and defend title to the Collateral and the rights therein of the Trustee and the Secured Parties in the Collateral and the Trustee against the claims of all persons and parties;

(vi) pay any and all taxes levied or assessed upon all or any part of the Collateral and use its commercially reasonable efforts to minimize taxes and any other costs arising in connection with its activities; or

(vii) give, execute, deliver, file and/or record any financing statement, notice, instrument, document, agreement or other papers that may be necessary or desirable to create, preserve, perfect or validate the security interest granted pursuant to this Agreement or to enable the Trustee to exercise and enforce its rights hereunder with respect to such pledge and security interest, and hereby authorizes the Trustee to file a UCC financing statement listing 'all assets of the debtor' in the collateral description of such financing statement.

The Issuer hereby designates the Trustee as its agent and attorney-in-fact to file, upon Issuer Order, any financing statement, continuation statement or other instrument required pursuant to this Section 7.7; provided that such appointment shall not impose upon the Trustee any of the Issuer's obligations under this Section 7.7. The Issuer shall cause to be filed one or more continuation statements under the applicable UCC (it being understood that the Issuer (and to the extent the Trustee takes any action, the Trustee) shall be entitled to rely upon an Opinion of Counsel, including an Opinion of Counsel delivered in accordance with Sections 3.1(c) and 7.8, as to the need to file such financing statements and continuation statements, the dates by which such filings are required to be made and the jurisdictions in which such filings are required to be made).

(b) The Trustee shall not (i) except in accordance with Section 10.6(a), (b) or (c), as applicable, remove any portion of the Collateral that consists of Cash or is evidenced by an instrument, certificate or other writing (A) from the jurisdiction in which it was held at the date the most recent Opinion of Counsel was delivered pursuant to Section 7.8 (or from the jurisdiction in which it was held as described in the Opinion of Counsel delivered at the Closing Date pursuant to Section 3.1(c), if no Opinion of Counsel has yet been delivered pursuant to Section 7.8) or (B) from the possession of the Person who held it on such date or (ii) cause or permit ownership or the pledge of any portion of the Collateral that consists of book-entry securities to be recorded on the books of a Person (A) located in a different jurisdiction from the jurisdiction in which such ownership or pledge was recorded at such date or (B) other than the Person on whose books such ownership or pledge was recorded at such date, unless the Trustee

shall have first received an Opinion of Counsel to the effect that the lien and security interest created by this Indenture with respect to such property will continue to be maintained after giving effect to such action or actions.

Section 7.8 Opinions as to Collateral.

For so long as any Class A Notes are Outstanding, on or before the Payment Date occurring in July of each calendar year, commencing in 2012, the Issuer shall furnish to the Trustee an Opinion of Counsel stating that, in the opinion of such counsel, as of the date of such opinion, all financing statements previously filed in connection with the lien and security interest created by this Indenture remain effective and no additional financing statements, continuation statements or amendments with respect to such financing statements will be required to be filed over the next year to maintain the perfection of the security interest of this Indenture as such security interest otherwise exists on the date of such opinion (or specifying what additional financing statements, continuation statements or amendments are necessary).

Section 7.9 Performance of Obligations.

(a) If an Event of Default shall have occurred and be continuing, the Issuer shall not take any action that would release any principal obligor from any of such principal obligor's covenants or obligations under any Reference Instrument, except in connection with the restructuring, default, waiver or amendment of any Collateral; provided, that a Majority of the Controlling Class shall have consented to such action.

(b) The Issuer may contract with other Persons, including the Collateral Manager and the Collateral Administrator, for the performance of actions and obligations to be performed by the Issuer hereunder by such Persons and the performance of the actions and other obligations with respect to the Collateral of the nature set forth in the Collateral Management Agreement by the Collateral Manager and the Collateral Administration Agreement by the Collateral Administrator. Notwithstanding any such arrangement, the Issuer shall remain primarily liable with respect thereto. In the event of such contract, the performance of such actions and obligations by such Persons shall be deemed to be performance of such actions and obligations by the Issuer; and the Issuer will punctually perform, and use its commercially reasonable efforts to cause the Collateral Manager or such other Person to perform, all of their obligations and agreements contained in the Collateral Management Agreement, the Collateral Administration Agreement or such other agreement.

(c) The Issuer agrees to comply in all material respects with all requirements applicable to them set forth in any Opinion of Counsel obtained pursuant to any provision of this Indenture including satisfaction of any event identified in any Opinion of Counsel as a prerequisite for the obtaining or maintaining by the Trustee of a perfected security interest in any Collateral Obligation, Substitute Collateral Obligation, Eligible Investment or other Collateral that is of first priority, free of any adverse claim or the legal equivalent thereof, as applicable.

Section 7.10 Negative Covenants.

(a) The Issuer will not:

(i) sell, transfer, assign, participate, exchange or otherwise dispose of, or pledge, mortgage, hypothecate or otherwise encumber (by security interest, lien (statutory or otherwise), preference, priority or other security agreement or preferential arrangement of any kind or nature whatsoever or otherwise) (or permit such to occur or suffer such to exist), any part of the Collateral, except as expressly permitted by this Indenture, the Asset Transfer Agreement and the Collateral Management Agreement;

(ii) claim any credit on, or make any deduction from, the principal or interest payable or amounts distributable in respect of the Class A Notes (other than amounts withheld in accordance with the Code or any other applicable law) or assert any claim against any present or future Noteholder by reason of the payment of any taxes levied or assessed upon any part of the Collateral (other than taxes levied or assessed in respect of amounts required to be deducted or withheld from the principal or interest payable in respect of the Class A Notes);

(iii) (A) incur or assume or guarantee any indebtedness or any contingent obligations, other than the Class A Notes, this Indenture and the other agreements and transactions expressly contemplated hereby and thereby or (B) issue any additional securities (other than the issuance of the Issuer's equity on the date hereof or issuances permitted hereunder or under the Asset Transfer Agreement);

(iv) (A) permit the validity or effectiveness of this Indenture or any Grant hereunder to be impaired, or permit the lien of this Indenture to be amended, hypothecated, subordinated, terminated or discharged, or permit any Person to be released from any covenants or obligations with respect to this Indenture or the Class A Notes, except as may be expressly permitted hereby, or by the Collateral Management Agreement, (B) permit any lien, charge, adverse claim, security interest, mortgage or other encumbrance (including any preference, priority or other security agreement or preferential arrangement of any kind or nature whatsoever or otherwise, other than the lien of this Indenture) to be created on or extend to or otherwise arise upon or burden the Collateral or any part thereof, any interest therein or the Proceeds thereof, or (C) take any action that would cause the lien of this Indenture not to constitute a valid perfected security interest in the Collateral that is of first priority, free of any adverse claim or the legal equivalent thereof, as applicable, except as may be expressly permitted hereby (or in connection with a disposition of Collateral required hereby);

(v) make or incur any capital expenditures, except as reasonably required to perform its functions in accordance with the terms of this Indenture;

(vi) become liable in any way, whether directly or by assignment or as a guarantor or other surety, for the obligations of the lessee under any lease, hire any employees or pay any dividends to the Equity Owner (other than in accordance with this Indenture);

(vii) enter into any transaction with any Affiliate or any Noteholder other than (A) the transactions contemplated by this Indenture, the Limited Liability Company, the Collateral Management Agreement, the Asset Transfer Agreement and the Collateral Administration Agreement, (B) the transactions relating to the offering and sale of the Class A Notes or (C) transactions on terms that are no less favorable than those obtainable in an arm's-length transaction with a wholly unaffiliated Person and on terms that are fair and equitable to the Issuer under all the facts or circumstances under applicable law;

(viii) maintain any bank accounts other than the Issuer Accounts and the bank accounts referred to in Section 10.3(d);

(ix) change its name without first delivering to the Trustee notice thereof and an Opinion of Counsel that such name change will not adversely affect the Trustee's lien or the interest hereunder of the Secured Parties or the Trustee;

(x) fail to pay any tax, assessment, charge or fee with respect to the Collateral, or fail to defend any action, if such failure to pay or defend will adversely affect the priority or enforceability of the lien over the Collateral created by this Indenture;

(xi) amend any Transaction Document without (1) the prior written consent of the Majority of the Controlling Class, and (2) satisfying the S&P Rating Condition;

(xii) other than agreements involving purchase and sale relating to the Collateral Portfolio having customary purchase and sale terms, enter into any agreement or contract with any Person unless such contract or agreement contains "limited recourse" provisions and such Person agrees that, prior to the date that is one year and one day after all of the related obligations of the Issuer have been paid in full (or, if longer, the applicable preference period under applicable insolvency law), such Person shall not take any action or institute any proceeding against the Issuer under any insolvency law applicable to the Issuer or which would be reasonably likely to cause the Issuer to be subject to, or seek protection of, any such insolvency law; provided, however, that such Person shall be permitted to become a party to and to participate in any Proceeding or action under any such insolvency law that is initiated by any other Person other than one of its Affiliates;

(xiii) amend any provision of this Indenture or any other agreement entered into by the Issuer with respect to the transactions contemplated hereby, relating to (A) the institution of proceedings for the Issuer to be adjudicated as bankrupt or insolvent, (B) the consent of the Issuer to the institution of bankruptcy or insolvency proceedings against it, (C) the filing with respect to the Issuer of a petition or answer or consent seeking reorganization, arrangement, moratorium or liquidation proceedings, or other proceedings under the Bankruptcy Code or any similar laws, or (D) the consent of the Issuer to the filing of any such petition or the appointment of a receiver, liquidator, assignee, trustee or sequestrator (or other similar official) of the Issuer or any substantial part of its property, respectively;

(xiv) amend any limited recourse or non-petition provision of this Indenture or any limited recourse provision of any other agreement entered into by the Issuer with respect to the transactions contemplated hereby, (which limited recourse or non-petition provision provides that the obligations of the Issuer are limited recourse obligations of the Issuer, payable solely from the Collateral in accordance with the terms of this Indenture and which non-petition provision provides that no party entering into an agreement with the Issuer will initiate insolvency or examinership proceedings against the Issuer);

(xv) amend any non-petition provision of this Indenture or any non-petition provision of any other agreement entered into by the Issuer with respect to the transactions contemplated hereby;

(xvi) acquire any assets or take any action that would require it to register as an "investment company" under the Investment Company Act;

(xvii) fail to correct any known misunderstanding regarding its separate identity;

(xviii) have any employees;

(xix) pay any dividends (other than in accordance with this Indenture);

(xx) enter into any transaction other than on arm's length terms and at market rates other than as expressly permitted pursuant to this Indenture; or

(xxi) take any action or make an election to classify itself as an association taxable as a corporation for federal, state or any applicable tax purposes.

(b) Neither the Issuer nor the Trustee shall sell, transfer, exchange or otherwise dispose of Collateral, or enter into or engage in any business with respect to any part of the Collateral except as expressly permitted or required by this Indenture and the Collateral Management Agreement.

Section 7.11 No Consolidation.

(a) The Issuer shall not consolidate or merge with or into any other Person or, other than the security interest Granted to the Trustee pursuant to this Indenture, convey or transfer its properties and assets substantially as an entirety to any Person.

Section 7.12 [Reserved].

Section 7.13 No Other Business.

The Issuer shall not engage in any business or activity other than issuing the Class A Notes pursuant to this Indenture and selling the Class A Notes, and acquiring, owning, holding, selling, pledging, contracting for the management of and otherwise dealing with Collateral Obligations and other Collateral in connection therewith and such other activities which are necessary, required or advisable to accomplish the foregoing; provided, however, that the Issuer

shall be permitted to enter into any additional agreements not expressly prohibited by Section 7.10(a) and to enter into any amendment, modification, or waiver of existing agreements or such additional agreements, in each case without the consent of any one or more Holders. The Issuer will not amend its Limited Liability Company Agreement without giving notice to the Collateral Manager and without the consent of a Majority of the Controlling Class.

Section 7.14 Compliance with Collateral Management Agreement.

The Issuer agrees to perform all actions required to be performed by it, and to refrain from performing any actions prohibited under, the Collateral Management Agreement. The Issuer also agrees to take all actions as may be necessary to ensure that all of the Issuer's representations and warranties made pursuant to the Collateral Management Agreement are true and correct as of the date thereof and continue to be true and correct for so long as any Class A Notes are Outstanding. The Issuer further agrees not to authorize or otherwise to permit the Collateral Manager to act in contravention of the representations, warranties and agreements of the Collateral Manager under the Collateral Management Agreement.

Section 7.15 Reporting.

At any time when the Issuer is not subject to Section 13 or 15(d) of the Exchange Act and is not exempt from reporting pursuant to Rule 12g-3-2(b) under the Exchange Act, upon the request of a Holder or beneficial owner of a Class A Note, the Issuer shall promptly furnish, or cause to be furnished by the Trustee, Rule 144A Information to such Holder or beneficial owner, to a prospective purchaser of such Class A Note designated by such Holder or beneficial owner, to another designee of such Holder or beneficial owner, as the case may be, in order to permit compliance by such Holder or beneficial owner with Rule 144A in connection with the resale of such Class A Note by such Holder or beneficial owner. Upon request by the Issuer, the Trustee shall cooperate with the Issuer in mailing or otherwise distributing (at the expense of the Issuer) to such Holders or prospective purchasers, at and pursuant to the written direction of the Issuer, the foregoing materials prepared and provided by the Issuer; provided, however, that the Trustee shall be entitled to affix thereto or enclose therewith such disclaimers as the Trustee shall deem reasonably appropriate, at is discretion (such as, for example, a disclaimer to the effect that such Rule 144A Information was assembled by the Issuer and not by the Trustee, that the Trustee has not reviewed or verified the accuracy thereof, and that it makes no representation as to the sufficiency of such information under Rule 144A or for any other purpose).

Section 7.16 Calculation Agent.

(a) The Issuer hereby agrees that for so long as any of the Class A Notes remain Outstanding there will at all times be a calculation agent appointed to calculate LIBOR in accordance with the terms of Schedule C hereto (the "Calculation Agent"). The Calculation Agent appointed by the Issuer must be a leading bank engaged in transactions in Eurodollar deposits in the international Eurodollar market which bank does not control, is not controlled by and is not under common control with, the Issuer, the Collateral Manager or any of their respective Affiliates. The Calculation Agent may be removed by the Issuer at any time. If the Calculation Agent is unable or unwilling to act as such or is removed by the Issuer, or if the Calculation Agent fails to determine any of the information required to be determined as

described in subsection (b), the Issuer will promptly appoint another leading bank meeting the qualifications set forth above to act as Calculation Agent. The Calculation Agent may not resign its duties without a successor having been duly appointed. The Issuer has initially appointed the Trustee as Calculation Agent for purposes of determining LIBOR for the Class A Notes.

(b) The Calculation Agent shall be required to agree that, as soon as practicable after 11:00 a.m., London time, on each LIBOR Determination Date, but in no event later than 11:00 a.m., London time, on the Business Day following such LIBOR Determination Date, the Calculation Agent will calculate the interest rate applicable to the Class A Notes for the following Interest Accrual Period or other Applicable Period, and will as soon as practicable but in no event later than 11:00 a.m., New York time, on the Business Day following such LIBOR Determination Date, communicate such rates, and the amount of interest payable on the next Payment Date in respect of the Class A Notes, with a principal amount of $1,000 (rounded to the nearest cent, with half a cent being rounded upwards), to the Issuer, the Trustee, the Collateral Manager and each Paying Agent.

(c) The Calculation Agent shall be required to specify to the Issuer the quotations upon which each Note Interest Rate is based, and in any event the Calculation Agent shall notify the Issuer before 5:00 p.m. (London time) on each LIBOR Determination Date that either: (i) it has determined or is in the process of determining the Note Interest Rate and the Class A Note Interest Amount or (ii) it has not determined and is not in the process of determining the Note Interest Rate and the Class A Note Interest Amount, together with its reasons therefor.

(d) The Calculation Agent shall be required to agree that it may not, prior to the date which is one year and one day (or, if longer, the applicable preference period) after the payment in full of all Class A Notes, institute against, or join any other Person in instituting against, the Issuer any bankruptcy, reorganization, arrangement, insolvency, moratorium or liquidation proceedings, or other proceedings under federal or state bankruptcy or similar laws. Nothing in this Section 7.16 shall preclude, or be deemed to stop, the Calculation Agent (i) from taking any action prior to the expiration of the aforementioned one year and one day (or longer) period in (A) any case or proceeding voluntarily filed or commenced by the Issuer or (B) any involuntary insolvency proceeding filed or commenced by a Person other than the Calculation Agent, or (ii) from commencing against the Issuer or any of its properties any legal action which is not a bankruptcy, reorganization, arrangement, insolvency, moratorium or liquidation proceeding.

Section 7.17 Certain Tax Matters.

(a) FS Investment Corporation, as tax owner of the Issuer and its assets, including the Collateral, shall pay or cause to be paid all federal, state and local taxes imposed on income derived from the Collateral and timely file, or cause to be filed, all tax returns and information statements and returns relating to the Issuer’s income and assets. It shall also provide, if required, a duly completed IRS Form W-9 (Request for Taxpayer Identification Number and Certification) or any successor to such IRS form, to the payor with respect to any item included in the Collateral at the time such item is purchased or entered into.

(b) To the extent that the Class A Notes are treated as issued for U.S. federal income tax purposes, the Issuer and each Holder and beneficial owner of a Class A Note, by acceptance of its Class A Note, or any interest therein, shall be deemed to have agreed to treat, and shall treat, the Class A Notes as unconditional debt in the Issuer for U.S. federal, state and local income tax purposes.

(c) Each Subsequent Holder by acceptance of its Class A Note or its interest therein, shall be deemed to understand and acknowledge that failure to provide the Issuer, the Equity Owner, the Trustee or any Paying Agent with the applicable U.S. federal income forms and tax certifications, including IRS Form W-9 (Request for Taxpayer Identification Number and Certification), IRS Form W-8BEN (Certification of Foreign Status of Beneficial Owner), IRS Form W-8IMY (Certification of Foreign Intermediary Status), or IRS Form W-8ECI (Certification of Foreign Person's Claim for Exemption from Withholding on Income Effectively Connected with Conduct of a U.S. Trade or Business) or any successors to such IRS forms, may result in U.S. federal withholding from payments in respect of such Class A Note.

(d) Upon written request of the accountants, the Trustee shall provide, and if the Trustee is no longer the Registrar, the Issuer shall have any successor Registrar provide, to such Independent accountants the information required (to the extent such information is normally maintained by or normally available to the Trustee or Registrar), including a copy of the Register, by the Independent accountants to comply with their obligations under this Section 7.17.

(e) A Majority of the Subsequent Holders, or the Trustee at the direction of the Majority of the Subsequent Holders, shall have the right to request and, within 3 Business Days following receipt of such request the Issuer shall provide to such Holders and the Trustee, an opinion of a nationally recognized U.S. tax counsel experienced in such matters that is acceptable to the Trustee stating that the Class A Notes will be debt for United States federal income tax purposes.

Section 7.18 Representations Relating to Security Interests in the Collateral.

(a) The Issuer hereby represents and warrants that, as of the Closing Date (which representations and warranties shall survive the execution of this Indenture and be deemed to be repeated on each date on which Collateral is Granted to the Trustee hereunder), with respect to the Collateral:

(i) The Issuer owns and has good and marketable title to such Collateral free and clear of any lien, claim or encumbrance of any person, other than such as are created under, or expressly permitted by, this Indenture.

(ii) Other than the security interest Granted to the Trustee pursuant to this Indenture and other than any security interest granted in certain Collateral in connection with financing prior to the Closing Date (which security interest will be terminated as of the Closing Date), except as expressly permitted by this Indenture, the Issuer has not pledged, assigned, sold, granted a security interest in, or otherwise conveyed any of the Collateral. The Issuer has not authorized the filing of and is not aware of any financing statements against the Issuer that include a description of collateral covering the Collateral other than any financing statement relating to the security interest granted to the Trustee hereunder or that has been terminated; the Issuer is not aware of any judgment, PBGC liens or tax lien filings against the Issuer.

(iii) All Issuer Accounts constitute “securities accounts”.

(iv) This Indenture creates a valid and continuing security interest (as defined in the UCC) in such Collateral in favor of the Trustee, for the benefit and security of the Secured Parties, which security interest is prior to all other liens, claims and encumbrances (except as expressly permitted otherwise in this Indenture), and is enforceable as such against creditors of and purchasers from the Issuer.

(b) The Issuer hereby represents and warrants that, as of the Closing Date (which representations and warranties shall survive the execution of this Indenture and be deemed to be repeated on each date on which Collateral is Granted to the Trustee hereunder), with respect to Collateral that constitutes Instruments:

(i) Either (x) the Issuer has caused or will have caused, within ten days of the Closing Date, the filing of all appropriate financing statements in the proper office in the appropriate jurisdictions under applicable law in order to perfect the security interest in the Instruments granted to the Trustee, for the benefit and security of the Secured Parties, hereunder or (y)(A) all original executed copies of each promissory note or mortgage note that constitutes or evidences the Instruments have been delivered to the Trustee or the Issuer has received written acknowledgement from a custodian that such custodian is holding the mortgage notes or promissory notes that constitute evidence of the Instruments solely on behalf of the Trustee and for the benefit of the Secured Parties and (B) none of the Instruments that constitute or evidence the Collateral has any marks or notations indicating that they have been pledged, assigned or otherwise conveyed to any Person other than the Trustee, for the benefit of the Secured Parties.

(ii) The Issuer has received, or expects to receive, all consents and approvals required by the terms of the Collateral to the pledge hereunder to the Trustee of its interest and rights in the Collateral.

(c) The Issuer hereby represents and warrants that, as of the Closing Date (which representations and warranties shall survive the execution of this Indenture and be deemed to be repeated on each date on which Collateral is Granted to the Trustee hereunder), with respect to the Collateral that constitute Security Entitlements:

(i) All of such Collateral has been and will have been credited to one of the Issuer Accounts which are securities accounts within the meaning of the UCC. The Issuer Account Securities Intermediary for each Issuer Account has agreed to treat all assets credited to such Issuer Account as “financial assets” within the meaning of the UCC.

(ii) The Issuer has received all consents and approvals required by the terms of the Collateral to the pledge hereunder to the Trustee of its interest and rights in the Collateral.

(iii) Either (x) the Issuer has caused or will have caused, within ten days of the Closing Date, the filing of all appropriate financing statements in the proper office in the appropriate jurisdictions under applicable law in order to perfect the security interest granted to the Trustee, for the benefit and security of the Secured Parties, hereunder or (y)(A) the Issuer has delivered to the Trustee a fully executed Securities Account Control Agreement pursuant to which the Issuer Account Securities Intermediary has agreed to comply with all instructions originated by the Trustee relating to the Issuer Accounts without further consent by the Issuer or (B) the Issuer has taken all steps necessary to cause the Issuer Accounts Securities Intermediary to identify in its records the Trustee as the person having a security entitlement against the Issuer Accounts Securities Intermediary in each of the Issuer Accounts.

(iv) The Issuer Accounts are not in the name of any person other than the Issuer or the Trustee. The Issuer has not consented to the Issuer Accounts Securities Intermediary's compliance with entitlement orders of any Person other than the Trustee.

(d) The Issuer hereby represents and warrants that, as of the Closing Date (which representations and warranties shall survive the execution of this Indenture and be deemed to be repeated on each date on which Collateral is Granted to the Trustee hereunder), with respect to Collateral that constitutes general intangibles:

(i) The Issuer has caused or will have caused, within ten days of the Closing Date, the filing of all appropriate financing statements in the proper filing office in the appropriate jurisdictions under applicable law in order to perfect the security interest in the Collateral granted to the Trustee, for the benefit and security of the Secured Parties, hereunder.

(ii) The Issuer has received, or will receive, all consents and approvals required by the terms of the Collateral to the pledge hereunder to the Trustee of its interest and rights in the Collateral.

(e) The Issuer and the Trustee agree that the representations and warranties contained in this Section 7.18 may not be waived by any party, other than through amendment effected pursuant to Article VIII hereof.

Section 7.19 Certain Regulations.

Each of the Issuer and the Collateral Manager understands that Executive Orders issued by the President of the United States of America, Federal regulations administered by OFAC and other federal laws prohibit, among other things, U.S. persons or persons under jurisdiction of the United States from engaging in certain transactions with, the provision of certain services to, and making certain investments in, certain foreign countries, territories, entities and individuals, and that the lists of prohibited countries, territories, entities and individuals can be found on, among other places, the OFAC website at www.treas.gov/ofac. None of the Issuer, the Collateral Manager or any of their respective Affiliates, owners, directors or officers is, or is acting on behalf of, a country, territory, entity or individual named on such lists, and none of the Issuer, the Collateral Manager or any of their respective Affiliates, owners, directors or officers is a natural

person or entity with whom dealings with U.S. persons or persons under the jurisdiction of the United States are prohibited under any OFAC regulation or other applicable federal law or acting on behalf of such a person or entity. The Issuer does not own and will not acquire, and the Collateral Manager will not cause the Issuer to own or acquire, any security issued by, or interest in, any country, territory, or entity whose direct ownership by U.S. persons or persons under the jurisdiction of the U.S. would be or is prohibited under any OFAC regulation or other applicable federal law.

Section 7.20 Control Rights.

The Issuer shall not, and shall cause the Collateral Manager to not, and the Collateral Manager shall not, exercise any request, demand, instruction, authorization, direction, notice, consent, waiver or similar action (including in connection with a Permitted Offer) with respect to any material amendments, modifications, waivers or consents of any Collateral Obligation without the prior written consent of the Majority of the Controlling Class; *provided*, for the avoidance of doubt, without regard to the Reinvestment Criteria, the Collateral Manager, on behalf of the Issuer, may consent to solicitations by the issuer or obligor of a Collateral Obligation to extend the maturity of such Collateral Obligation unless the maturity would be extended to a date after the Stated Maturity of the Notes.

Section 7.21 Control Rights upon Occurrence of Cause.

(a) Upon the occurrence of Cause under the Collateral Management Agreement: (i) the Issuer's and the Collateral Manager's right to effect sales and other dispositions of the Collateral Portfolio will be immediately suspended; (ii) the Issuer and the Collateral Manager shall obtain the consent of the Majority of the Controlling Class before effecting any sale or disposition of the Collateral Portfolio or before exercising any request, demand, instruction, authorization, direction, notice, consent, waiver or similar action (including in connection with a Permitted Offer) with respect to any amendments, modifications, waivers or consents of any Collateral Obligation, and (iii) the Issuer shall, upon written direction by a Majority of the Controlling Class, sell or otherwise dispose of any Collateral Portfolio within 3 Business Days after receipt of such direction.

(b) Upon the occurrence of Cause under the Collateral Management Agreement, the Majority of the Controlling Class shall have the right to engage a collateral advisor (the "Collateral Advisor"), the fees and expenses of which shall be borne by the Issuer in accordance with the Priority of Payments.

Section 7.22 Section 3(c)(7) Procedures

(a) The Issuer shall send to the Noteholders a Section 3(c)(7) Reminder Notice at the times required under Section 10.5(f). Without limiting the foregoing, if the Global Notes are issued in accordance with Section 2.2(c), the Issuer shall send, or cause to be sent, a copy of each report referred to in Section 10.5 to DTC, with a request that DTC forward each such report to the relevant DTC participants for further delivery to beneficial owners of the Global Notes.

(b) If the Global Notes are issued in accordance with Section 2.2(c), the Issuer will direct DTC to take the following steps in connection with the Rule 144A Global Class A Notes:

(i) The Issuer will direct DTC to include the "3c7" marker in the DTC 20-character security descriptor and the 48-character additional descriptor for the Rule 144A Global Class A Notes in order to indicate that transfers are limited to Qualified Purchasers that are Qualified Institutional Buyers.

(ii) The Issuer will direct DTC to cause each physical DTC deliver order ticket delivered by DTC to purchasers to contain the DTC 20-character security descriptor; and will direct DTC to cause each DTC deliver order ticket delivered by DTC to purchasers in electronic form to contain the "3c7" indicator and a related user manual for participants, which will contain a description of the relevant restrictions.

(iii) The Issuer will instruct DTC to send an Important Section 3(c)(7) Notice to all DTC participants in connection with the offering of the Rule 144A Global Class A Notes.

(iv) The Issuer will advise DTC that it is a Section 3(c)(7) issuer and will request DTC to include the Rule 144A Global Class A Notes in DTC's "Reference Directory" of Section 3(c)(7) offerings.

(v) The Issuer will from time to time (upon the request of the Trustee, the Registrar or the Collateral Administrator) request DTC to deliver to the Issuer a list of all DTC participants holding an interest in the Rule 144A Global Class A Notes.

(c) If the Global Notes are issued in accordance with Section 2.2(c), the Issuer shall from time to time request all third-party vendors to include on screens maintained by such vendors appropriate legends regarding Rule 144A and Section 3(c)(7) restrictions on the Rule 144A Global Class A Notes. Without limiting the foregoing, the Issuer will request Bloomberg, L.P. to include the following on each Bloomberg screen containing information about the Rule 144A Global Class A Notes:

(i) The "Note Box" on the bottom of the "Security Display" page describing each Rule 144A Global Class A Note should state: "Iss'd Under 144A/3c7."

(ii) The "Security Display" page should have a flashing red indicator stating "See Other Available Information."

(iii) Such indicator should link to an "Additional Security Information" page, which should state that the Rule 144A Global Class A Notes "are being offered in reliance on the exemption from registration under Rule 144A to Persons that are both (1) qualified institutional buyers (as defined in Rule 144A) and (2) qualified purchasers (as defined under Section 3(c)(7) under the Investment Company Act of 1940).

The Issuer shall cause each "CUSIP" number obtained for the Rule 144A Global Class A Notes to have an attached "fixed field" that contains "3c7" and "144A" indicators.

Section 7.23 S&P Rating Confirmation Failure:

(a) Within 10 Business Days after the Second Effective Date, the Issuer shall provide, or cause the Collateral Manager to provide, to S&P a Microsoft Excel file ("Excel Default Model Input File") that provides all of the inputs required to determine whether the S&P CDO Monitor Test has been satisfied and the Collateral Manager shall provide a Microsoft Excel file including, at a minimum, the following data with respect to each Collateral Obligation: CUSIP number (if any), name of Obligor, coupon, spread (if applicable), legal final maturity date, average life, principal balance, whether such Collateral Obligation is settled or not at such time, settlement date (if such Collateral Obligation is settled), purchase price (if such Collateral Obligation is not yet settled), S&P Recovery Rate, LoanX ID (if any) and such other information as the Issuer or the Collateral Administrator may determine to include in such file. In addition, such electronic spreadsheet file shall include the balance of cash and the Principal Balance of each Eligible Investment.

(b) If S&P does not provide written confirmation of its Initial Rating of the Class A Notes (such event, an "S&P Rating Confirmation Failure") within 40 Business Days after the Second Effective Date, then the Issuer (or the Collateral Manager on the Issuer's behalf) will instruct the Trustee to transfer amounts from the Interest Collection Account to the Principal Collection Account and may, prior to the following Payment Date, use such funds on behalf of the Issuer for the purchase of additional Collateral Obligations until such time as S&P has provided written confirmation of its initial rating of the Class A Notes; provided that, in lieu of (or in conjunction with) such Collateral Obligation purchase, the Issuer (or the Collateral Manager on the Issuer's behalf) may take such action, including, but not limited to, a transfer of amounts from the Interest Collection Account to the Principal Collection Account to repay principal on the Class A Notes, sufficient to enable the Issuer (or the Collateral Manager on the Issuer's behalf) to obtain written confirmation from S&P of its Initial Rating of the Class A Notes; provided, further, that amounts may not be transferred from the Interest Collection Account to the Principal Collection Account in accordance with this Section 7.23(b) if, after giving effect to such transfer, the amounts available pursuant to the Priority of Payments on the next succeeding Payment Date would be insufficient to pay in the full amount of the accrued and unpaid interest on the Class A Notes.

(c) The failure of the Issuer to satisfy the requirements of this Section 7.23 will not constitute an Event of Default unless such failure constitutes an Event of Default under Section 5.1(d) hereof and the Issuer, or the Collateral Manager acting on behalf of the Issuer, has acted in bad faith.

(d) Weighted Average S&P Recovery Rate. On or prior to the Second Effective Date, the Collateral Manager shall elect the Weighted Average S&P Recovery Rate in accordance with Section 2 of Schedule C that shall on and after the Second Effective Date apply to the Collateral Obligations for purposes of determining compliance with the Minimum Weighted Average S&P Recovery Rate Test and the Collateral Manager will notify the Trustee and the Collateral Administrator of such election by providing written notice in the form of Exhibit H. Thereafter, at any time on written notice to the Trustee, the Collateral Administrator and the Rating Agency, the Collateral Manager may elect a different Weighted Average S&P Recovery Rate to apply to the Collateral Obligations; provided that, if: (i) the Collateral Obligations are currently in compliance with the Weighted Average S&P Recovery Rate case then applicable to the Collateral Obligations, the Collateral Obligations comply with the

Weighted Average S&P Recovery Rate case to which the Collateral Manager desires to change or (ii) the Collateral Obligations are not currently in compliance with the Weighted Average S&P Recovery Rate case then applicable to the Collateral Obligations and would not be in compliance with any other Weighted Average S&P Recovery Rate case, the Weighted Average S&P Recovery Rate to apply to the Collateral Obligations shall be the lowest Weighted Average S&P Recovery Rate in Section 2 of Schedule C. If the Collateral Manager does not notify the Trustee, the Collateral Administrator and the Rating Agency that it will alter the Weighted Average S&P Recovery Rate in the manner set forth above, the Weighted Average S&P Recovery Rate chosen on or prior to the Second Effective Date shall continue to apply. As of the Second Effective Date, the Weighted Average S&P Recovery Rate will correspond to case 53 of the chart in Section 2 of Schedule C.

Section 7.24 Compliance with Rule 17g-5:

(a) To enable the Rating Agencies to comply with their obligations under Rule 17g-5, the Issuer shall post on a password-protected internet website, at the same time such information is provided to the Rating Agencies, all information the Issuer provides to the Rating Agencies for the purposes of determining the initial credit rating of the Class A Notes or undertaking credit rating surveillance of the Class A Notes. In the case of information provided for the purposes of undertaking credit rating surveillance of the Class A Notes, such information shall be posted on a password protected internet website in accordance with the procedures set forth in Section 7.24(b).

(b) (i) To the extent that the Rating Agency makes an inquiry or initiates communications with the Issuer, the Collateral Manager, the Collateral Administrator or the Trustee that is relevant to the Rating Agency's credit rating surveillance of the Class A Notes, all responses to such inquiries or communications from the Rating Agency shall be formulated in writing by the responding party or its representative or advisor and shall be provided to the 17g-5 Information Provider who shall promptly post such written response to the 17g-5 Information Provider's Website in accordance with the procedures set forth in Section 7.24(b)(iv), and after the responding party or its representative or advisor receives written notification from the 17g-5 Information Provider (which the 17g-5 Information Provider agrees to provide on a reasonably prompt basis) (which may be in the form of e-mail) that such response has been posted on the 17g-5 Information Provider's Website, such responding party or its representative or advisor may provide such response to such Rating Agency.

(ii) To the extent that any of the Issuer, the Collateral Manager, the Collateral Administrator or the Trustee is required to provide any information to, or communicate with, the Rating Agency in accordance with its obligations under this Indenture or the Collateral Management Agreement, the Issuer, the Collateral Manager, the Collateral Administrator or the Trustee, as applicable (or their respective representatives or advisors), shall provide such information or communication to the 17g-5 Information Provider by e-mail at ratingagencynotice@citi.com, which the 17g-5 Information Provider shall promptly upload to the 17g-5 Information Provider's Website in accordance with the procedures set forth in Section 7.24(b)(iv), and after the applicable party has received written notification from the 17g-5 Information Provider (which the 17g-5 Information Provider agrees to provide on a reasonably prompt basis) (which may be in the form of e-mail) that such information has been uploaded to the 17g-5 Information Provider's Website, the applicable party or its representative or advisor shall provide such information to such Rating Agency.

(iii) The Issuer, the Collateral Manager, the Collateral Administrator and the Trustee (and their respective representatives and advisors) shall be permitted (but shall not be required) to orally communicate with any Rating Agency regarding any Collateral Obligation or the Notes; provided, that such party summarizes the information provided to the Rating Agency in such communication and provides the 17g-5 Information Provider with such summary in accordance with the procedures set forth in this Section 7.24 within one Business Day of such communication taking place. The 17g-5 Information Provider shall post such summary on the 17g-5 Information Provider's Website in accordance with the procedures set forth in Section 7.24(b)(iv).

(iv) All information to be made available to the Rating Agencies pursuant to this Section 7.24(b) shall be made available by the 17g-5 Information Provider on the 17g-5 Information Provider's Website. Information will be posted on the same Business Day of receipt provided that such information is received by 12:00 p.m. (Eastern time) or, if received after 12:00 p.m. (Eastern time), on the next Business Day. The 17g-5 Information Provider shall have no obligation or duty to verify, confirm or otherwise determine whether the information being delivered is accurate, complete, conforms to the transaction or otherwise is or is not anything other than what it purports to be. In the event that any information is delivered or posted in error, the 17g-5 Information Provider may remove it from the 17g-5 Information Provider's Website. None of the Trustee, the Collateral Manager, the Collateral Administrator and the 17g-5 Information Provider shall have obtained or shall be deemed to have obtained actual knowledge of any information solely due to receipt and posting to the 17g-5 Information Provider's Website. Access will be provided by the 17g-5 Information Provider to (A) any NRSRO (other than the Rating Agencies) upon receipt by the Issuer and the 17g-5 Information Provider of an NRSRO Certification from such NRSRO (which may be submitted electronically via the 17g-5 Information Provider's Website) and (B) to the Rating Agencies, without submission of an NRSRO Certification. Questions regarding delivery of information to the 17g-5 Information Provider may be directed to 800-422-2066.

(v) In connection with providing access to the 17g-5 Information Provider's Website, the 17g-5 Information Provider may require registration and the acceptance of a disclaimer. The 17g-5 Information Provider shall not be liable for unauthorized disclosure of any information that it disseminates in accordance with this Section 7.24(b) and makes no representations or warranties as to the accuracy or completeness of information made available on the 17g-5 Information Provider's Website. The 17g-5 Information Provider shall not be liable for its failure to make any information available to the Rating Agencies or NRSROs unless such information was delivered to the 17g-5 Information Provider at the email address set forth in this Section 7.24(b), with a subject heading of "Locust Street Funding CLO" and sufficient detail to indicate that such information is required to be posted on the 17g-5 Information Provider's Website.

(vi) Notwithstanding anything to the contrary herein, failure to satisfy the terms of this Section 7.24 shall not be considered an Event of Default or a breach of this Indenture.

Section 7.25 Annual Rating Review

(a) So long as any of the Class A Notes remain Outstanding and are rated by S&P, on or before September 26th in each year commencing in 2013, the Issuer shall obtain and pay for an annual review of the rating of the Class A Notes from S&P. The Issuer shall promptly notify the Trustee and the Collateral Manager in writing (and the Trustee shall promptly provide the Holders with a copy of such notice) if at any time the then-current rating of the Class A Notes has been, or is known will be, changed or withdrawn; provided, however, that the Trustee shall have no obligation to monitor the rating of the Class A Notes and shall only provide the Holders with a copy of any notices received from the Issuer regarding such downgrade.

(b) The Issuer shall obtain and pay for an annual review of any Collateral Obligation which has a S&P Rating derived as set forth in clause (ii)(b) of the part of the definition of the term "S&P Rating".

ARTICLE VIII.

SUPPLEMENTAL INDENTURES

Section 8.1 Supplemental Indentures.

Any provision of this Indenture may be amended, modified or waived if, and only if, such amendment, modification or waiver is in writing and signed, in the case of an amendment, by the parties hereto, or in the case of a waiver, by the party against whom the waiver is to be effective, and in each case to which (1) a Majority of the Controlling Class has given its consent, not to be unreasonably withheld or delayed, and (2) the S&P Rating Condition is satisfied. Any purported amendment, modification or waiver that is not in compliance with this Section 8.1 will be void *ab initio*.

Not later than 15 Business Days prior to the execution of any proposed supplemental indenture pursuant to this Section 8.1, the Trustee, at the expense of the Issuer, shall mail to the Noteholders and the Collateral Manager a copy of any proposed supplemental indenture.

Promptly after the execution by the Issuer and the Trustee of any supplemental indenture pursuant to this Section 8.1, the Trustee, at the expense of the Issuer, shall mail to the Holders of the Class A Notes, the Rating Agency and the Collateral Manager a copy of such supplemental indenture. Any failure of the Trustee to publish or mail such notice, or any defect therein, shall not, however, in any way impair or affect the validity of any such supplemental indenture.

Section 8.2 Execution of Supplemental Indentures.

In executing or accepting the additional trusts created by any supplemental indenture permitted by this Article VIII or the modifications thereby the Trustee shall be entitled to receive, and shall be fully protected in relying upon an Opinion of Counsel stating that the execution of such supplemental indenture is authorized or permitted by this Indenture and that all conditions precedent thereto have been complied with. The Trustee may, but shall not be obligated to, enter into any such supplemental indenture which affects the Trustee's own rights, duties or immunities under this Indenture or otherwise.

Section 8.3 Effect of Supplemental Indentures.

Upon the execution of any supplemental indenture under this Article VIII, this Indenture shall be modified in accordance therewith, and such supplemental indenture shall form a part of this Indenture for all purposes; and every Holder of Class A Notes theretofore and thereafter authenticated and delivered hereunder shall be bound thereby.

Section 8.4 Reference in Class A Notes to Supplemental Indentures.

Class A Notes authenticated and delivered after the execution of any supplemental indenture pursuant to this Article VIII may, and if required by the Issuer shall, bear a notation in form approved by the Issuer as to any matter provided for in such supplemental indenture. If the Issuer shall so determine, new Class A Notes, so modified as to conform in the opinion of the Trustee and the Issuer to any such supplemental indenture, may be prepared and executed by the Issuer and authenticated and delivered by the Trustee in exchange for Outstanding Class A Notes.

Section 8.5 Effect on the Collateral Manager; Effect on the Collateral Administrator.

(a) Unless the Collateral Manager has been given prior written notice of such amendment and has consented thereto in writing, no supplemental indenture may (a) affect the obligations or rights of the Collateral Manager under this Indenture or the Collateral Management Agreement including, without limitation, modifying the restrictions on the purchases or sales of Collateral Obligations or the Eligibility Criteria, the Coverage Tests or the Concentration Limitations or expanding or restricting the Collateral Manager's discretion, (b) affect the amount or priority of any fees or other amounts payable to the Collateral Manager under the Collateral Management Agreement and this Indenture or (c) otherwise materially and adversely affect the Collateral Manager.

(b) Unless the Collateral Administrator has been given prior written notice of such amendment and has consented thereto in writing, no supplemental indenture may (a) affect the obligations or rights of the Collateral Administrator including, without limitation, expanding or restricting the Collateral Administrator's discretion, (b) affect the amount or priority of any fees or other amounts payable to the Collateral Administrator under the Collateral Administration Agreement and this Indenture or (c) otherwise materially and adversely affect the Collateral Administrator.

ARTICLE IX.

REDEMPTION OF SECURITIES

Section 9.1 Optional Redemption.

(a) The Class A Notes shall be redeemable in whole or in part by the Issuer on (i) any Payment Date during or after the Non Call Period in the event of a Tax Event or (ii) any Payment Date after the Non Call Period, in each case, at the written direction of, or with the written consent of, the Redemption Control Class; provided, however, that any payments made pursuant to an optional redemption under this clause (ii), shall not, when aggregated with any principal

payments made on the Class A Notes pursuant to the Priority of Payments, exceed $120,000,000 for any six-months period. Any such redemption shall be effected from Liquidation Proceeds in accordance with the Priority of Payments at the Redemption Price plus accrued and unpaid interest. The determination of whether sufficient Liquidation Proceeds are available for the optional redemption of the Class A Notes shall be made in compliance with the provisions of Section 9.1(c).

(b) In connection with an optional redemption pursuant to Section 9.1(a), the Collateral Manager shall direct the Trustee in writing to sell, and the Trustee shall sell in the manner directed by the Collateral Manager in writing and in accordance with Section 9.2, any Collateral Obligation and upon any such sale the Trustee shall release such Collateral Obligation pursuant to Section 10.6.

(c) The Issuer may not direct the Trustee to sell (and the Trustee shall not be obligated to release the lien upon) any Collateral Obligation unless, (1) in the case of an optional redemption under Section 9.1(a)(i), there will be sufficient Liquidation Proceeds after giving effect to such sales to pay the amounts specified in Sections 11.1(a)(C)(i) through (iii) and (2) in the case of an optional redemption under Section 9.1(a)(ii), there will be sufficient Liquidation Proceeds after giving effect to such sales to pay the amounts specified in Section 11.1(a)(C)(i) through (iii) and either:

(i) the Collateral Manager shall furnish to the Trustee, at least seven Business Days prior to the applicable Redemption Date, a certificate certifying that the Collateral Manager on behalf of the Issuer has entered into a binding agreement or agreements (including in the form of a confirmation of sale) with a financial institution or institutions whose short-term unsecured debt obligations have a credit rating of at least “A-1” from S&P or with a Person that the Collateral Manager has determined to be appropriate to purchase, not later than the Business Day immediately preceding such Redemption Date, in immediately available funds, all or a portion of the Collateral Obligations at a purchase price at least equal to an amount sufficient, together with any other amounts available to be used for such optional redemption (including the proceeds of the sale of any Eligible Investments) to pay all amounts specified in this Section 9.1(c); or

(ii) at least ten Business Days prior to the applicable Redemption Date and prior to selling any Collateral Obligations and/or Eligible Investments the Collateral Manager certifies to the Trustee that the expected proceeds from such sale (calculated as provided in the next succeeding paragraph) together with any other amounts available to be used for such optional redemption (including the proceeds of the sale of any Eligible Investments) will be delivered to the Trustee two Business Days prior to (but in no event later than the Business Day immediately preceding) the Redemption Date, in immediately available funds and will equal or exceed all amounts specified in this Section 9.1(c).

For purposes of determining the expected proceeds from a sale for purposes of the immediately preceding paragraph, the expected proceeds shall be deemed to be (1) the Market Value of the Eligible Investments and, if Collateral Obligations are to be sold on the Business Day of the certification, the Market Value of the Collateral Obligations; or (2) the product of (x) the Purchase Price Percentage of the Collateral Obligations set forth in the applicable column of the table below based upon the period of time between the certification and the expected date of sale and (y) the outstanding principal amount of such Collateral Obligations.

Collateral Type	Number of Business Days Between Certification and Expected Sale		
	1 to 2	3 to 5	6 or more
Loans (other than loans with a Purchase Price Percentage of less than 90%)	98%	97%	95%
Loans with a Purchase Price Percentage of less than 90%	95%	93%	90%

For the avoidance of doubt, the Issuer may, in effecting a sale contemplated by subclause (i) of Section 9.1(c), enter into one or more participation agreements or similar arrangements with the purchaser of the Collateral Obligations whereby, in connection with the Issuer's receipt of the purchase price with respect to all or a portion of the Collateral Obligations, the Issuer shall grant to such purchaser a participation interest in all or a portion of such Collateral Obligations and agree to use commercially reasonable efforts (or such other efforts as shall be specified) to complete the transfer of such Collateral Obligations to such purchaser thereafter.

(d) Installments of interest and principal due on or prior to a Redemption Date which shall not have been paid or duly provided for shall be payable on the Redemption Date to the Holders of the affected Class A Notes as of the relevant Redemption Record Dates. Upon receipt of the direction of the Redemption Control Class, the Issuer shall deliver an Issuer Order to the Trustee directing the Trustee to make the payment to the Paying Agent of the amounts payable or distributable in accordance with Section 11.1(a)(C) from funds in the Issuer Accounts in accordance with the Priority of Payments. The Issuer shall deposit, or cause to be deposited, the funds required for an optional redemption in the Payment Account on or before the Business Day prior to the Redemption Date.

(e) The Collateral Manager, on behalf of the Issuer, shall set the Redemption Date and the Redemption Record Date and give written notice thereof to the Trustee pursuant to Section 9.2.

Section 9.2 Notice to Trustee of Optional Redemption.

If the Redemption Control Class desires to direct the Issuer to optionally redeem all or a part of the Class A Notes pursuant to Section 9.1, the Redemption Control Class shall notify the Trustee in writing no less than forty-five (45) days (or such shorter period as may be acceptable to the Trustee) prior to the proposed Redemption Date (which must be a Business Day). The Trustee will promptly notify the Issuer, the Collateral Manager, the Collateral Administrator and the Equity Owner or the Controlling Class, as the case may be, of the receipt of such notice. If the Equity Owner also wishes to direct the Issuer to optionally redeem the Class A Notes, it must so notify the Trustee (who shall promptly notify the Issuer and the Collateral Manager, of such direction) within ten Business Days after receipt of such notice. If the requirements of Section 9.1 for redemption have been met as evidenced by an Officer's Certificate of the Issuer or the Collateral Manager on behalf of the Issuer, the Issuer shall effect an optional redemption in whole or in part of the Class A Notes pursuant to the procedures described herein.

Section 9.3 Notice by the Issuer of Optional Redemption or of Maturity.

The Trustee forward the notice received by the Trustee of any optional redemption pursuant to Section 9.1 or of the Maturity of any Class A Notes by first-class mail, postage prepaid, mailed to each Noteholder at such Holder's address in the Register and to the Rating Agency, in each case not less than ten Business Days prior to the applicable Redemption Date or Maturity.

All notices of redemption shall state:

(a) the applicable Redemption Date and Redemption Record Date (which shall be a date after the date on which such notice is deemed to be given pursuant to Section 14.4);

(b) (i) in the case of an optional redemption under Section 9.1(a)(i), the amounts payable to Holders of each Class A Note and (ii) in the case of an optional redemption under Section 9.1(a)(ii), the Redemption Price plus accrued and unpaid interest for all or a portion of the Class A Notes, as applicable;

(c) the Class A Notes that are being paid in full and that interest on such Class A Notes shall cease to accrue on the date specified in the notice;

(d) the place or places where such Class A Notes to be redeemed in whole, if applicable, are to be surrendered for payment of the amounts specified under this Indenture, which shall be the office or agency of the Issuer to be maintained as provided in Section 7.4; and

(e) that the Issuer shall have the option to withdraw such notice if certain requirements set forth in this Indenture have not been met, and identifying the latest possible date upon which such notice of redemption may be withdrawn.

The Issuer shall have the option to withdraw the notice of redemption on or prior to the sixth Business Day prior to the proposed Redemption Date by written notice to the Trustee, the Equity Owner requesting or consenting to such optional redemption and the Collateral Manager, if (i) the Collateral Manager shall be unable to deliver such sale agreement or agreements or certificates, as the case may be, in the form required under Section 9.1(c) of this Indenture or (ii) the Redemption Control Class directs such notice be withdrawn; provided, however, that the Redemption Control Class may not direct such notice be withdrawn if the conditions set forth in Section 9.1(c) have been satisfied. Notice of withdrawal having been given as aforesaid, the Trustee shall provide notice of such withdrawal to each Holder of Class A Notes to be redeemed at such Holder's address appearing in the Register by overnight courier (when possible) guaranteeing next day delivery (unless the address provided in the Register maintained by the Registrar is insufficient for such purposes, in which event such notice shall be given by first class mail, postage prepaid) not later than the third Business Day prior to the scheduled Redemption Date.

Notice of redemption shall be given by the Issuer or, at the Issuer's request, by the Trustee in the name and at the expense of the Issuer. Failure to give notice of redemption, or any defect therein, to any Holder of any Class A Note selected for redemption shall not impair or affect the validity of the redemption of any other Class A Note.

Section 9.4 Class A Notes Payable on Redemption Date.

Notice of redemption having been given as aforesaid and not withdrawn, the Class A Notes so to be redeemed shall, on the Redemption Date, become due and payable at the amounts therein specified, and from and after the Redemption Date (unless a default is made in the payment of any such amounts) such Class A Notes shall cease to bear interest. Upon final payment on a Class A Note to be redeemed, the Holder shall present and surrender such Class A Note at the place specified in the notice of redemption on or prior to such Redemption Date; provided, however, that if there is delivered to the Issuer and the Trustee such security or indemnity as may be required by them to save each of them harmless and an undertaking thereafter to surrender such Class A Note, then, in the absence of notice to the Issuer or the Trustee that the applicable Class A Note has been acquired by a Protected Purchaser, such final payment shall be made without presentation or surrender.

If any Class A Note called for optional redemption shall not be paid upon surrender thereof for redemption, the principal thereof shall, until paid, bear interest from the Redemption Date at the Note Interest Rate for each successive Interest Accrual Period the Class A Note remains Outstanding.

ARTICLE X.

ACCOUNTS, ACCOUNTINGS AND RELEASES

Section 10.1 Collection of Money.

Except as otherwise expressly provided herein, the Trustee may demand payment or delivery of, and shall receive and collect, directly and without intervention or assistance of any fiscal agent or other intermediary, all money and other property payable to or receivable by the Trustee pursuant to this Indenture, including all payments due on the Collateral, in accordance with the terms and conditions of such Collateral. The Trustee shall segregate and hold all such money and property received by it in the Issuer Accounts in trust for the Holders of the Class A Notes and shall apply it as provided in this Indenture. If a default occurs in the making of any payment or performance in connection with any Collateral, the Trustee shall, subject to Section 6.13, take such action as may be appropriate to enforce such payment or performance, including the institution and prosecution of appropriate proceedings.

The accounts established by the Trustee pursuant to this Indenture may include any number of sub-accounts deemed necessary by the Trustee or requested by the Collateral Manager for convenience in administering the Accounts and the Collateral Obligations.

Each Issuer Account shall be established and maintained (a) with a federal or state-chartered depository institution with a short-term rating of at least “A-1” by S&P (or a long-term rating of at least “A+” by S&P if such institution has no short-term rating) and if such institution’s short-term rating falls below “A-1” by S&P (or its long-term rating falls below “A+” by S&P if such institution has no short-term rating), the assets held in such Account shall be transferred within 60 calendar days to another institution that has a short-term rating of at least “A-1” by S&P (or which has a long-term rating of at least “A+” by S&P if such institution

has no short-term rating) or (b) with respect to securities accounts, in segregated trust accounts with the corporate trust department of a federal or state-chartered deposit institution subject to regulations regarding fiduciary funds on deposit similar to Title 12 of the Code of Federal Regulation Section 9.10(b). Such institution shall have a combined capital and surplus of at least U.S.$200,000,000.

All investment or application of funds in accordance with Section 10.3 shall be made pursuant to an Issuer Order (which may be in the form of standing instructions) executed by an Authorized Officer of the Collateral Manager. The Issuer shall at all times direct the Trustee or the Issuer Accounts Securities Intermediary, as applicable to, and, upon receipt of such Issuer Order, the Trustee or the Issuer Accounts Securities Intermediary shall, invest or cause the investment of, pending application in accordance with Section 10.3, all funds received into the Issuer Accounts (other than the Payment Account) during a Due Period (except when such funds shall be required to be disbursed hereunder), and amounts received in prior Due Periods and retained in any Issuer Account, as so directed, in Eligible Investments. If, prior to the occurrence of an Event of Default, the Issuer shall not have given any such investment directions, the Trustee shall seek instructions from the Issuer within three Business Days after transfer of such funds to the applicable Issuer Account. If the Trustee does not thereupon receive written instructions from the Issuer within five Business Days after transfer of such funds to such Issuer Account, it shall invest and reinvest the funds held in such Issuer Account, as fully as practicable, but only in one or more Eligible Investments maturing (as selected by the Collateral Manager in a writing delivered to the Trustee) no later than the third Business Day prior to the next Payment Date unless such Eligible Investments are issued by the Bank, in which event such Eligible Investments may mature up to the Business Day preceding such Payment Date. After the occurrence and during the continuance of an Event of Default, the Trustee shall invest and reinvest, or cause the investment or reinvestment of, such monies as fully as practicable in Eligible Investments (as selected by the Collateral Manager in a writing delivered to the Trustee) maturing not later than the earlier of (i) 30 days after the date of such investment or (ii) the third Business Day prior to the next Payment Date unless such Eligible Investments are issued by the Bank, in which event such Eligible Investments may mature up to the Business Day preceding such Payment Date. In the absence of any direction from the Collateral Manager the Trustee shall invest amounts on deposit in each Issuer Account in Eligible Investments of the type described in clause (ii) of the definition thereof. All interest and other income from such Eligible Investments shall be deposited into the applicable Issuer Accounts and transferred to the Interest Collection Account, and any gain realized from such investments shall be credited to the Interest Collection Account, and any loss resulting from such investments shall be charged to the Interest Collection Account. Except as otherwise provided herein, the Trustee shall not in any way be held liable by reason of any insufficiency of funds in any Issuer Account resulting from any loss relating to any such investment; and the Trustee shall not be under any obligation to invest any funds held hereunder except as otherwise expressly set forth herein.

Section 10.2 Interest Collection Account.

(a) The Issuer shall, on or prior to the Closing Date, establish at the Issuer Accounts Securities Intermediary a segregated trust account in the name “Locust Street Funding LLC, subject to the lien of Citibank, N.A., as Trustee on behalf of the Secured Parties,” which shall be designated as the Interest Collection Account, which shall be held by the Issuer Accounts

Securities Intermediary in accordance with the Securities Account Control Agreement into which the Issuer shall, from time to time, deposit all Interest Proceeds (unless simultaneously reinvested in Collateral Obligations, subject to the Reinvestment Criteria, or in Eligible Investments) except as otherwise provided in Article X. In addition, the Issuer may, but under no circumstances shall be required to, deposit or cause to be deposited from time to time such monies in the Interest Collection Account as it deems, in its sole discretion, to be advisable. All monies deposited from time to time in the Interest Collection Account pursuant to this Indenture shall be held in trust by the Trustee as part of the Collateral and shall be applied to the purposes provided herein. The Trustee agrees to give the Issuer notice as soon as practicable under the circumstances if it becomes aware that the Interest Collection Account or any funds on deposit therein, or otherwise to the credit of the Interest Collection Account, shall become subject to any writ, order, judgment, warrant of attachment, execution or similar process. The Issuer shall not have any legal, equitable or beneficial interest in the Interest Collection Account other than in accordance with the provisions of this Indenture and the Securities Account Control Agreement. At all times, the Interest Collection Account shall remain at an institution that satisfies the requirements of Section 10.1.

(b) Subject to Section 10.3(c), all property in the Interest Collection Account, together with any securities in which funds included in such property are or will be invested or reinvested during the term of this Indenture, and any income or other gain realized from such investments, shall be held by the Issuer Accounts Securities Intermediary in the Interest Collection Account as part of the Collateral subject to disbursement and withdrawal as provided in this Section 10.2 and Section 10.3(c) or transferred to the Principal Collection Account in accordance with Section 7.23. The Trustee, within one Business Day after becoming aware of the receipt of any Distribution or other Proceeds that is not Cash, shall so notify the Collateral Manager on behalf of the Issuer and the Issuer shall, within 10 Business Days of receipt of such notice from the Trustee, sell such Distributions or other Proceeds for Cash in an arm's length transaction and deposit the Proceeds thereof in the Interest Collection Account for investment pursuant to this Section 10.2; provided, however, that the Issuer need not sell such Distributions or other Proceeds if it delivers an Officer's Certificate to the Trustee certifying that such Distributions or other Proceeds constitute Collateral Obligations or Eligible Investments and that all steps necessary to cause the Trustee to have a perfected lien therein that is of first priority, free of any adverse claim or the legal equivalent thereof, as applicable, have been taken; and provided, further, that any Exchanged Equity Security shall be sold or liquidated in the manner provided for in Section 12.1(c).

(c) The Issuer shall, on or prior to the Closing Date, establish at the Issuer Accounts Securities Intermediary a segregated trust account in the name Locust Street Funding LLC, subject to the lien of Citibank, N.A., as Trustee on behalf of the Secured Parties," which shall be designated as the Collateral Account, which shall be held by the Issuer Accounts Securities Intermediary in accordance with the Securities Account Control Agreement into which the Issuer shall from time to time deposit Collateral. All Collateral deposited from time to time in the Collateral Account pursuant to this Indenture shall be held in trust by the Trustee as part of the Collateral and shall be applied to the purposes provided herein. The Trustee agrees to give the Issuer notice as soon as practicable under the circumstances if it becomes aware that the Collateral Account or any funds on deposit therein, or otherwise to the credit of the Collateral Account, shall become subject to any writ, order, judgment, warrant of attachment, execution or

similar process. The Issuer shall not have any legal, equitable or beneficial interest in the Collateral Account other than in accordance with the provisions of this Indenture and the Securities Account Control Agreement. At all times, the Collateral Account shall remain at an institution that satisfies the requirements of Section 10.1.

Section 10.3 Principal Collection Account; Payment Account; and Expense Reserve Account.

(a) The Issuer shall, prior to the Closing Date, establish at the Issuer Accounts Securities Intermediary a segregated trust account in the name "Locust Street Funding LLC, subject to the lien of Citibank, N.A., as Trustee on behalf of the Secured Parties," which shall be designated as the Principal Collection Account, which shall be held by the Issuer Accounts Securities Intermediary in accordance with the Securities Account Control Agreement. Any and all funds at any time on deposit in, or otherwise to the credit of, the Principal Collection Account shall be held in trust by the Trustee for the benefit of the Secured Parties. The Trustee agrees to give the Issuer notice as soon as practicable under the circumstances if the Principal Collection Account or any funds on deposit therein, or otherwise to the credit of the Principal Collection Account, shall become subject to any writ, order, judgment, warrant of attachment, execution or similar process. The Issuer shall not have any legal, equitable or beneficial interest in the Principal Collection Account other than in accordance with the provisions of this Indenture and the Securities Account Control Agreement. At all times, the Principal Collection Account shall remain at an institution that satisfies the requirements of Section 10.1.

(b) All Deposits made pursuant to Section 3.2(c), all Increases made pursuant to Section 2.13 or all issuances of additional notes made pursuant to Section 2.14 and all Principal Proceeds received that have not been reinvested in Substitute Collateral Obligations upon the receipt of such Principal Proceeds shall be deposited into the Principal Collection Account. All such funds, together with any Eligible Investments made with such funds, shall be held by the Issuer Accounts Securities Intermediary in the Principal Collection Account as part of the Collateral subject to disbursement and withdrawal as provided in this Section 10.3(b) and Section 10.3(c). Any income or other gain realized from Eligible Investments in the Principal Collection Account shall be transferred to the Interest Collection Account and disbursed and withdrawn in accordance with Section 10.2 above.

During the Initial Investment Period, upon the receipt of an Issuer Order, the Trustee and the Issuer Accounts Securities Intermediary shall reinvest funds on deposit in the Principal Collection Account in Collateral Obligations as permitted under and in accordance with Section 3.4(a) and, after the Effective Date, the Reinvestment Criteria and other provisions hereunder.

After the Initial Investment Period and prior to the end Reinvestment Period, upon the receipt of an Issuer Order, the Issuer Accounts Securities Intermediary shall reinvest funds on deposit in the Principal Collection Account in Collateral Obligations as permitted under and in accordance with the requirements of Article XII and such Issuer Order. Any unused proceeds remaining in the Principal Collection Account at the end of the Reinvestment Period (other than Reinvestment Income (which shall be treated as Interest Proceeds)) shall be applied as Principal Proceeds on the first Payment Date following the end of the Reinvestment Period.

Notwithstanding the foregoing, (I) on any Determination Date on which the Class A Par Value Test is not satisfied or (II) on any Determination Date on or after the Second Determination Date on which the Class A Interest Coverage Test is not satisfied, Principal Proceeds in the Principal Collection Account in an amount necessary to satisfy such Coverage Test shall be transferred to the Payment Account for application as Principal Proceeds on the related Payment Date.

(c) The Issuer shall, on or prior to the Closing Date, establish at the Issuer Accounts Securities Intermediary a segregated trust account in the name "Locust Street Funding LLC, subject to the lien of Citibank, N.A., as Trustee on behalf of the Secured Parties," which shall be designated as the Payment Account, which shall be held by the Issuer Accounts Securities Intermediary in accordance with the Securities Account Control Agreement. Any and all funds at any time on deposit in, or otherwise to the credit of, the Payment Account shall be held in trust by the Trustee for the benefit of the Secured Parties. Except as provided in Section 11.1 and in this Section 10.3, the only permitted withdrawal from or application of funds on deposit in, or otherwise to the credit of, the Payment Account shall be to pay the interest on and the principal of and premium, if any, on the Class A Notes in accordance with the provisions of this Indenture and, upon Issuer Order to pay Administrative Expenses and other amounts specified in the Priority of Payments in accordance with the Priority of Payments and Section 13.1. The Trustee agrees to give the Issuer notice as soon as practicable under the circumstances if it becomes aware that the Payment Account or any funds on deposit therein, or otherwise to the credit of the Payment Account, shall become subject to any writ, order, judgment, warrant of attachment, execution or similar process. The Issuer shall not have any legal, equitable or beneficial interest in the Payment Account other than in accordance with the provisions of this Indenture and the Securities Account Control Agreement. At all times, the Payment Account shall remain at an institution that satisfies the requirements of Section 10.1.

The Issuer or the Collateral Manager on behalf of the Issuer shall direct the Trustee in writing to, and upon the receipt of such written instructions, the Trustee shall, cause the transfer to the Payment Account, for application pursuant to Section 11.1(a), on the first Business Day preceding each Payment Date, or, in the event such funds are permitted to be available in the Interest Collection Account or the Principal Collection Account, as the case may be, on the Business Day preceding each Payment Date pursuant to Section 10.1 of any amounts then held in Cash in (i) the Interest Collection Account and (ii) the Principal Collection Account (other than Cash that the Collateral Manager is permitted to and elects to retain in such account for subsequent reinvestment in Collateral Obligations) and any Reinvestment Income on amounts in the Principal Collection Account, other than Proceeds received after the end of the Due Period with respect to such Payment Date.

(d) The Issuer shall, on or prior to the Closing Date, establish at the Issuer Accounts Securities Intermediary a segregated trust account in the name "Locust Street Funding LLC, subject to the lien of Citibank, N.A., as Trustee on behalf of the Secured Parties," which shall be designated as the Expense Reserve Account, which shall be held by the Issuer Accounts Securities Intermediary in accordance with the Securities Account Control Agreement, into which the Issuer shall deposit the Expense Reserve Amount as required pursuant to Section 3.2(c)(ii). Any and all funds at any time on deposit in, or otherwise to the credit of, the Expense Reserve Account shall be held in trust by the Trustee for the benefit of the Secured Parties. At

the written direction of the Collateral Manager or the Issuer, the Trustee may at any time withdraw funds deposited in the Expense Reserve Account solely to pay for any fees or expenses incurred by or on behalf of the Issuer in connection with (i) the structuring and consummation of the issuance of the Class A Notes or any issuance of additional notes in accordance with Section 2.14 or (ii) the Effective Date or the Second Effective Date ((i) or (ii) above, the "Reserved Expenses"). Amounts in the Expense Reserve Account will be invested in overnight funds that are Eligible Investments in accordance with the written instructions of the Collateral Manager (which may be in the form of standing instructions) and will, for the avoidance of doubt, not be included in the Coverage Tests. At the written direction of the Collateral Manager, the Trustee may at any time transfer amounts deposited in the Expense Reserve Account to the Interest Collection Account for application as Interest Proceeds and/or to the Principal Collection Account for application as Principal Proceeds so long as the Collateral Manager has confirmed to the Trustee that there are sufficient funds remaining in the Expense Reserve Account after such transfer to pay for all accrued but unpaid Reserved Expenses. On the earlier of (i) the first Payment Date and (ii) the Business Day that the Collateral Manager has confirmed to the Trustee that all Reserved Expenses have been paid by the Issuer, the Trustee shall transfer any amount remaining in the Expense Reserve Account to the Interest Collection Account and/or the Principal Collection Account (as directed by the Collateral Manager) and close the Expense Reserve Account. Any amounts transferred from the Expense Reserve Account to the Principal Collection Account will be treated as Principal Proceeds and any amounts transferred from the Expense Reserve Account to the Interest Collection Account will be treated as Interest Proceeds. At all times, the Expense Reserve Account shall remain at an institution that satisfies the requirements of Section 10.1.

Section 10.4 Reports by Trustee.

The Trustee shall make available in a timely fashion to the Issuer and the Collateral Manager any information regularly maintained by the Trustee and the Collateral Administrator that the Issuer or the Collateral Manager may from time to time reasonably request with respect to the Pledged Obligations or the Issuer Accounts reasonably needed to complete the Valuation Report and the Monthly Report or to provide any other information reasonably available to the Trustee by reason of its acting as Trustee hereunder and required to be provided by Section 10.5 or to permit the Collateral Manager to perform its obligations under the Collateral Management Agreement. The Trustee or the Collateral Administrator shall, in a timely fashion, forward to the Collateral Manager copies of notices and other writings received by it, in its capacity as Trustee or the Collateral Administrator, as applicable, hereunder, from the obligor or other Person with respect to any Collateral Obligation or from any Clearing Agency with respect to any Collateral Obligation advising the holders of such obligation of any rights that the holders might have with respect thereto (including notices of calls and redemptions thereof) as well as all periodic financial reports received from such obligor or other Person with respect to such obligation and Clearing Agencies with respect to such obligor. The Issuer and the Collateral Manager shall likewise cooperate by providing in a timely fashion to the Trustee and the Collateral Administrator such information in such party's possession as maintained or reasonably available to it hereunder in respect of the Pledged Securities or otherwise reasonably necessary to permit the Trustee or the Collateral Administrator, as applicable, to perform its duties hereunder and, with respect to the Collateral Administrator, under the Collateral Administration Agreement.

Nothing in this Section 10.4 shall be construed to impose upon the Trustee or the Collateral Administrator any duty to prepare any report or statement required under Section 10.5 or to calculate or compute information required to be set forth in any such report or statement other than information regularly maintained by the Trustee by reason of its acting as Trustee hereunder.

Section 10.5 Accountings.

If the Trustee shall not have received any accounting provided for in this Section 10.5 on the first Business Day after the date on which such accounting is due to the Trustee, the Trustee on behalf of the Issuer shall cause such accounting to be made by the applicable Payment Date or Special Payment Date, as the case may be.

(a) Monthly. Commencing in September 2011, (i) in the case of a month in which there is no Payment Date, not later than the sixth (6th) Business Day after the 28th day of such month and (ii) in the case of a month in which there is a Payment Date, one Business Day prior to such Payment Date, the Issuer shall compile, or cause to be compiled, a report (the "Monthly Report") and the Issuer shall then provide or make available such Monthly Report by facsimile, overnight courier or electronic mail to the Trustee, the Collateral Administrator, the Collateral Manager and any Holder of the Class A Notes and, upon written request in the form of Exhibit D attached hereto, by first class mail or electronic mail to any other Noteholder (or its designee), provided that a Monthly Report may be provided to any such party by posting such Monthly Report on the Trustee's website and providing access thereto to such parties. Such written request from a Noteholder (or its designee) may be submitted directly to the Trustee, and the Trustee shall forward such written request to the Issuer for processing. The Monthly Report shall contain the following information and instructions with respect to the Collateral, determined as of (1) in the case of a month in which there is no Payment Date, the 20th day of the applicable month and (2) in the case of a month in which there is a Payment Date, the Determination Date for such Payment Date:

(i) With respect to the Collateral Portfolio:

(A) the Aggregate Principal Amount of the Collateral Obligations and the Eligible Investments;

(B) the Principal Balance, annual interest rate (including the basis for such rate), maturity date (including the later date if such maturity date is extended), issuer of each Collateral Obligation and Eligible Investment and where the issuer of each Collateral Obligation and Eligible Investment is organized, as the case may be;

(C) the CUSIP, LIN or any other security identifier, if any, of each Collateral Obligation and Eligible Investment, as the case may be;

(D) the identity of each Collateral Obligation and Eligible Investment that has been placed on watch by any Rating Agency and the watch list status;

(E) the S&P Recovery Rate for each Collateral Obligation; and

(F) An indication as to whether each such Collateral Obligation is (1) a Senior Secured Loan, (2) a Second Lien Loan, (3) a Senior Unsecured Loan, (4) a Defaulted Obligation, (5) a Participation (indicating the related Selling Institution and its ratings by each Rating Agency), (6) a Subordinated Loan, (7) a Fixed Rate Collateral Obligation; (8) a DIP Loan; (9) a First Lien Last Out Loan, (10) a Deferrable Obligation (indicating whether such Deferrable Obligation is a Deferring Obligation) or (11) a LIBOR Floor Obligation;

(ii) the nature, source and amount of any Proceeds in each of the Issuer Accounts including the Interest Proceeds and Principal Proceeds (stating separately the amount of Sale Proceeds), received since the date of determination of the last Monthly Report;

(iii) the number, identity and, if applicable, principal amount of any Collateral that was released for sale or other disposition (specifying the category under Article XII under which it falls) and the number, identity and, if applicable, par value of Collateral acquired by the Issuer and in which the Issuer, pursuant to this Indenture, has Granted an interest to the Trustee since the date of determination of the last Monthly Report (or, in the case of the first Monthly Report, since the Closing Date);

(iv) (a) the identity of each Collateral Obligation which became a Defaulted Obligation since the date of determination of the last Monthly Report (or, in the case of the first Monthly Report, since the Closing Date) and the date on which such Collateral Obligation became a Defaulted Obligation, (b) the identity of each Collateral Obligation that is a Defaulted Obligation as of the date of determination of the current Monthly Report (or, in the case of the first Monthly Report, as of the Closing Date), the date on which such Collateral Obligation became a Defaulted Obligation and the Market Value of such Defaulted Obligation as of the date of determination of the current Monthly Report, and (c) the Aggregate Principal Amount of all Defaulted Obligations;

(v) the purchase or sale price of each item of Collateral acquired by the Issuer and in which the Issuer, pursuant to this Indenture, has Granted an interest to the Trustee and each item of Collateral sold by the Issuer, in each case, since the date of determination of the last Monthly Report (or, in the case of the first Monthly Report, since the Closing Date) and the identity of the purchasers or sellers thereof, if any, which are Affiliated with the Issuer or the Collateral Manager;

(vi) the Coverage Tests and whether the Coverage Tests are satisfied;

(vii) the Class A Par Value Ratio;

(viii) (1) the Minimum Weighted Average Fixed Rate Coupon, the Weighted Average Fixed Rate Coupon and whether the Minimum Weighted Average Fixed Rate Coupon Test is satisfied, and (2) the Minimum Weighted Average Floating Spread, the Weighted Average Floating Spread and whether the Minimum Weighted Average Floating Spread Test is satisfied;

(ix) the level at which each of the criteria of the Concentration Limitations is satisfied, the calculation of each of the criteria of the Concentration Limitations and whether each of the criteria satisfies the Concentration Limitations;

(x) (A) the identity and Principal Balance of each Collateral Obligation that was upgraded or downgraded since the most recent Monthly Report (or, in the case of the first Monthly Report, since the Closing Date), (B) the Moody's rating and S&P rating of such Collateral Obligation prior to such upgrade or downgrade, as applicable, and (C) the Aggregate Principal Amount of Collateral Obligations that were (1) upgraded and (2) downgraded, respectively since the most recent Monthly Report (or, in the case of the first Monthly Report, since the Closing Date);

(xi) the percentage of the Aggregate Principal Amount of the Collateral Portfolio that consists of Participations with Selling Institutions falling into the rating category set forth in the definition of the term "Selling Institution";

(xii) with respect to the determination of the "Market Value" of any Collateral Obligation, the identity of the dealers from which the Collateral Manager tried to obtain bids;

(xiii) with respect to the S&P CDO Monitor Test:

(1) the Weighted Average Life; and

(2) the data produced by the test result page of the S&P CDO Monitor Test; and

(xiv) such other information as the Trustee, Collateral Manager or the Majority of the Controlling Class may reasonably request regarding the Class A Notes and the Collateral therefor.

On the same date that the Monthly Report is delivered, the Issuer shall cause to be made available to S&P the Excel Default Model Input File (provided that the specific parameters identified by S&P have been delivered to the Issuer) and an electronic file containing the list of collateral, in each case determined as of the Monthly Report; provided, however, that if a Payment Date occurs in such month, such determination shall be made as of the Determination Date for such Payment Date and such information shall be delivered one Business Day before such Payment Date.

Upon receipt of each Monthly Report, the Trustee shall compare the information contained therein to the information contained in its records with respect to the Collateral and shall, within three Business Days after receipt of such Monthly Report, notify the Issuer and the Collateral Manager if the information contained in the Monthly Report does not conform to the information maintained by the Trustee in its records and detail any discrepancies. In the event that any discrepancy exists, the Trustee and the Issuer, or the Collateral Manager on behalf of the Issuer, shall attempt to resolve the discrepancy. If such discrepancy cannot be promptly resolved, the Trustee shall within five Business Days cause the Independent accountants appointed by the Issuer pursuant to Section 10.7 to review such Monthly Report and the

Trustee's records to determine the cause of such discrepancy. If such review reveals an error in the Monthly Report or the Trustee's records, the Monthly Report or the Trustee's records shall be revised accordingly and, as so revised, shall be utilized in making all calculations pursuant to this Indenture.

(b) Payment Date Accounting. The Issuer shall compile or cause to be compiled a report (the "Valuation Report") and the Issuer shall then provide, or cause to be provided, such Valuation Report by facsimile, overnight courier or electronic mail to the Trustee (who shall make such Valuation Report available to any Holder of Class A Notes (or its designee) by access to its website or by first class mail upon written request therefor in the form of Exhibit D attached hereto) not later than one Business Day prior to the related Payment Date (or, with respect to the Stated Maturity of any Class A Note, on the Payment Date). The Valuation Report shall contain the following information:

(i) the Aggregate Principal Amount of the Collateral Obligations as of the close of business on such Determination Date, after giving effect to (A) Proceeds received on the Collateral Obligations with respect to the related Due Period and the reinvestment of such Proceeds in Substitute Collateral Obligations or Eligible Investments during such Due Period and (B) the release of any Collateral Obligations during such Due Period;

(ii) the Aggregate Outstanding Amount of the Class A Notes as a Dollar figure and as a percentage of the original Aggregate Outstanding Amount of the Class A Notes at the beginning of the Due Period, the amount of principal payments to be made on the Class A Notes on the next Payment Date and the Aggregate Outstanding Amount of the Class A Notes as a Dollar figure and as a percentage of the original Aggregate Outstanding Amount of the Class A Notes, in each case after giving effect to the principal payments, if any, for such Payment Date;

(iii) the Class A Interest Distribution Amount payable to the Holders of the Class A Notes for such Payment Date (in the aggregate) and the amount of Interest Proceeds and Principal Proceeds payable to the Equity Owner (in each case determined as of the related Determination Date);

(iv) the amount of Principal Proceeds to be applied pursuant to Section 11.1(a)(B)(i) (in each case determined as of the related Determination Date);

(v) the Administrative Expenses payable for such Payment Date on an itemized basis (determined as of the related Determination Date);

(vi) for the Interest Collection Account:

(A) the Balance on deposit in the Interest Collection Account at the end of the related Due Period;

(B) the amounts payable from the Interest Collection Account (through a transfer to the Payment Account) pursuant to subclauses (i) through (v) of Section 11.1(a)(A) and subclauses (i) through (v) of Section 11.1(a)(B) for such Payment Date; and

(C) the Balance remaining in the Interest Collection Account immediately after all payments and deposits to be made on such Payment Date (determined as of the related Determination Date);

(vii) for the Principal Collection Account:

(A) the Balance on deposit in the Principal Collection Account at the end of the related Due Period;

(B) the amounts, if any, payable from the Principal Collection Account (through a transfer to the Payment Account) as Interest Proceeds pursuant to Section 11.1(a)(A) and as Principal Proceeds pursuant to Section 11.1(a)(B) for such Payment Date (in each case determined as of the related Determination Date); and

(C) the Balance remaining in the Principal Collection Account immediately after all payments and deposits to be made on such Payment Date (determined as of the related Determination Date);

(viii) the amount of Defaulted Interest, if any, with respect to any Class A Notes and the Collateral Management Fee (in each case determined as of the related Determination Date);

(ix) the amount of any Class A Notes that have been issued after the Closing Date and the date of such issuances (determined as of the related Determination Date);

(x) the Principal Payments received during the related Due Period;

(xi) the Principal Proceeds received during the related Due Period;

(xii) the Interest Proceeds received during the related Due Period;

(xiii) the amounts payable pursuant to each subclause of Section 11.1(a)(A) and Section 11.1(a)(B) on the related Payment Date (in each case determined as of the related Determination Date);

(xiv) the identity of each Collateral Obligation that became a Defaulted Obligation during the related Due Period;

(xv) the identity of any Collateral Obligations that were released for sale or other disposition, indicating whether such Collateral Obligation is a Defaulted Obligation, a Withholding Tax Security, an Equity Security or an Exchanged Equity Security and whether such Collateral Obligation, an Equity Security or Exchanged Equity Security was sold or disposed of pursuant to Section 12.1(a), (b), (c) or (e), since the last Valuation Report; and

(xvi) such other information as the Trustee, Collateral Manager or the Majority of the Controlling Class may reasonably request regarding the Class A Notes and the Collateral therefor.

(c) Payment Date Instructions. Each Valuation Report shall contain instructions to the Trustee to withdraw on the related Payment Date from the Payment Account and pay or transfer the amounts set forth in such report in the manner specified, and in accordance with the priorities established, in Section 11.1 and Article XIII.

(d) Redemption Date Instructions. Not less than five Business Days after receiving an Issuer Request requesting information regarding a redemption of Class A Notes as of a proposed Redemption Date set forth in such Issuer Request, the Trustee shall provide the necessary information (to the extent it is available to the Trustee) to the Issuer, the Collateral Administrator and the Collateral Manager, and the Issuer, or, to the extent so received, the Collateral Manager on behalf of the Issuer, shall compute the following information and provide such information in a statement (the "Redemption Date Statement") delivered to the Trustee:

(i) The Aggregate Outstanding Amount of the Class A Notes to be redeemed as of such Redemption Date;

(ii) (a) in the case of an optional redemption under Section 9.1(a)(i), the amounts payable to Holders of each Class A Note and (b) in the case of an optional redemption under Section 9.1(a)(ii), the Redemption Price for the Class A Notes, including, in each of subclause (a) and (b) above, the amount of accrued interest due on each Class A Note to be redeemed, accrued to the Redemption Date; and

(iii) The amount in the Issuer Accounts available for application to the redemption of the Class A Notes.

To the extent the Trustee is required to provide any information or reports that it is not otherwise required to provide pursuant to this Section 10.5 as a result of the failure of the Issuer or the Collateral Manager to provide such information or reports, the Trustee on behalf of the Issuer shall be entitled to retain an Independent certified public accountant in connection therewith and the reasonable costs for such Independent certified public accountant shall be payable by the Issuer as Administrative Expenses.

(e) Valuation Report/Monthly Report. Notwithstanding any provision to the contrary contained in this Indenture, in the case of a month in which there is a Payment Date, the Issuer, or the Collateral Manager on behalf of the Issuer, need not compile a separate Monthly Report and Valuation Report but may in lieu thereof compile a combined report that contains the information, determined as of the Determination Date, required by Section 10.5(a) and Section 10.5(b). Such combined report shall otherwise be subject to all of the requirements set forth in the first paragraphs of Section 10.5(a) and Section 10.5(b).

(f) Section 3(c)(7) Reminder Notice. Pursuant to Section 7.22, the Issuer shall provide, or cause to be provided, to each Holder a Section 3(c)(7) Reminder Notice on each Payment Date.

(g) Distribution of Reports. The Trustee will make the Monthly Report and the Valuation Report available via its internet website. The Trustee's internet website shall initially be located at "www.sf.citidirect.com". Assistance in using the website can be obtained by calling the Trustee's customer service desk at (800) 422-2066. Parties that are unable to use the above distribution option are entitled to have a paper copy mailed to them via first class mail by calling the customer service desk and indicating such. The Trustee shall have the right to change the way such statements are distributed in order to make such distribution more convenient and/or more accessible to the above parties and the Trustee shall provide timely and adequate notification to all above parties regarding any such changes. As a condition to access to the Trustee's internet website, the Trustee may require registration and the acceptance of a disclaimer. The Trustee shall be entitled to rely on but shall not be responsible for the content or accuracy of any information provided in the Monthly Report and the Valuation Report which the Trustee disseminates in accordance with this Indenture and may affix thereto any disclaimer it deems appropriate in its reasonable discretion.

Section 10.6 Custodianship and Release of Collateral.

(a) Subject to Article XII, the Issuer may, by Issuer Order delivered to the Trustee at least two Business Days prior to the settlement date for any sale of a Collateral Obligation (or in the case of subclause (v), below, loan) (x) in the case of Defaulted Obligations, Withholding Tax Securities, or Equity Securities, direct the Trustee to release such Collateral Obligation and, upon receipt of such Issuer Order, the Trustee shall deliver any such Collateral Obligation, if in physical form, duly endorsed to the broker or purchaser designated in such Issuer Order or against receipt of the sales price therefor as set forth in such Issuer Order; provided, however, that the Trustee may deliver any such Collateral Obligation in physical form for examination in accordance with street delivery custom, or (y) if no Event of Default has occurred and is continuing, certify that (i) it has determined that a Collateral Obligation has become a Defaulted Obligation (which certification shall contain a short statement of the reason for such determination), and in each case, that the sale of such Collateral Obligation will comply with Section 12.1(a), (ii) during the Initial Investment Period, the sale of such Collateral Obligation and the proposed purchase and delivery of Substitute Collateral Obligations will comply with Section 3.4(a), (iii) the sale of such Collateral Obligation will comply with Section 12.1(a), or (iv) the sale of such Collateral Obligation is being effected in conjunction with a redemption pursuant to Section 9.1(a), and direct the Trustee to release such Collateral Obligation and, upon receipt of such Issuer Order, the Trustee shall deliver any such Collateral Obligation, if in physical form, duly endorsed to the broker or purchaser designated in such Issuer Order or against receipt of the sales price therefor as set forth in such Issuer Order; provided, however, that the Trustee may deliver any such Collateral Obligation in physical form for examination in accordance with street delivery custom.

(b) Subject to Article XII, the Issuer may, by Issuer Order delivered to the Trustee at least two Business Days prior to the date set for redemption or payment in full of a Pledged Obligation or other item of Collateral and certifying that such Collateral Obligation is being redeemed or paid in full, direct the Trustee, or at the Trustee's instructions, the Issuer Accounts Securities Intermediary, to deliver such Collateral Obligation, if in physical form, duly endorsed, to cause it to be presented, or otherwise appropriately deliver or present such security or debt obligation, to the appropriate Paying Agent therefor or other Person responsible for payment

thereon on or before the date set for redemption or payment, in each case against receipt of the redemption price or payment in full thereof. Except with respect to Defaulted Obligations, Withholding Tax Securities and Equity Securities, if an Event of Default has occurred and is continuing at the time of such direction, the Trustee, if so directed by a Majority of the Controlling Class, shall disregard such direction.

(c) Subject to Article XII, the Issuer may, by Issuer Order, delivered to the Trustee at least two Business Days prior to the date set for an exchange, tender or sale, certifying that a Collateral Obligation is subject to an Offer and setting forth in reasonable detail the procedure for response to such Offer, direct the Trustee or, at the Trustee's instructions, the Issuer Accounts Securities Intermediary, to deliver such security or debt obligation, if in physical form, duly endorsed, or, if such security is a Collateral Obligation for which a Security Entitlement has been created in an Issuer Account, to cause it to be delivered, or otherwise appropriately deliver or present such security or debt obligation, in accordance with such Issuer Order, in each case against receipt of payment therefor. Except with respect to Defaulted Obligations, Withholding Tax Securities and Equity Securities, if an Event of Default has occurred and is continuing at the time of such direction, the Trustee, if so directed by a Majority of the Controlling Class, shall disregard such direction.

(d) The Trustee shall deposit any proceeds received from the disposition of a Pledged Obligation in the Principal Collection Account and/or the Interest Collection Account, as the case may be, unless directed to simultaneously applied to the purchase of Substitute Collateral Obligations or Eligible Investments as permitted under and in accordance with this Article X and Article XII.

(e) The Trustee shall, upon receipt of an Issuer Order at such time as there are no Class A Notes Outstanding and all obligations of the Issuer hereunder have been satisfied (as evidenced by an Officer's Certificate), release the Collateral from the lien of this Indenture.

Section 10.7 Reports by Independent Accountants.

(a) On or prior to the Closing Date the Issuer shall appoint a firm of Independent certified public accountants of recognized international reputation for purposes of preparing and delivering the reports or certificates of such accountants required by this Indenture. Upon any resignation by such firm, the Issuer shall promptly appoint by Issuer Order delivered to the Trustee a successor thereto that shall also be a firm of Independent certified public accountants of recognized international reputation. If the Issuer shall fail to appoint a successor to a resigned firm of Independent certified public accountants which has resigned within 30 days after such resignation, the Issuer shall promptly notify the Trustee of such failure in writing. If the Issuer shall not have appointed a successor within 10 days thereafter, the Trustee on behalf of the Issuer shall promptly appoint a successor firm of Independent certified public accountants of recognized international reputation. The fees of such Independent certified public accountants and its successor shall be payable by the Issuer as Administrative Expenses. Any agreement pursuant to which such Independent certified public accountants are appointed shall contain limited recourse and non-petition language as against the Issuer equivalent to that contained in this Indenture. In the event such firm requires the Trustee to agree to the procedures performed by such firm, the Issuer hereby directs the Trustee to so agree; it being understood and agreed

that the Trustee will deliver such letter of agreement in conclusive reliance on the foregoing direction of the Issuer, and the Trustee shall make no inquiry or investigation as to, and shall have no obligation in respect of, the sufficiency, validity or correctness of such procedures.

(b) On or before the Business Day prior to the Payment Date occurring in July of each year (commencing in July 2012), the Issuer shall cause to be delivered to the Trustee, the Collateral Administrator and the Collateral Manager a statement from a firm of Independent certified public accountants indicating (i) that such firm has reviewed the Valuation Reports and Redemption Date Statements received since the last review and applicable information from the Trustee, (ii) that the calculations within those Valuation Reports and Redemption Date Statements have been performed in accordance with the applicable provisions of this Indenture and (iii) the Aggregate Principal Amount of the Pledged Obligations as of the immediately preceding Payment Date; provided, however, that in the event of a conflict between such firm of Independent certified public accountants and the Issuer with respect to any matter in this Section 10.7, the determination by such firm of Independent certified public accountants shall be conclusive. In the event such Independent certified public accountants require the Trustee, the Collateral Administrator or the Collateral Manager to agree to the procedures to be performed by such firm in any of the reports required to be prepared pursuant to this Section 10.7, the Issuer shall direct the Trustee, the Collateral Administrator or the Collateral Manager in writing to so agree; it being understood and agreed that the Trustee, the Collateral Administrator or the Collateral Manager shall deliver such letter of agreement in conclusive reliance upon the direction of the Issuer, and the Issuer has not made any independent inquiry or investigation as to, and shall have no obligation or liability in respect of, the sufficiency, validity or correctness of such procedures. Notwithstanding anything to the contrary herein, if the Trustee, the Collateral Administrator or the Collateral Manager fails within 75 days following the end of each fiscal year of the Issuer to execute any documentation required by the Independent certified public accountants selected by the Issuer prior to the delivery of any report contemplated by this Section 10.7, then the Issuer shall have no obligation to furnish any report covering such fiscal year pursuant to this Section 10.7.

(c) Any statement delivered to the Trustee pursuant to subclause (b) above shall be delivered (or otherwise made available) by the Trustee to any Holder of Class A Notes (or its designee) upon written request therefor.

Section 10.8 Additional Reports.

In addition to the information and reports specifically required to be provided pursuant to the terms of this Indenture, the Issuer (at its expense), or the Collateral Manager on behalf of the Issuer, shall compile and the Issuer shall then provide the Holders of any Class A Notes (upon request of a Majority of the Class A Notes), with all information or reports delivered to the Trustee hereunder, and such additional information as a Majority of the Class A Notes may from time to time reasonably request and the Issuer shall reasonably determine may be obtained and provided without unreasonable burden or expense. Such a request from a Holder (or its designee) may be submitted directly to the Trustee and then such request shall be forwarded to the Issuer for processing. Such request from a Holder (or its designee) shall be submitted to the Trustee by delivery of a written request in the form of Exhibit D attached hereto.

Section 10.9 Procedures Relating to the Establishment of Issuer Accounts Controlled by the Trustee.

(a) (i) Notwithstanding any term in this Indenture to the contrary and notwithstanding the terms of Part 5 of Article 8 of the UCC, to the extent applicable, with respect to Loans and Participations delivered to the Trustee, any custodian acting on its behalf, or the Bank acting as Issuer Accounts Securities Intermediary pursuant to the provisions of this Indenture, the Trustee, any custodian acting on its behalf, or the Bank acting as, Issuer Accounts Securities Intermediary shall be obligated to receive and hold until released pursuant to the terms of this Indenture the items delivered or caused to be delivered to it by the Issuer or the Collateral Manager, and to hold the same in its custody in accordance with the terms of this Indenture but shall have no further obligation with respect to, or be obligated to take (or to determine whether there has been taken) any action in connection with the delivery of such Loans or Participations. Without limiting the foregoing, in no instance shall the Trustee, any such custodian or the Bank acting as Issuer Accounts Securities Intermediary be under any duty or obligation to examine the underlying credit agreement, loan agreement, participation agreement, indenture, trust agreement or similar instrument that may be applicable to any Loan or Participation in order to determine (or otherwise to determine under applicable law) whether sufficient actions have been taken and documents delivered (including without limitation, any requisite obligor or agent bank consents, notices or filings) in order to properly assign, transfer, or otherwise convey title to such Loans or Participations.

(ii) In connection with the delivery of any Loan or Participation, the Issuer or the Collateral Manager shall send to the Trustee and the Collateral Administrator a trade ticket or transmittal letter (in form and content mutually reasonably acceptable to them), which shall, at a minimum (in addition to other appropriate information with regard to the subject Loan or Participation as may be mutually agreed upon between the Collateral Administrator and the Collateral Manager), (i) specify the purchase price for such Loan or Participation, and (ii) identify the Loan or Participation and its material amount, payment and interest rate terms. Each of the Trustee, the Collateral Administrator, any custodian acting on its behalf and the Bank acting as Issuer Accounts Securities Intermediary shall be entitled to assume the genuineness, validity and enforceability of each such note, certificate, instrument and agreement delivered to it in connection with the delivery of a Loan or Participation, and to assume that each is what it purports on its face to be, and to assume the genuineness and due authority of all signatures appearing thereon.

(b) Nothing in this Section 10.9 shall impose upon the Issuer Accounts Securities Intermediary the duties, obligations or liabilities of the Trustee; and nothing herein shall impose upon the Trustee the duties, obligations or liabilities of the Issuer Accounts Securities Intermediary.

Section 10.10 Notices to Holders of Class A Notes.

Each Monthly Report and Valuation Report shall contain or shall have attached to it a notice to the Holders of the Class A Notes stating that (A) each Holder of a beneficial interest in the Class A Notes shall be deemed to have (i) represented that the Holder is both (1) a Qualified Institutional Buyer and (2) a Qualified Purchaser and (ii) made all other representations set forth in the legends of the applicable Class A Notes, (B) the Issuer shall have the right to refuse to honor a transfer of the Class A Notes to a person who does not satisfy the requirements set forth in subclause (A) of this Section 10.10 and (C) pursuant to Section 2.12, the Issuer may require a Non-Permitted Holder to transfer its interest in the Class A Notes to a Person that is not a Non-Permitted Holder within 30 days of receiving notice to such effect from the Issuer and, if such Non-Permitted Holder fails to transfer its Class A Notes, the Issuer shall have the right, without further notice to the Non-Permitted Holder, to sell such Class A Notes or interest in Class A Notes to a purchaser selected by the Issuer that is not a Non-Permitted Holder on such terms as the Issuer may choose. To the extent a notice is sent to a Holder of Global Notes, the Trustee will request such Holder to send the notice to the beneficial owners of such Class A Notes.

Section 10.11 Reports to Rating Agencies and Additional Recipients. In addition to the information and reports specifically required to be provided to each Rating Agency pursuant to the terms of this Indenture, the Issuer shall provide (i) each Rating Agency with all information or reports delivered to the Trustee hereunder (with the exception of any Accountants' Report), (ii) notification to S&P of any Specified Amendment, and (iii) notification to S&P of any Specified Event, in each case which notifications may take the form of the delivery of the Monthly Report; provided that the Issuer shall provide (x) such additional information with respect to any of the foregoing as the Rating Agency may reasonably request, (y) to S&P, with respect to any Collateral Obligation that is the subject of a rating estimate, private rating or confidential rating by S&P, access to the relevant information website or distribution list in respect of such Collateral Obligation, or if no such website or distribution list is available, within 10 Business Days of each Payment Date, any updates to the information in respect of such Collateral Obligation required for purposes of the annual rating review pursuant to Section 7.25(b) and (z) any other information that either Rating Agency may from time to time reasonably request.

ARTICLE XI.

APPLICATION OF MONIES

Section 11.1 Disbursements of Monies from Payment Account.

(a) Notwithstanding any other provision in this Indenture, but subject to the other subsections of this Section and Section 13.1, on or, with respect to amounts referred to in Section 11.1(d), before each Payment Date or the Stated Maturity, the Trustee shall disburse amounts transferred to the Payment Account from the Interest Collection Account and, to the extent permitted hereunder, from the Principal Collection Account pursuant to Section 10.2, Section 10.3, Section 2.7 or Section 3.4 as follows and for application by the Trustee in accordance with the following priorities (collectively, the "Priority of Payments"):

(A) On each Payment Date and on the Stated Maturity, Interest Proceeds shall be applied as follows:

(i) to the payment of taxes of the Issuer, if any, and any governmental fee, including all filing, registration and annual return fees payable by the Issuer;

(ii) to the payment of accrued and unpaid Administrative Expenses constituting (x) fees of the Trustee and reimbursement of expenses (including indemnity payments) of the Trustee pursuant to the terms of this Indenture and (y) fees and reimbursement of expenses (including indemnity payments) of the Collateral Administrator under the Collateral Administration Agreement; provided, however, that total payments pursuant to this subclause (ii) shall not exceed, on any Payment Date other than the initial Payment Date, an amount equal to a percentage of the Aggregate Principal Amount of the Collateral Portfolio equal to an annual rate of 0.02%, measured as of the beginning of the Due Period preceding such Payment Date; and, with respect to the initial Payment Date, 0.005% (not annualized) of the Aggregate Principal Amount of the Collateral Portfolio, measured as of the beginning of the Due Period preceding such Payment Date;

(iii) to the payment, (in the order set forth in the definition of Administrative Expenses), of (a) *first*, remaining accrued and unpaid Administrative Expenses (other than indemnity payments) of the Issuer including other amounts payable by the Issuer to the Collateral Manager under the Collateral Management Agreement (excluding any Collateral Management Fee), and to the Trustee and the Collateral Administrator constituting Administrative Expenses (other than indemnity payments) not paid pursuant to subclause (ii) above, and (b) *second*, remaining accrued and unpaid Administrative Expenses of the Issuer constituting indemnity payments; provided, however, that such payments pursuant to this subclause (iii), shall not exceed an amount equal on any Payment Date (when taken together with any Administrative Expenses paid during the period since the preceding Payment Date or, in the case of the initial Payment Date, the Closing Date) to $325,000 per annum;

(iv) to the payment to the Collateral Advisor of, *first*, the current Collateral Advisory Fee and, *then*, any accrued and previously unpaid Collateral Advisory Fee;

(v) to the payment of the Class A Interest Distribution Amount;

(vi) (A) *first*, in the event that the Class A Par Value Test is not satisfied on the immediately preceding Determination Date or, on or after the Second Determination Date, the Class A Interest Coverage Test is not satisfied on the immediately preceding Determination Date, then after giving effect to the payment of any Interest Proceeds prior to this subclause (vi), to the mandatory redemption of the Class A Notes, at the Redemption Price, to the extent necessary to satisfy the Class A Par Value Test and the Class A Interest Coverage Test, as applicable, or until the Class A Notes have been paid in full, and (B) *second*, upon the occurrence of an S&P Rating Confirmation Failure, to (x) the purchase of additional Collateral Obligations, and/or (y) the redemption of the Class A Notes at the Redemption Price, collectively to the extent necessary for S&P to provide written confirmation of the Initial Rating of the Class A Notes;

(vii) to the payment, *first*, *pari passu*, of any accrued and unpaid fees and expenses of the Trustee and the Collateral Administrator and *second*, in the order set forth in the definition of Administrative Expenses, of any accrued and unpaid Administrative Expenses of the Issuer (including, for the avoidance of doubt and without limitation, (1) indemnities and amounts payable by the Issuer to the Trustee and the Collateral Administrator and (2) indemnities and amounts payable by the Issuer to the Collateral Manager under the Collateral Management Agreement (other than any Collateral Management Fee)), in each case to the extent not paid pursuant to subclauses (ii) and (iii) above;

(viii) to the payment to the Collateral Manager of, *first*, the current Collateral Management Fee in accordance with the terms of the Collateral Management Agreement and, *then*, any accrued and previously unpaid Collateral Management Fee; and

(ix) the balance of Interest Proceeds to the Issuer for distribution to the Equity Owner as a dividend payment thereon or as a final distribution in redemption thereof, as applicable.

(B) Without limiting any other applicable provisions of this Indenture, on each Payment Date and on the Stated Maturity, Principal Proceeds will be distributed in the following order of priority:

(i) to the payment of the amounts referred to in subclauses (i) through (v) of clause (A) of this Section 11.1(a) (in the order of priority set forth therein), but only to the extent not paid in full thereunder;

(ii) to the payment of the amount referred to in subclause (vi) of clause (A) of this Section 11.1(a) (in the order of priority set forth therein), but only to the extent not paid in full thereunder;

(iii) during the Reinvestment Period, to the purchase of Collateral Obligations or to the Principal Collection Account for investment in Eligible Investments pending purchase of Collateral Obligations at a later date in accordance with the Reinvestment Criteria;

(iv) after the Reinvestment Period, to the payment of principal of the Class A Notes, at the Redemption Price;

(v) after the Class A Notes have been paid in full, to the amounts referred to in subclause (vii) of clause (A) of this Section 11.1(a) (in the order of priority set forth therein), but only to the extent not paid in full thereunder;

(vi) to the payment to the Collateral Manager of the current Collateral Management Fee in accordance with the terms of the Collateral Management Agreement and then, any accrued and previously unpaid Collateral Management Fee, in each case, to the extent not paid pursuant to subclause (viii) of clause (A) of this Section 11.1(a); and

(vii) the balance of Principal Proceeds to the Issuer for distribution to the Equity Owner as a dividend payment thereon or as a final distribution in redemption thereof, as applicable.

The calculation of the Class A Par Value Test on any Measurement Date shall be made by giving effect to all payments to be made pursuant to all subclauses of the Priority of Payments as applicable, payable on the Payment Date following such Measurement Date.

(C) On each Payment Date on which an optional redemption, pursuant to the procedures described in Article IX, Liquidation Proceeds shall be applied as follows:

(i) to the payment of the amounts referred to in subclause (i) of clause (B) of this Section 11.1(a), in such order of priority;

(ii) without duplication of the amounts paid above, to the payment of all or a portion of the Class A Notes then Outstanding, as applicable, at the Redemption Price plus accrued and unpaid interest thereon;

(iii) to the payment of the amount referred to in subclause (vii) of Clause (A) of Section 11.1(a) (in the order of priority set forth therein);

(iv) to the payment to the Collateral Manager of, *first*, the current Collateral Management Fee in accordance with the terms of the Collateral Management Agreement and, *then*, any accrued and previously unpaid Collateral Management Fee; and then

(v) the balance of Liquidation Proceeds to the Issuer for distribution to the Equity Owner as a dividend payment thereon or as a final distribution in redemption thereof, as applicable.

(D) After an Event of Default has occurred and is continuing, all Interest Proceeds, Principal Proceeds and any other available funds in the Issuer Accounts will be distributed in the following order of priority:

(i) to the payment of the amounts referred to in subclauses (i), through (iv) of Clause (A) of Section 11.1(a) (in the order of priority set forth therein);

(ii) to the payment (1) *first*, of the Class A Interest Distribution Amount, (2) *second*, of principal of the Class A Notes, until the Class A Notes have been paid in full, and (3) *third*, of the amount referred to in subclause (vii) of Clause A of Section 11.1(a) (in the order of priority set forth therein);

(iii) to the payment to the Collateral Manager of the current Collateral Management Fee in accordance with the terms of the Collateral Management Agreement and then, any accrued and previously unpaid Collateral Management Fee; and

(iv) the balance of such funds, if any, to the Issuer for distribution to the Equity Owner as a final distribution in redemption thereof, as applicable.

(b) Not later than 12:00 noon, New York time, on the Business Day preceding each Payment Date, the Issuer shall, pursuant to Section 10.3(c), remit or cause to be remitted to the Trustee for deposit in the Payment Account an amount of Cash sufficient to pay the amounts described in Section 11.1(a) required to be paid on such Payment Date.

(c) If on any Payment Date the amount available in the Payment Account from amounts received in the related Due Period is insufficient to make the full amount of the disbursements required by the statements furnished by the Issuer pursuant to Section 10.6, the Trustee shall make the disbursements called for in the order and according to the priority set forth under Section 11.1(a) above, subject to Article XIII, to the extent funds are available therefor.

(d) Notwithstanding anything to the contrary contained herein, Interest Proceeds may be applied to the payment of Administrative Expenses of the Issuer on days other than Payment Dates; provided, that, in any Due Period such payments shall not exceed an amount equal on any Payment Date (when taken together with any Administrative Expenses paid during the period since the preceding Payment Date or, in the case of the initial Payment Date, the Closing Date) to $325,000 per annum; provided, further, that (1) such payments do not exceed the amounts permitted to be paid on the related Payment Date pursuant to section 11.1(a)(A)(iii) and (2) sufficient Interest Proceeds have theretofore been received to cover such payments.

ARTICLE XII.

SALE OF COLLATERAL OBLIGATIONS; SUBSTITUTION

Section 12.1 Sale of Collateral Obligations.

For so long as no Event of Default has occurred and is continuing, the Collateral Manager may direct the Trustee, on behalf of the Issuer, in writing to (1) sell, and the Trustee shall sell, in the manner directed by the Collateral Manager (i) any Equity Security, (ii) any Defaulted Obligation, (iii) any Withholding Tax Security or (iv) any other Collateral Obligation or (2) exchange a Defaulted Obligation for an Exchanged Defaulted Obligation, in each case, in accordance with, and subject to, any applicable limitations on amounts and other requirements set forth herein. The Collateral Manager may direct the Trustee to sell any Credit Risk Obligation at any time without restriction.

(a) Credit Improved Obligations. The Collateral Manager may direct the Trustee to sell any Credit Improved Obligation either:

(i) at any time if (A) the Sale Proceeds from such sale are at least equal to the Investment Criteria Adjusted Balance of such Credit Improved Obligation or (B) after giving effect to such sale, the Aggregate Principal Amount of all Collateral Obligations (excluding the Collateral Obligation being sold but including, without duplication, the anticipated net proceeds of such sale), plus Eligible Investments constituting Principal Proceeds, will be greater than the Reinvestment Target Par Balance; or

(ii) solely during the Reinvestment Period, if the Collateral Manager reasonably believes prior to such sale that either (A) after giving effect to such sale and subsequent reinvestment, the Aggregate Principal Amount of all Collateral Obligations (excluding the Collateral Obligation being sold but including, without duplication, the Collateral Obligation being purchased and the anticipated cash proceeds, if any, of such sale that are not applied to the purchase of such additional Collateral Obligation), plus Eligible Investments constituting Principal Proceeds, will be greater than the Reinvestment Target Par Balance, or (B) it will be able to enter into one or more binding commitments to reinvest all or a portion of the proceeds of such sale, in compliance with the Investment Criteria, in one or more additional Collateral Obligations with an Aggregate Principal Amount at least equal to the Investment Criteria Adjusted Balance of such Credit Improved Obligation within 20 Business Days after such sale.

(b) Discretionary Sales. The Collateral Manager may direct the Trustee to sell any Collateral Obligation (each such sale, a "Discretionary Sale") at any time if after giving effect to such sale, the Aggregate Principal Amount of all Discretionary Sales effected during the preceding 12 calendar months (or, for the year 2012) is not greater than 25% of the sum of (A) the Aggregate Principal Amount of the Collateral Obligations plus (B) amounts on deposit in the Principal Collection Account as of the first day of such 12 calendar month period (or as of the Second Amendment Date, as the case may be) provided that (1) the Collateral Manager shall use its commercially reasonable efforts to purchase (on behalf of the Issuer), within 30 days after the settlement date on which such Collateral Obligation is sold, one or more additional Collateral Obligations having an Aggregate Principal Amount at least equal to the Aggregate Principal Amount of the Collateral Obligation that was sold; provided, that after the end of the Reinvestment Period, no Discretionary Sale of any Collateral Obligation may take place unless, after giving effect to such sale, (1) the Aggregate Principal Amount of all Collateral Obligations and Eligible Investments constituting Principal Proceeds (including, without duplication, the anticipated net proceeds of the sale) will be greater than the Reinvestment Target Par Balance, or (2) the Sale Proceeds from such Discretionary Sale are at least equal to the Investment Criteria Adjusted Balance of such Collateral Obligation.

(c) Sale of Equity Securities and Withholding Tax Securities.

An Equity Security or a Withholding Tax Security may be sold during or after the Reinvestment Period. If the proposed sale occurs:

(i) during the Reinvestment Period, for so long as no Event of Default has occurred and is continuing, the Collateral Manager on behalf of the Issuer will use commercially reasonable efforts to direct the reinvestment of the Sale Proceeds in one or more Substitute Collateral Obligations prior to the end of the Permitted Reinvestment Period; or

(ii) after the Reinvestment Period or if an Event of Default has occurred and is continuing, the Collateral Manager will instruct the Issuer to apply the Sale Proceeds thereof in accordance with the Priority of Payments.

(d) Conversion into Equity Securities and Sale of Exchanged Equity Securities.

(i) A Collateral Obligation that is a convertible security may be voluntarily converted into an Equity Security by the Issuer only if (1) the Class A Par Value Test is satisfied or is improved following such conversion and (2) on any Determination Date on or after the Second Determination Date, the Class A Interest Coverage Test is satisfied or is improved following such conversion and, in each case the Issuer makes a good faith effort to enter into an agreement to sell such Equity Security in accordance with the timing specified in subclause (d)(ii)(I) of this Section 12.1. For the avoidance of doubt, this paragraph will not be applicable to a purchase or exchange of an Exchanged Equity Security pursuant to Section 12.1(f).

(ii) Unless acquired in connection with a default, the Collateral Manager shall make a good faith effort to sell, and direct the Trustee in writing to sell, any Exchanged Equity Security within (I) in the case of an Exchanged Equity Security received in connection with an optional conversion at the option of the Holder thereof, five Business Days of the later of (A) the first date on which the Issuer may, in compliance with applicable laws, legally sell, assign or transfer such Exchanged Equity Security and (B) notice of receipt thereof, (II) in the case of an Exchanged Equity Security not subject to subclause (I) and in the event that any of the Coverage Tests are not satisfied on any Measurement Date following the receipt by the Issuer of such Exchanged Equity Security, 60 days after the first date following such Measurement Date on which the Issuer may, in compliance with applicable laws, legally sell, assign or transfer such Exchanged Equity Security or (III) in all other cases, one year after the first date on which the Issuer may, in compliance with applicable laws, legally sell, assign or transfer such Exchanged Equity Security.

(e) Sale of Defaulted Obligations.

The Collateral Manager will, if it believes such sale to be practicable, instruct the Trustee in writing to sell, and the Trustee shall sell, any Defaulted Obligation at any time; provided, however, that during the Reinvestment Period the Collateral Manager will use its commercially reasonable efforts to purchase (on behalf of the Issuer) within 90

Business Days after the settlement date for such sale of a Defaulted Obligation, one or more additional Collateral Obligations having an Aggregate Principal Amount at least equal to the Sale Proceeds received from such sale (excluding Sale Proceeds that constitute Interest Proceeds). After the Reinvestment Period, the Collateral Manager will instruct the Trustee to apply the Sale Proceeds of Defaulted Obligations in accordance with the Priority of Payments. For the avoidance of doubt, the exchange of a Defaulted Obligation for an Exchanged Defaulted Obligation pursuant to Section 12.1(f) shall not be deemed to be a sale of a Defaulted Obligation and for purposes of the calculation of Principal Balance, the ownership period for such Exchanged Defaulted Obligation shall include the ownership period for the Defaulted Obligation exchanged therefor.

(f) Exchange of Defaulted Obligations.

Notwithstanding the provisions set forth under Section 12.1(d), at any time, the Collateral Manager may instruct the Trustee in writing to exchange a Defaulted Obligation for (i) another Defaulted Obligation (an "Exchanged Defaulted Obligation") or (ii) an Exchanged Equity Security, for so long as at the time of or in connection with such exchange:

(i) such Exchanged Defaulted Obligation or Exchanged Equity Security is issued by the same obligor as the Defaulted Obligation (or an Affiliate of or successor to such obligor or an entity that succeeds to substantially all of the assets of such obligor) and, in the case of such Exchanged Defaulted Obligation, ranks in right of payment no more junior than the Defaulted Obligation for which it was exchanged; provided that if the Issuer is also required to pay an amount for such Exchanged Defaulted Obligation or Exchanged Equity Security, the Issuer may use Interest Proceeds to effect such payment for so long as, after giving effect to such purchase, there would be sufficient proceeds in the Interest Collection Account to pay all amounts required to be paid pursuant to the Priority of Payments prior to any distributions to the Equity Owner on the next succeeding Payment Date;

(ii) in the case of an Exchanged Defaulted Obligation, (1) if the Class A Par Value Test is not satisfied following such exchange, then such Class A Par Value Test is at least as close to being satisfied after such exchange as prior to such exchange and (2) on any Determination Date on or after the Second Determination Date, if the Class A Interest Coverage Test is not satisfied following such exchange, then such Class A Interest Coverage Test is at least as close to being satisfied after such exchange as prior to such exchange;

(iii) in the case of an Exchanged Defaulted Obligation, the expected total recovery proceeds of such Exchanged Defaulted Obligation, as determined by the Collateral Manager, must be no less than the expected total recovery proceeds of the Defaulted Obligation for which it was exchanged; and

(iv) as determined by the Collateral Manager, in the case of an Exchanged Defaulted Obligation, if any Concentration Limitation is not satisfied following such exchange, then any such Concentration Limitation is at least as close to being satisfied as prior to such exchange.

(g) Application of Sale Proceeds. During the Reinvestment Period, all Sale Proceeds shall be applied to purchase additional Collateral Obligations in accordance with the Reinvestment Criteria and Section 3.4(a), as applicable, or to purchase Eligible Investments in accordance with the last paragraph of Section 12.2(a), or shall be applied in accordance with the Priority of Payments applicable thereto on the next succeeding Payment Date. After the Reinvestment Period, no Principal Proceeds may be reinvested in Collateral Obligations at any time.

(h) Sales of Eligible Investments. Except as otherwise expressly provided herein, none of the Issuer, the Collateral Manager or the Trustee may at any time sell or permit the sale of any Eligible Investment prior to its maturity date if the Issuer or the Collateral Manager, as the case may be, determines that such Eligible Investment will sell at a price that is below the par value of such Eligible Investment.

(i) Collateral Acquisition and Disposition Terms. Any transaction involving the purchase or sale of Collateral effected under this Indenture shall be conducted on terms no less favorable to the Issuer than terms prevailing in the market.

(j) Sales Prior to Stated Maturity. On or prior to the date that is two Business Days prior to the Stated Maturity of the last Outstanding Class A Note, the Collateral Manager shall direct the Trustee in writing to sell, and the Trustee shall sell, all Collateral Obligations and other securities to the extent necessary such that no Collateral Obligations or other securities will be expected to be held by the Issuer on or after such date, and the Trustee shall sell such Collateral Obligations and such other securities in accordance with the direction of the Collateral Manager. The settlement dates for any such sales of Collateral Obligations and other securities shall be no later than two Business Days prior to the Stated Maturity of the last Outstanding Class A Note.

(k) Reinvestment in Collateral Obligations. Whenever the Collateral Manager is required to use commercially reasonable efforts to direct the reinvestment of Sale Proceeds on behalf of the Issuer under this Section, such reinvestment shall be subject to market conditions and the availability and suitability of available investments.

Section 12.2 Trading Restrictions.

A Collateral Obligation (other than an Exchanged Defaulted Obligation, which need not satisfy these tests to be included) will be eligible for inclusion in the Collateral only if subclause (a) below is satisfied (collectively, the "Reinvestment Criteria"). The Reinvestment Criteria are not required to be satisfied during the Initial Investment Period; provided, that the Collateral Manager on behalf of the Issuer shall obtain the consent of the Majority of the Controlling Class prior to the purchase of any Collateral Obligation, in accordance with Section 12.2(b) below.

(a) During the Reinvestment Period but after the Initial Investment Period:

(i) with respect to any reinvestment of Principal Proceeds (other than those amounts described in subclause (ii) of the definition thereof), (1) if the Class A Par Value Test is not satisfied following such reinvestment, then such Class A Par Value Test is at least as close to being satisfied after such reinvestment as prior to such reinvestment and (2) on the Second Determination Date and any subsequent Measurement Date, if the Class A Interest Coverage Test is not satisfied following such reinvestment, then such Class A Interest Coverage Test is at least as close to being satisfied after such reinvestment as prior to such reinvestment;

(ii) with respect to any reinvestment of Principal Proceeds described in subclause (ii) of the definition thereof, (1) the Class A Par Value Test is satisfied following such reinvestment and (2) on the Second Determination Date and any subsequent Measurement Date, the Class A Interest Coverage Test is satisfied following such reinvestment;

(iii) on and after the Second Amendment Date, the Collateral Quality Tests are satisfied after such reinvestment or if any Collateral Quality Test is not satisfied after such reinvestment, it is maintained or improved after such reinvestment; provided, that during the Reinvestment Period, the S&P CDO Monitor Test is not required to be satisfied with respect to the sale of Defaulted Obligations, Credit Risk Obligations or Equity Securities and the reinvestment of the proceeds of any such sale;

(iv) no Event of Default exists at the time such Reinvestment Criteria are applied;

(v) in the case of an additional Collateral Obligation purchased with the proceeds from the sale of a Credit Risk Obligation or a Defaulted Obligation, either (1) the Aggregate Principal Amount of all additional Collateral Obligations purchased with the proceeds from such sale will at least equal the Sale Proceeds from such sale, (2) the Aggregate Principal Amount of the Collateral Obligations will be maintained or increased (when compared to the Aggregate Principal Amount of the Collateral Obligations immediately prior to such sale) or (3) the Aggregate Principal Amount of all Collateral Obligations (excluding the Collateral Obligation being sold but including, without duplication, the Collateral Obligation being purchased and the anticipated cash proceeds, if any, of such sale that are not applied to the purchase of such additional Collateral Obligation), plus Eligible Investments constituting Principal Proceeds, will be greater than the Reinvestment Target Par Balance and (B) in the case of any other purchase of additional Collateral Obligations purchased with the proceeds from the sale of a Collateral Obligation, either (1) the Aggregate Principal Amount of the Collateral Obligations will be maintained or increased (when compared to the Aggregate Principal Amount of the Collateral Obligations immediately prior to such sale) or (2) the Aggregate Principal Amount of all Collateral Obligations (excluding the Collateral Obligation being sold but including, without duplication, the Collateral Obligation being purchased and the anticipated cash proceeds, if any, of such sale that are not applied to the purchase of such additional Collateral Obligation), plus Eligible Investments constituting Principal Proceeds, will be greater than the Reinvestment Target Par Balance;

(vi) a Majority of the Controlling Class shall have approved the purchase of such Collateral Obligation, in accordance with Section 12.2(b) below; and

(vii) with respect to the Collateral Portfolio, the Concentration Limitations shall be satisfied following such reinvestment;

For the avoidance of doubt, Sale Proceeds may be invested in Eligible Investments, each with a maturity date not to exceed the date that is one Business Day prior to the Payment Date next succeeding the Due Period in which such Sale Proceeds are received, pending investment in Collateral Obligations.

The Reinvestment Criteria will be measured immediately before the Issuer commits to purchase or purchases a Collateral Obligation, and are designed to compare (i) the Collateral Portfolio before the proposed addition of a Collateral Obligation to the Collateral Portfolio and (ii) the Collateral Portfolio immediately after such Collateral Obligation is added to the Collateral Portfolio. Accordingly, when used with respect to the Reinvestment Criteria, the phrase "prior to such reinvestment" shall mean the following:

(i) immediately prior to the sale of the related Collateral Obligation, with respect to the reinvestment of the Sale Proceeds of a Collateral Obligation other than an Equity Security, a Withholding Tax Security or a Defaulted Obligation; or

(ii) immediately prior to the reinvestment of the Sale Proceeds of an Equity Security, a Withholding Tax Security or a Defaulted Obligation.

(b) In connection with the purchase of a Collateral Obligation and prior to entering into a commitment to purchase such Collateral Obligation, the Issuer, or the Collateral Manager on behalf of the Issuer, shall comply with the following procedure:

(i) each proposed purchase of a Collateral Obligation shall be submitted in writing for approval to the Holders of the Class A Notes;

(ii) the Majority of the Controlling Class shall have the right to request (and upon receipt of such request, the Collateral Manager shall promptly provide) the following information with respect to the Collateral Obligation identified for purchase: (1) the Reference Instrument (including the collateral and security documents) relating to such Collateral Obligation; (2) audited financial statement for the previous most recently ended three years of the obligor of such Collateral Obligation; (3) quarterly statements for the previous most recently ended eight fiscal quarters of the obligor of such Collateral Obligation; (4) any appraisal or valuation reports conducted by third parties; (5) any other information customary and typical in performing a detailed credit analysis and as reasonably requested by the Majority of the Controlling Class (collectively, the "Diligence Information");

(iii) upon receipt of the request for approval and any requested Diligence Information, as set forth in clauses (i) and (ii) above, the Majority of the Controlling Class shall, within 5 Business Days, either (x) approve the purchase of such Collateral Obligation and, in connection with such approval, determine the Market Value for such Collateral Obligation as of the approval date, or (y) reject the purchase of such Collateral Obligation.

(c) In connection with the Issuer's holding of a Collateral Obligation and for as long as such Collateral Obligation remains part of the Collateral Portfolio, the Issuer, or the Collateral Manager on behalf of the Issuer, shall use commercially reasonable efforts to provide, as soon as practically available, provide the Holders of the Class A Notes with the Diligence Information referenced to in subclause (b)(ii) above.

(d) Notwithstanding anything to the contrary herein, for the avoidance of doubt, there shall be no reinvestment in any Collateral Obligations after the end of the Reinvestment Period.

Section 12.3 Affiliate Transactions. The Issuer will not have the right or ability to sell to an Affiliate any Collateral Obligation acquired from an Affiliate except for (a) required repurchase obligations or other permitted transactions pursuant to the Asset Transfer Agreement (such repurchase, "Permitted Repurchases"), or (b) sales to Affiliates conducted on terms and conditions consistent with those of an arm's length transaction at fair market value so long as the Collateral Manager obtains bid prices from at least two nationally recognized dealers (unaffiliated with the Collateral Manager or its affiliates) for such Collateral Obligation.

ARTICLE XIII.

NOTEHOLDERS' RELATIONS

Section 13.1 Subordination and Non-Petition.

(a) Anything in this Indenture or the Class A Notes to the contrary notwithstanding, the Issuer agrees for the benefit of the Holders of the Class A Notes that the rights of the Equity Owner to distribution by the Issuer and in and to the Collateral, including any payment from Proceeds of Collateral, shall be subordinate and junior to the Class A Notes, to the extent and in the manner set forth in this Indenture including, as set forth in Section 11.1 and hereinafter provided. If any Event of Default has occurred and has not been cured or waived, and notwithstanding anything contained in Section 11.1 to the contrary, interest on and principal of the Class A Notes shall be paid in full in Cash (in order of priority) before any further payment or distribution is made on account of the Equity Owner.

(b) In the event that notwithstanding the provisions of this Indenture, any Holder of any Subordinate Interests shall have received any payment or distribution in respect of such Subordinate Interests contrary to the provisions of this Indenture, then, unless and until either the Class A Notes shall have been paid in full in Cash in accordance with this Indenture, such payment or distribution shall be received and held in trust for the benefit of, and shall forthwith be paid over and delivered to, the Trustee, which shall pay and deliver the same to the Holders of Class A Notes, as the case may be, in accordance with this Indenture; provided, however, that, if any such payment or distribution is made other than in Cash, it shall be held by the Trustee as part of the Collateral and subject in all respects to the provisions of this Indenture, including this Section 13.1.

(c) The Issuer agrees with all Holders of Class A Notes that the Issuer shall not demand, accept, or receive any payment or distribution in respect of such Subordinate Interests in violation of the provisions of this Indenture, including this Section 13.1. Nothing in this Section 13.1 shall affect the obligation of the Issuer to pay Holders of Subordinate Interests.

(d) The Noteholders shall not have a right to receive from the Trustee or the Registrar a list of the Noteholders.

(e) The Holders of the Class A Notes agree not to cause the filing of a petition in bankruptcy against the Issuer prior to the date which is one year and one day (or, if longer, the applicable preference period) after the payment in full of principal of and interest on all the Class A Notes.

Section 13.2 Standard of Conduct.

In exercising any of its or their voting rights, rights to direct and consent or any other rights as a Holder under this Indenture, subject to the terms and conditions of this Indenture, including Section 5.9, a Holder or Holders shall not have any obligation or duty to any Person or to consider or take into account the interests of any Person and shall not be liable to any Person for any action taken by it or them or at its or their direction or any failure by it or them to act or to direct that an action be taken, without regard to whether such action or inaction benefits or adversely affects any Holder, the Issuer, or any other Person, except for any liability to which such Holder may be subject to the extent the same results from such Holder's taking or directing an action, or failing to take or direct an action, in bad faith or in violation of the express terms of this Indenture.

ARTICLE XIV.

MISCELLANEOUS

Section 14.1 Form of Documents Delivered to Trustee.

In any case where several matters are required to be certified by, or covered by an opinion of, any specified Person, it is not necessary that all such matters be certified by, or covered by the opinion of, only one such Person, or that they be so certified or covered by only one document, but one such Person may certify or give an opinion with respect to some matters and one or more other such Persons as to other matters, and any such Person may certify or give an opinion as to such matters in one or several documents.

Any certificate of an Authorized Officer of the Issuer or the Collateral Manager may be based, insofar as it relates to legal matters, upon a certificate or opinion of, or representations by, counsel, unless such Authorized Officer knows, or in the exercise of reasonable care should know, that the certificate or opinion or representations with respect to the matters upon which his certificate or opinion is based are erroneous. Any such certificate of an Authorized Officer of the Issuer or the Collateral Manager or Opinion of Counsel may be based, insofar as it relates to factual matters, upon a certificate of, or representations by, the Issuer, the Collateral Manager or any other Person, stating that the information with respect to such factual matters is in the possession of the Issuer, the Collateral Manager or such other Person, unless such Authorized

Officer of the Issuer or the Collateral Manager or such counsel knows that the certificate or representations with respect to such matters are erroneous. Any Opinion of Counsel may also be based, insofar as it relates to factual matters, upon a certificate of, or representations by, an Authorized Officer of the Issuer or the Collateral Manager, stating that the information with respect to such matters is in the possession of the Issuer or the Collateral Manager, unless such counsel knows that the certificate or representations with respect to such matters are erroneous.

Where any Person is required to make, give or execute two or more applications, requests, consents, certificates, statements, opinions or other instruments under this Indenture, they may, but need not, be consolidated and form one instrument.

Whenever in this Indenture it is provided that the absence of the occurrence and continuation of a Default or Event of Default is a condition precedent to the taking of any action by the Trustee at the request or direction of the Issuer, then notwithstanding that the satisfaction of such condition is a condition precedent to the Issuer's rights to make such request or direction, the Trustee shall be protected in acting in accordance with such request or direction if it does not have knowledge of the occurrence and continuation of such Default or Event of Default as provided in Section 6.1(d).

Section 14.2 Acts of Noteholders.

(a) Any request, demand, authorization, direction, notice, consent, waiver or other action provided by this Indenture to be given or taken by Holders of Class A Notes may be embodied in and evidenced by one or more instruments of substantially similar tenor signed by such Holders in Person or by an agent duly appointed in writing, and, except as herein otherwise expressly provided, such action shall become effective when such instrument or instruments are delivered to the Trustee, and, where it is hereby expressly required, to the Issuer. Such instrument or instruments (and the action or actions embodied therein and evidenced thereby) are herein sometimes referred to as the "Act" of the Holders signing such instrument or instruments. Proof of execution of any such instrument or of a writing appointing any such agent shall be sufficient for any purpose of this Indenture and conclusive in favor of the Trustee and the Issuer, if made in the manner provided in this Section 14.2.

(b) The fact and date of the execution by any Person of any such instrument or writing may be proved in any manner which the Trustee deems sufficient.

(c) The principal amount, notional amount and registered numbers of Class A Notes held by any Person, and the date of his holding the same, shall be proved by the Register.

(d) Any request, demand, authorization, direction, notice, consent, waiver or other action by the Holder of any Class A Notes shall bind the Holder (and any transferee thereof) of such Class A Note and of every Class A Note issued upon the registration thereof or in exchange therefor or in lieu thereof, in respect of anything done, omitted or suffered to be done by the Trustee, or the Issuer in reliance thereon, whether or not notation of such action is made upon such Class A Note.

Section 14.3 Notices.

Except as otherwise expressly provided herein, any request, demand, authorization, direction, instruction, notice, consent, waiver or Act of Noteholders or other documents provided or permitted by this Indenture to be made upon, given or furnished to, or filed with any of the parties indicated below shall be sufficient for every purpose hereunder if made, given, furnished or filed in writing to and mailed, by first Class mail, hand delivered, sent by overnight courier service guaranteeing next day delivery or by telecopy in legible form at the following addresses:

(a) to the Trustee at, the Corporate Trust Office, facsimile number: (212) 816-5527, Attention: Global Transaction Services – Locust Street Funding LLC, or at any other address previously furnished in writing by the Trustee;

(b) to the Issuer in care of FS Investment Corporation, Cira Centre, 2929 Arch Street, Suite 675, Philadelphia, Pennsylvania 19104, facsimile number: (215) 222-4649, Attention: Gerald F. Stahlecker, or at any other address previously furnished in writing by the Issuer;

(c) to the Collateral Manager, Cira Centre, 2929 Arch Street, Suite 675, Philadelphia, Pennsylvania 19104, facsimile number: (215) 222-4649, Attention: Gerald F. Stahlecker, or at any other address previously furnished in writing by the Collateral Manager;

(d) to the Collateral Administrator, 5400 Westheimer Court, Suite 760, Houston, TX 77056, facsimile number: (866) 816-3203, Attention: Locust Street Funding LLC; and

(e) to S&P, 55 Water Street, 41st Floor, New York, New York 10041-0003 or by facsimile in legible form to facsimile no. (212) 438 2655, Attention: Asset Backed-CBO/CLO Surveillance or by electronic copy to CDO_Surveillance@sandp.com; provided that (x) in respect of any request to S&P for a confirmation of its Initial Ratings of the Class A Notes pursuant to Section 7.23, such request must be submitted by email to CDOEffectiveDatePortfolios@sandp.com and (y) in respect of any application for a ratings estimate by S&P in respect of a Collateral Obligation, Information must be submitted to credit_estimates@sandp.com;

Section 14.4 Notices to Noteholders; Waiver.

Except as otherwise expressly provided herein, where this Indenture provides for notice to Holders of Class A Notes of any event,

(a) such notice shall be sufficiently given to Holders of Class A Notes if in writing and (i) mailed, first-class postage prepaid, to each Noteholder affected by such event, at the address of such Holder as it appears in the Register or (ii) if a Holder is located overseas and so requests, faxed to such Holder, at the facsimile number of such Person as it appears in the Register, not earlier than the earliest date and not later than the latest date, prescribed for the giving of such notice; and

(b) such notice shall be in the English language.

Such notices will be deemed to have been given on the date of such mailing or possible electronic transmission.

The Trustee will deliver to the Holders of the Class A Notes any notice requested to be so delivered by such Holder (at the expense of such requesting Holder); provided, that the Trustee may decline to deliver any such notice that it reasonably determines is contrary to any terms of this Indenture or any duty or obligation it may have, or that may expose it to liability or that may be contrary to law.

Neither the failure to mail (or otherwise furnish electronically) any notice, nor any defect in any notice so mailed, to any particular Noteholder shall affect the sufficiency of such notice with respect to other Holders of Class A Notes. In case by reason of the suspension of regular mail service or by reason of any other cause it shall be impractical to give such notice by mail or facsimile, as the case may be, then such notification to Holders of Class A Notes as shall be made with the approval of the Trustee shall constitute a sufficient notification to such Holders for every purpose hereunder.

Where this Indenture provides for notice in any manner, such notice may be waived in writing by any Person entitled to receive such notice, either before or after the event, and such waiver shall be the equivalent of such notice. Waivers of notice by Noteholders shall be filed with the Trustee but such filing shall not be a condition precedent to the validity of any action taken in reliance upon such waiver.

Section 14.5 Effect of Headings and Table of Contents.

The Article and Section headings herein and the Table of Contents are for convenience only and shall not affect the construction hereof.

Section 14.6 Successors and Assigns.

All covenants and agreements in this Indenture by the Issuer shall bind its successors and assigns, whether so expressed or not.

Section 14.7 Severability.

In case any provision in this Indenture or in the Class A Notes shall be invalid, illegal or unenforceable, the validity, legality, and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

Section 14.8 Benefits of Indenture.

Nothing in this Indenture or in the Class A Notes, expressed or implied, shall give to any Person (other than the Collateral Manager and the Collateral Administrator, who each shall be an express third party beneficiary of Section 8.5 and the Granting Clause of this Indenture, the parties hereto and their successors hereunder and the Holders of Class A Notes) any benefit or any legal or equitable right, remedy or claim under this Indenture.

Section 14.9 Governing Law.

THIS INDENTURE AND EACH SECURITY SHALL BE CONSTRUED IN ACCORDANCE WITH AND GOVERNED BY THE LAWS OF THE STATE OF NEW YORK APPLICABLE TO AGREEMENTS MADE AND TO BE PERFORMED THEREIN WITHOUT REGARD TO THE CONFLICT OF LAWS PRINCIPLES THEREOF.

Section 14.10 Submission to Jurisdiction.

THE ISSUER AND THE TRUSTEE HEREBY IRREVOCABLY SUBMIT TO THE NON-EXCLUSIVE JURISDICTION OF ANY FEDERAL OR NEW YORK STATE COURT SITTING IN THE BOROUGH OF MANHATTAN IN THE CITY OF NEW YORK IN ANY ACTION OR PROCEEDING ARISING OUT OF OR RELATING TO THE SECURITIES OR THIS INDENTURE, AND THE ISSUER AND THE TRUSTEE HEREBY IRREVOCABLY AGREE THAT ALL CLAIMS IN RESPECT OF SUCH ACTION OR PROCEEDING MAY BE HEARD AND DETERMINED IN SUCH FEDERAL OR NEW YORK STATE COURT. THE ISSUER AND THE TRUSTEE HEREBY IRREVOCABLY WAIVE, TO THE FULLEST EXTENT THAT THEY MAY LEGALLY DO SO, THE DEFENSE OF AN INCONVENIENT FORUM TO THE MAINTENANCE OF SUCH ACTION OR PROCEEDING. THE ISSUER AND THE TRUSTEE IRREVOCABLY CONSENT TO THE SERVICE OF ANY AND ALL PROCESS IN ANY ACTION OR PROCEEDING BY THE MAILING OR DELIVERY OF COPIES OF SUCH PROCESS TO IT AT THE OFFICE OF THE ISSUER'S AGENT SET FORTH IN SECTION 7.4. THE ISSUER AND THE TRUSTEE AGREE THAT A FINAL JUDGMENT IN ANY SUCH ACTION OR PROCEEDING SHALL BE CONCLUSIVE AND MAY BE ENFORCED IN OTHER JURISDICTIONS BY SUIT ON THE JUDGMENT OR IN ANY OTHER MANNER PROVIDED BY LAW.

Section 14.11 Counterparts.

This instrument may be executed in any number of counterparts, each of which so executed shall be deemed to be an original, but all such counterparts shall together constitute but one and the same instrument.

Section 14.12 Waiver Of Jury Trial.

THE TRUSTEE, THE NOTEHOLDERS AND THE ISSUER HEREBY KNOWINGLY, VOLUNTARILY AND INTENTIONALLY WAIVE ANY RIGHTS THEY MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY LITIGATION BASED HEREON, OR ARISING OUT OF, UNDER, OR IN CONNECTION WITH, THIS AGREEMENT, OR ANY COURSE OF CONDUCT, COURSE OF DEALING, STATEMENTS (WHETHER ORAL OR WRITTEN) OR ACTIONS OF THE PARTIES HERETO. EACH OF THE ISSUER, THE TRUSTEE, AND THE NOTEHOLDERS ACKNOWLEDGES AND AGREES THAT IT HAS RECEIVED FULL AND SUFFICIENT CONSIDERATION FOR THIS PROVISION AND THAT THIS PROVISION IS A MATERIAL INDUCEMENT FOR SUCH PARTIES ENTERING INTO THIS AGREEMENT.

Section 14.13 Legal Holiday.

In the event that the date of any Payment Date or Special Payment Date shall not be a Business Day, then notwithstanding any other provision of the Class A Notes or this Indenture, payment need not be made on such date, but may be made on the next succeeding Business Day with the same force and effect as if made on the nominal date of any such Payment Date or

Special Payment Date, as the case may be; provided that, in the case of the Class A Notes only, interest shall accrue from and including the immediately preceding Payment Date to but excluding the next Business Day following the nominal Payment Date.

ARTICLE XV.

ASSIGNMENT OF COLLATERAL MANAGEMENT AGREEMENT

Section 15.1 Assignment of Collateral Management Agreement.

(a) The Issuer, in furtherance of the covenants of this Indenture and as security for the Secured Obligations and the performance and observance of the provisions hereof, hereby assigns, transfers, conveys and sets over to the Trustee, for the benefit of the Secured Parties, all of the Issuer's estate, right, title and interest in, to and under the Collateral Management Agreement (except as set forth in the second proviso of this Section 15.1(a)), including (i) the right to give all notices, consents and releases thereunder, (ii) the right to take any legal action upon the breach of an obligation of the Collateral Manager thereunder, including the commencement, conduct and consummation of proceedings at law or in equity, (iii) the right to receive all notices, accountings, consents, releases and statements thereunder and (iv) the right to do any and all other things whatsoever that the Issuer is or may be entitled to do thereunder; provided, however, that notwithstanding anything herein to the contrary, the Trustee shall not have the authority to execute any of the rights set forth in subclauses (i) through (iv) above or may otherwise arise as a result of the Grant until the occurrence of an Event of Default hereunder and such authority shall terminate at such time, if any, as such Event of Default is cured or waived; provided, however, further, that the assignment made hereby does not include an assignment of the Issuer's right to terminate the Collateral Manager pursuant to Section 13 of the Collateral Management Agreement or any other provision contained therein.

(b) The assignment made hereby is executed as collateral security, and the execution and delivery hereby shall not in any way impair or diminish the obligations of the Issuer under the provisions of the Collateral Management Agreement, nor shall any of the obligations contained in the Collateral Management Agreement be imposed on the Trustee.

(c) Upon the retirement of the Class A Notes and the release of the Collateral from the lien of this Indenture, this assignment and all rights herein assigned to the Trustee for the benefit of the Secured Parties shall cease and terminate and all the estate, right, title and interest of the Trustee in, to and under the Collateral Management Agreement shall revert to the Issuer and no further instrument or act shall be necessary to evidence such termination and reversion.

(d) The Issuer represents that the Issuer has not executed any other assignment of the Collateral Management Agreement.

(e) The Issuer agrees that this assignment is irrevocable, and that it will not take any action which is inconsistent with this assignment or make any other assignment inconsistent herewith. The Issuer will, from time to time, execute all instruments of further assurance and all such supplemental instruments with respect to this assignment as the Trustee may specify or as may be required to maintain the perfection of the lien of this Indenture.

(f) The Issuer hereby agrees, and hereby undertakes to obtain the agreement and consent of the Collateral Manager in the Collateral Management Agreement, to the following:

(i) The Collateral Manager consents to the provisions of this assignment and agrees to perform any provisions of this Indenture applicable to the Collateral Manager subject to the terms of the Collateral Management Agreement.

(ii) The Collateral Manager acknowledges that, except as otherwise set forth in Section 15.1(a), the Issuer is assigning all of its right, title and interest in, to and under the Collateral Management Agreement to the Trustee for the benefit of the Secured Parties.

(iii) The Collateral Manager shall deliver to the Trustee and the Collateral Administrator duplicate original copies of all notices, statements, communications and instruments delivered or required to be delivered to the Issuer pursuant to the Collateral Management Agreement.

(iv) Neither the Issuer nor the Collateral Manager will enter into any agreement amending, modifying or terminating the Collateral Management Agreement without (1) complying with the applicable provisions of the Collateral Management Agreement, and (2) the consent of the Majority of the Controlling Class.

(v) Except as otherwise set forth herein and therein, the Collateral Manager shall continue to serve as Collateral Manager under the Collateral Management Agreement notwithstanding that the Collateral Manager shall not have received amounts due it under the Collateral Management Agreement because sufficient funds were not then available hereunder to pay such amounts in accordance with the Priority of Payments. The Collateral Manager agrees not to cause the filing of a petition in bankruptcy against the Issuer for the non-payment of the Collateral Management Fees, or other amounts payable by the Issuer to the Collateral Manager under the Collateral Management Agreement prior to the date which is one year and one day (or, if longer, the applicable preference period) after the payment in full of all Class A Notes issued under this Indenture; provided, however, nothing in this Section 15.1 shall preclude, or be deemed to stop, the Collateral Manager (i) from taking any action prior to the expiration of the aforementioned one year and one day (or longer) period in (A) any case or proceeding voluntarily filed or commenced by the Issuer or (B) any involuntary insolvency proceeding filed or commenced by a Person other than the Collateral Manager or its Affiliates or (ii) from commencing against the Issuer or any of its properties any legal action which is not a bankruptcy, reorganization, arrangement, insolvency, moratorium or liquidation proceeding.

(vi) The Collateral Manager irrevocably submits to the non-exclusive jurisdiction of any federal or New York state court sitting in the Borough of Manhattan in The City of New York in any action or Proceeding arising out of or relating to the Class A Notes or this Indenture, and the Collateral Manager irrevocably agrees that all claims in respect of such action or Proceeding may be heard and determined in such federal or New York state court. The Collateral Manager irrevocably waives, to the fullest extent it

may legally do so, the defense of an inconvenient forum to the maintenance of such action or Proceeding. The Collateral Manager irrevocably consents to the service of any and all process in any action or Proceeding by the mailing or delivery of copies of such process to it at the office of the Collateral Manager set forth in Section 14.3. The Collateral Manager agrees that a final judgment in any such action or Proceeding shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law.

IN WITNESS WHEREOF, we have set our hands as of the date first written above.

LOCUST STREET FUNDING LLC,
as Issuer

By: /s/ Gerald F. Stahlecker
Name: Gerald F. Stahlecker
Title: Executive Vice President

CITIBANK, N.A.,
as Trustee

By: /s/ Thomas J. Varcados
Name: Thomas J. Varcados
Title: Vice President

Exhibit 10.3

RULE 144A GLOBAL CLASS A NOTE

LOCUST STREET FUNDING LLC

CLASS A FLOATING RATE SECURED NOTE, DUE 2023

THIS CLASS A NOTE HAS NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), AND THE ISSUER HAS NOT BEEN REGISTERED UNDER THE UNITED STATES INVESTMENT COMPANY ACT OF 1940, AS AMENDED (THE "INVESTMENT COMPANY ACT"). THE HOLDER HEREOF, BY PURCHASING THIS CLASS A NOTE, AGREES FOR THE BENEFIT OF THE ISSUER THAT SUCH CLASS A NOTE MAY BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED, ONLY (A)(1) TO A PERSON WHOM THE SELLER REASONABLY BELIEVES IS A QUALIFIED INSTITUTIONAL BUYER WITHIN THE MEANING OF RULE 144A UNDER THE SECURITIES ACT, PURCHASING FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF A QUALIFIED INSTITUTIONAL BUYER, IN A TRANSACTION MEETING THE REQUIREMENTS OF RULE 144A UNDER THE SECURITIES ACT AND THAT (U) IS A QUALIFIED PURCHASER WITHIN THE MEANING OF SECTION 3(c)(7) OF THE INVESTMENT COMPANY ACT, (V) WAS NOT FORMED FOR THE PURPOSE OF INVESTING IN THE ISSUER (EXCEPT WHEN EACH BENEFICIAL OWNER OF THE PURCHASER IS A QUALIFIED PURCHASER), (W) UNDERSTANDS AND AGREES THAT THE ISSUER MAY RECEIVE A LIST OF PARTICIPANTS IN THE SECURITIES FROM ONE OR MORE BOOK-ENTRY DEPOSITORIES, (X) IS NOT A BROKER-DEALER THAT OWNS AND INVESTS ON A DISCRETIONARY BASIS LESS THAN $25,000,000 IN SECURITIES OF UNAFFILIATED ISSUERS, (Y) IS NOT A PENSION, PROFIT-SHARING OR OTHER RETIREMENT TRUST FUND OR PLAN IN WHICH THE PARTNERS, BENEFICIARIES OR PARTICIPANTS OR AFFILIATES MAY DESIGNATE THE PARTICULAR INVESTMENT TO BE MADE AND (Z) HAS RECEIVED THE NECESSARY CONSENT FROM ITS BENEFICIAL OWNERS WHEN THE PURCHASER IS A PRIVATE INVESTMENT COMPANY FORMED ON OR BEFORE APRIL 30, 1996, AND IN A TRANSACTION THAT MAY BE EFFECTED WITHOUT LOSS OF ANY APPLICABLE INVESTMENT COMPANY ACT EXEMPTION OR EXCLUSION, (B) IN A PRINCIPAL AMOUNT OF NOT LESS THAN THE MINIMUM DENOMINATION SET FORTH IN THE INDENTURE AND (C) IN ACCORDANCE WITH ALL APPLICABLE SECURITIES LAWS OF THE STATES OF THE UNITED STATES OR OTHER APPLICABLE JURISDICTION. ANY TRANSFER IN VIOLATION OF THE FOREGOING WILL BE OF NO FORCE AND EFFECT, WILL BE VOID *AB INITIO* AND WILL NOT OPERATE TO TRANSFER ANY RIGHTS TO THE TRANSFEREE, NOTWITHSTANDING ANY INSTRUCTIONS TO THE CONTRARY TO THE ISSUER, THE TRUSTEE OR ANY INTERMEDIARY. EACH TRANSFEROR OF THIS CLASS A NOTE WILL PROVIDE NOTICE OF THE TRANSFER RESTRICTIONS SET FORTH HEREIN AND IN THE INDENTURE TO ITS TRANSFEREE. IN ADDITION TO THE FOREGOING, THE ISSUER MAINTAINS THE RIGHT TO RESELL SECURITIES PREVIOUSLY TRANSFERRED TO NON-PERMITTED HOLDERS (AS DEFINED IN THE INDENTURE) IN ACCORDANCE WITH AND SUBJECT TO THE TERMS OF THE INDENTURE.

ANY TRANSFER, PLEDGE OR OTHER USE OF THIS CLASS A NOTE FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL SINCE THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN, UNLESS THIS CLASS A NOTE IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY TRUST COMPANY ("DTC"), NEW YORK, NEW YORK, TO THE ISSUER OR ITS AGENT FOR REGISTRATION OF TRANSFER, EXCHANGE OR PAYMENT AND ANY NOTE ISSUED IS REGISTERED IN THE NAME OF CEDE & CO. OR OF SUCH OTHER ENTITY AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC (AND ANY PAYMENT HEREON IS MADE TO CEDE & CO.).

TRANSFERS OF THIS CLASS A NOTE SHALL BE LIMITED TO TRANSFERS IN WHOLE, BUT NOT IN PART, TO NOMINEES OF DTC OR TO A SUCCESSOR THEREOF OR SUCH SUCCESSOR'S NOMINEE, AND TRANSFERS OF PORTIONS OF THIS CLASS A NOTE SHALL BE LIMITED TO TRANSFERS MADE IN ACCORDANCE WITH THE RESTRICTIONS SET FORTH IN THE INDENTURE REFERRED TO HEREIN.

PRINCIPAL OF THIS CLASS A NOTE IS PAYABLE AS SET FORTH HEREIN. ACCORDINGLY, THE OUTSTANDING PRINCIPAL OF THIS CLASS A NOTE AT ANY TIME MAY BE LESS THAN THE AMOUNT SHOWN ON THE FACE HEREOF. ANY PERSON ACQUIRING THIS CLASS A NOTE MAY ASCERTAIN ITS CURRENT PRINCIPAL AMOUNT BY INQUIRY OF THE TRUSTEE.

THE FAILURE TO PROVIDE THE ISSUER, THE TRUSTEE AND ANY PAYING AGENT WITH THE APPLICABLE U.S. FEDERAL INCOME TAX CERTIFICATIONS (GENERALLY, AN INTERNAL REVENUE SERVICE FORM W-9 (OR SUCCESSOR APPLICABLE FORM) IN THE CASE OF A PERSON THAT IS A "UNITED STATES PERSON" WITHIN THE MEANING OF SECTION 7701(A)(30) OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED (THE "CODE") WILL RESULT IN U.S. WITHHOLDING FROM PAYMENTS TO THE HOLDER IN RESPECT OF THIS CLASS A NOTE.

BY ACQUIRING THIS CLASS A NOTE (OR INTEREST THEREIN), EACH PURCHASER (AND, IF THE PURCHASER OR TRANSFEREE IS AN EMPLOYEE BENEFIT PLAN OR OTHER PLAN, ITS FIDUCIARY) IS DEEMED TO REPRESENT AND WARRANT THAT (1) IT IS NOT ACQUIRING THE CLASS A NOTE (OR INTEREST THEREIN) WITH THE ASSETS OF AN EMPLOYEE BENEFIT PLAN (AS DEFINED IN SECTION 3(3) OF THE EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974, AS AMENDED ("ERISA")) WHICH IS SUBJECT TO TITLE I OF ERISA OR A PLAN (AS DEFINED IN SECTION 4975 OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED (THE "CODE")) OR ANY ENTITY WHOSE UNDERLYING ASSETS INCLUDE "PLAN ASSETS" (WITHIN THE MEANING OF 29 C.F.R. § 2510.3-101, AS MODIFIED BY SECTION 3(42) OF ERISA) BY REASON OF SUCH EMPLOYEE BENEFIT PLAN'S OR PLAN'S INVESTMENT IN THE ENTITY, (2) IF THE PURCHASER OR TRANSFEREE IS A GOVERNMENTAL PLAN OR CHURCH PLAN, ITS ACQUISITION AND HOLDING OF THE CLASS A NOTE (OR INTEREST THEREIN) WILL NOT GIVE RISE TO A NONEXEMPT VIOLATION OF ANY STATE, LOCAL OR OTHER LAW THAT IS SIMILAR TO THE FIDUCIARY AND PROHIBITED TRANSACTION PROVISIONS OF ERISA OR SECTION 4975 OF THE

CODE AND (3) IF ACQUIRED DURING THE INITIAL INVESTMENT PERIOD (AS DEFINED IN THE INDENTURE), IT IS NOT AN AFFECTED BANK (AS DEFINED IN THE INDENTURE). ANY PURPORTED TRANSFER OF A CLASS A NOTE (OR INTEREST THEREIN) TO A PURCHASER OR TRANSFEREE THAT DOES NOT COMPLY WITH THE ABOVE REQUIREMENTS SHALL BE NULL AND VOID *AB INITIO*.

LOCUST STREET FUNDING LLC

Class A Floating Rate Secured Note, Due 2023

Up to U.S.$840,000,000

R-1
CUSIP NO.: 540141 AA6

LOCUST STREET FUNDING LLC, a Delaware limited liability company (the "Issuer"), for value received, hereby promise to pay to CEDE & CO. or its registered assigns, upon presentation and surrender of this Class A Note (except as otherwise permitted by the Indenture hereinafter referred to), the principal sum of up to EIGHT HUNDRED FORTY MILLION United States Dollars (U.S.$840,000,000) on October 15, 2023 (the "Stated Maturity"), as adjusted by any Increases up to and including the Effective Date and as adjusted upward or downward in accordance with the Schedule of Exchanges as attached hereto, or upon the unpaid principal of this Class A Note becoming due and payable at an earlier date by declaration of acceleration, call for redemption or as otherwise provided below and in the Indenture. The Issuers promise to pay interest thereon on October 15, January 15, April 15 and July 15 in each year, commencing October 15, 2011, and at the Stated Maturity, at the rate equal to the LIBOR for the Applicable Period (x) plus 4.00% per annum through the Second Amendment Date (as defined below) and (y) plus 2.75% per annum after the Second Amendment Date (the "Class A Note Interest Rate"), in each case on the unpaid principal amount hereof until the principal hereof is paid or duly provided for in accordance with the Indenture. Interest shall be computed on the basis of the actual number of days elapsed in the applicable Interest Accrual Period divided by 360. The interest so payable and punctually paid on any Payment Date, and the principal payable and punctually paid on any Payment Date, will, as provided in the Indenture, be paid to the Person in whose name this Class A Note (or one or more predecessor Class A Notes) is registered at the close of business on the Regular Record Date for such interest, which shall be the fifteenth day (whether or not a Business Day) preceding such Payment Date.

The obligations of the Issuers under this Class A Note and the Indenture are limited recourse obligations of the Issuer payable solely from the Collateral Obligations and other Collateral pledged by the Issuer in accordance with the Priority of Payments, and in the event the Collateral Obligations and other Collateral are insufficient to satisfy such obligations, any claims of Holders shall be extinguished.

This Class A Note is one of a duly authorized issue of Class A Floating Rate Secured Notes, Due 2023 (the "Class A Notes") of the Issuer, limited in aggregate principal amount to U.S. $840,000,000 and issued under that certain Indenture (the "Indenture") dated as of July 21, 2011, as amended on February 15, 2012 and as amended and restated on September 26, 2012 (the "Second Amendment Date") among the Issuers and Citibank, N.A., as trustee (the "Trustee," which term includes any successor trustee as permitted under the Indenture). Authorized under the Indenture are the Class A Notes of the Issuer. Interest will cease to accrue on this Class A Note, or in the case of a partial repayment, on such part, from the date of repayment or Stated Maturity unless payment of principal is improperly withheld.

Reference is hereby made to the Indenture and all indentures supplemental thereto for a statement of the respective rights, limitations of rights, duties and immunities thereunder of the Issuer, the Trustee and the Holders of the Class A Notes and the terms upon which the Class A Notes are, and are to be, authenticated and delivered.

Capitalized terms used herein and not otherwise defined herein shall have the meanings set forth in the Indenture.

Payments in respect of principal and interest due on any Payment Date of this Class A Note shall be made by the Paying Agent, subject to any laws or regulations applicable thereto, by wire transfer in immediately available funds to a Dollar account maintained by DTC or its nominee to the extent practicable or otherwise by U.S. dollar check drawn on a bank in the United States of America delivered to DTC or its nominee. The final payment of interest and principal due on this Class A Note shall be made (except as otherwise provided in the Indenture) only upon presentation and surrender of this Class A Note at the Corporate Trust Office of the Trustee or at the office of any Paying Agent appointed under the Indenture.

The registered Holder of this Class A Note shall be treated as the owner hereof for all purposes.

Except as specifically provided herein and in the Indenture, the Issuer shall not be required to make any payment with respect to any tax, assessment or other governmental charge imposed by any government or any political subdivision or taxing authority thereof or therein.

In certain cases, including in the event that the Par Value Test relating to the Class A Notes in not satisfied as of the time specified in the Indenture, this Class A Note may be redeemed, in whole or in part, in the manner provided in the Indenture.

As specified in the Indenture and subject to conditions therein, on any Business Day, the Issuer may cause an optional redemption, in whole, or in part, of the Class A Notes at the written direction of, or with the written consent of, the Equity Owner. In addition, upon the occurrence of a Tax Event, the Issuer may on any Business Day redeem in whole, or in part, the Class A Notes at the written direction of, or with the written consent of, the Equity Owner or the Majority of the Controlling Class, in accordance with the procedures described in the Indenture. The redemption price for the Class A Notes shall be subject to the provisions set forth in the Indenture.

If an Event of Default shall occur and be continuing, the Class A Notes may become or be declared due and payable in the manner and with the effect provided in the Indenture. If any such acceleration of maturity occurs prior to the Stated Maturity of this Class A Note, the amount payable to the Holder of this Class A Note will be equal to the aggregate unpaid principal amount of the Class A Notes on the date this Class A Note becomes so due and payable, together with accrued and unpaid interest on such unpaid principal amount at the Note Interest Rate.

Payments of principal and interest on this Note are subordinate to the payment on each Payment Date of certain other obligations of the Issuer in accordance with the Priority of Payments.

The Class A Notes are issuable only in fully registered form without coupons in minimum denominations of $500,000 and integral multiples of $1,000 in excess thereof if held through a Rule 144A Global Class A Note.

The Issuer shall arrange for the Registrar (which shall initially be the Trustee) to keep the Register. Title to this Class A Note shall pass by registration in the Register for the Class A Notes.

No service charge shall be made for exchanging or registering the transfer of this Class A Note, but the Trustee may require payment of a sum sufficient to cover any tax or other governmental charge payable in connection therewith. The Trustee and the Registrar may request evidence reasonably satisfactory to it proving the identity of the transferee and transferor and the authenticity of their signatures.

The remedies of the Trustee and the Holder hereof, as provided herein or in the Indenture, shall be cumulative and concurrent and may be pursued solely against the Collateral. No failure on the part of the Holder or of the Trustee in exercising any right or remedy hereunder or under the Indenture shall operate as a waiver or release thereof, nor shall any single or partial exercise of any such right or remedy preclude any other further exercise thereof or the exercise of any other right or remedy hereunder or under the Indenture.

AS PROVIDED IN THE INDENTURE, THE INDENTURE AND THE CLASS A NOTES SHALL BE CONSTRUED IN ACCORDANCE WITH, AND GOVERNED BY, THE LAW OF THE STATE OF NEW YORK APPLICABLE TO AGREEMENTS MADE AND TO BE PERFORMED THEREIN WITHOUT REGARD TO THE CONFLICTS OF LAWS PRINCIPLES THEREOF.

Unless the certificate of authentication hereon has been executed by the Trustee by the manual signature of one of its Authorized Officers, this Class A Note shall not be entitled to any benefit under the Indenture or be valid or obligatory for any purpose.

IN WITNESS WHEREOF, the Issuers have caused this Class A Note to be duly executed.

Dated: September 26, 2012

LOCUST STREET FUNDING LLC

By: /s/ Gerald F. Stahlecker
Name: Gerald F. Stahlecker
Title: Executive Vice President

CERTIFICATE OF AUTHENTICATION

This is one of the Class A Notes referred to in the within-mentioned Indenture.

CITIBANK, N.A., as Trustee

By: _____
Authorized Signatory

ASSIGNMENT FORM

For value received _____

hereby sells, assigns and transfers unto

_____

_____

Please insert social security or other identifying number of assignee

Please print or type name and address, including zip code of assignee:

_____

_____

_____

_____

the within Class A Note and does hereby irrevocably constitute and appoint _____ Attorney to transfer the Class A Note on the books of the Issuer with full power of substitution in the premises.

Date:_____ Your Signature: _____

(Sign exactly as your name appears on this Class A Note)

SCHEDULE OF EXCHANGES IN RULE 144A GLOBAL CLASS A NOTE

The amount issued on the Closing Date is U.S. $63,000,000.

The following exchanges of a part of this Global Note have been made:

Date of Exchange	Amount of Decrease in Principal Amount of this Global Note	Amount of Increase in Principal Amount of this Global Note	Principal Amount of this Global Note following such Decrease (or Increase)	Signature of Authorized Officer of Trustee or Registrar

The Bond Market Association
New York - Washington – London
www. bondmarkets.com

International Securities Market Association
Rigistrasse 60, P.O. Box, CH-8033, Zurich
www.isma.org

2000 VERSION

TBMA/ISMA
AMENDED AND RESTATED
GLOBAL MASTER REPURCHASE AGREEMENT

Dated as of September 26, 2012

Between:

JPMORGAN CHASE BANK, N.A., LONDON BRANCH **("Party A")**

and

RACE STREET FUNDING LLC **("Party B")**

1. Applicability

(a) From time to time the parties hereto may enter into transactions in which one party, acting through a Designated Office, ("Seller") agrees to sell to the other, acting through a Designated Office, ("Buyer") securities and financial instruments ("Securities") (subject to paragraph 1(c), other than equities and Net Paying Securities) against the payment of the purchase price by Buyer to Seller, with a simultaneous agreement by Buyer to sell to Seller Securities equivalent to such Securities at a date certain or on demand against the payment of the repurchase price by Seller to Buyer.

(b) Each such transaction (which may be a repurchase transaction ("Repurchase Transaction") or a buy and sell back transaction ("Buy/Sell Back Transaction") shall be referred to herein as a "Transaction" and shall be governed by this Agreement, including any supplemental terms or conditions contained in Annex I hereto, unless otherwise agreed in writing.

(c) If this Agreement may be applied to -

(i) Buy/Sell Back Transactions, this shall be specified in Annex I hereto, and the provisions of the Buy/Sell Back Annex shall apply to such Buy/Sell Back Transactions;

(ii) Net Paying Securities, this shall be specified in Annex I hereto and the provisions of Annex 1, paragraph 1(b) shall apply to Transactions involving Net Paying Securities.

(d) If Transactions are to be effected under this Agreement by either party as an agent, this shall be specified in Annex I hereto, and the provisions of the Agency Annex shall apply to such Agency Transactions.

2. Definitions

(a) "Act of Insolvency" shall occur with respect to any party hereto upon –

(i) its making a general assignment for the benefit of, entering into a reorganisation, arrangement, or composition with creditors; or

(ii) its admitting in writing that it is unable to pay its debts as they become due; or

(iii) its seeking, consenting to or acquiescing in the appointment of any trustee, administrator, receiver or liquidator or analogous officer of it or any material part of its property; or

(iv) the presentation or filing of a petition in respect of it (other than by the counterparty to this Agreement in respect of any obligation under this Agreement) in any court or before any agency alleging or for the bankruptcy, winding up or insolvency of such party (or any analogous proceeding) or seeking any reorganisation, arrangement, composition, re adjustment, administration, liquidation, dissolution or similar relief under any present or future statute, law or regulation, such petition (except in the case of a petition for winding up or any analogous proceeding, in respect of which no such 30 day period shall apply) not having been stayed or dismissed within 30 days of its filing; or

(v) the appointment of a receiver, administrator, liquidator or trustee or analogous officer of such party or over all or any material part of such party's property; or

(vi) the convening of any meeting of its creditors for the purposes of considering a voluntary arrangement as referred to in section 3 of the Insolvency Act 1986 (or any analogous proceeding);

(b) "Agency Transaction", the meaning specified in paragraph 1 of the Agency Annex;

(c) "Appropriate Market", the meaning specified in paragraph 10;

(d) "Base Currency", the currency indicated in Annex I hereto;

(e) “Business Day” -

(i) in relation to the settlement of any Transaction which is to be settled through Clearstream or Euroclear, a day on which Clearstream or, as the case may be, Euroclear is open to settle business in the currency in which the Purchase Price and the Repurchase Price are denominated;

(ii) in relation to the settlement of any Transaction which is to be settled through a settlement system other than Clearstream or Euroclear, a day on which that settlement system is open to settle such Transaction;

(iii) in relation to any delivery of Securities not falling within (i) or (ii) above, a day on which banks are open for business in the place where delivery of the relevant Securities is to be effected; and

(iv) in relation to any obligation to make a payment not falling within (i) or (ii) above, a day other than a Saturday or a Sunday on which banks are open for business in the principal financial centre of the country of which the currency in which the payment is denominated is the official currency and, if different, in the place where any account designated by the parties for the making or receipt of the payment is situated (or, in the case of a payment in euro, a day on which TARGET operates);

(f) “Cash Margin”, a cash sum paid to Buyer or Seller in accordance with paragraph 4;

(g) “Clearstream”, Clearstream Banking, societe anonyme, (previously Cedelbank) or any successor thereto;

(h) “Confirmation”, the meaning specified in paragraph 3(b);

(i) “Contractual Currency”, the meaning specified in paragraph 7(a);

(j) “Defaulting Party”, the meaning specified in paragraph 10;

(k) “Default Market Value”, the meaning specified in paragraph 10;

(l) “Default Notice”, a written notice served by the non-Defaulting Party on the Defaulting Party under paragraph 10 stating that an event shall be treated as an Event of Default for the purposes of this Agreement;

(m) “Default Valuation Notice”, the meaning specified in paragraph 10;

(n) “Default Valuation Time”, the meaning specified in paragraph 10;

(o) “Deliverable Securities”, the meaning specified in paragraph 10;

(p) “Designated Office”, with respect to a party, a branch or office of that party which is specified as such in Annex I hereto or such other branch or office as may be agreed to by the parties;

(q) “Distributions”, the meaning specified in sub paragraph (w) below;

(r) “Equivalent Margin Securities”, Securities equivalent to Securities previously transferred as Margin Securities;

(s) “Equivalent Securities”, with respect to a Transaction, Securities equivalent to Purchased Securities under that Transaction. If and to the extent that such Purchased Securities have been redeemed, the expression shall mean a sum of money equivalent to the proceeds of the redemption;

(t) Securities are “equivalent to” other Securities for the purposes of this Agreement if they are: (i) of the same issuer; (ii) part of the same issue; and (iii) of an identical type, nominal value, description and (except where otherwise stated) amount as those other Securities, provided that -

(A) Securities will be equivalent to other Securities notwithstanding that those Securities have been redenominated into euro or that the nominal value of those Securities has changed in connection with such redenomination; and

(B) where Securities have been converted, subdivided or consolidated or have become the subject of a takeover or the holders of Securities have become entitled to receive or acquire other Securities or other property or the Securities have become subject to any similar event, the expression “equivalent to” shall mean Securities equivalent to (as defined in the provisions of this definition preceding the proviso) the original Securities together with or replaced by a sum of money or Securities or other property equivalent to (as so defined) that receivable by holders of such original Securities resulting from such event;

(u) “Euroclear”, operator of the Euroclear System or any successor thereto;

(v) “Event of Default”, the meaning specified in paragraph 10;

(w) “Income”, with respect to any Security at any time, all interest, dividends or other distributions thereon, but excluding distributions which are a payment or repayment of principal in respect of the relevant securities (“Distributions”);

(x) “Income Payment Date”, with respect to any Securities, the date on which Income is paid in respect of such Securities or, in the case of registered Securities, the date by reference to which particular registered holders are identified as being entitled to payment of Income;

(y) “LIBOR”, in relation to any sum in any currency, the one month London Inter-Bank Offered Rate in respect of that currency as quoted on page 3750 on the Bridge Telerate Service (or such other page as may replace page 3750 on that service) as of 11:00 a.m., London time, on the date on which it is to be determined;

(z) "Margin Ratio", with respect to a Transaction, the Market Value of the Purchased Securities at the time when the Transaction was entered into divided by the Purchase Price (and so that, where a Transaction relates to Securities of different descriptions and the Purchase Price is apportioned by the parties among Purchased Securities of each such description, a separate Margin Ratio shall apply in respect of Securities of each such description), or such other proportion as the parties may agree with respect to that Transaction;

(aa) "Margin Securities", in relation to a Margin Transfer, Securities reasonably acceptable to the party calling for such Margin Transfer;

(bb) "Margin Transfer", any, or any combination of, the payment or repayment of Cash Margin and the transfer of Margin Securities or Equivalent Margin Securities;

(cc) "Market Value", with respect to any Securities as of any time on any date, the price for such Securities at such time on such date obtained from a generally recognised source agreed to by the parties (and where different prices are obtained for different delivery dates, the price so obtainable for the earliest available such delivery date) (provided that the price of Securities that are suspended shall (for the purposes of paragraph 4) be nil unless the parties otherwise agree and (for all other purposes) shall be the price of those Securities as of close of business on the dealing day in the relevant market last preceding the date of suspension) plus the aggregate amount of Income which, as of such date, has accrued but not yet been paid in respect of the Securities to the extent not included in such price as of such date, and for these purposes any sum in a currency other than the Contractual Currency for the Transaction in question shall be converted into such Contractual Currency at the Spot Rate prevailing at the relevant time;

(dd) "Net Exposure", the meaning specified in paragraph 4(c);

(ee) the "Net Margin" provided to a party at any time, the excess (if any) at that time of (i) the sum of the amount of Cash Margin paid to that party (including accrued interest on such Cash Margin which has not been paid to the other party) and the Market Value of Margin Securities transferred to that party under paragraph 4(a) (excluding any Cash Margin which has been repaid to the other party and any Margin Securities in respect of which Equivalent Margin Securities have been transferred to the other party) over (ii) the sum of the amount of Cash Margin paid to the other party (including accrued interest on such Cash Margin which has not been paid by the other party) and the Market Value of Margin Securities transferred to the other party under paragraph 4(a) (excluding any Cash Margin which has been repaid by the other party and any Margin Securities in respect of which Equivalent Margin Securities have been transferred by the other party) and for this purpose any amounts not denominated in the Base Currency shall be converted into the Base Currency at the Spot Rate prevailing at the relevant time;

(ff) "Net Paying Securities", Securities which are of a kind such that, were they to be the subject of a Transaction to which paragraph 5 applies, any payment made by Buyer under paragraph 5 would be one in respect of which either Buyer would or might be required to make a withholding or deduction for or on account of taxes or duties or Seller might be required to make or account for a payment for or on account of taxes or duties (in each case other than tax on overall net income) by reference to such payment;

(gg) "Net Value", the meaning specified in paragraph 10;

(hh) "New Purchased Securities", the meaning specified in paragraph 8(a);

(ii) "Price Differential", with respect to any Transaction as of any date, the aggregate amount obtained by daily application of the Pricing Rate for such Transaction to the Purchase Price for such Transaction (on a 360 day basis or 365 day basis in accordance with the applicable ISMA convention, unless otherwise agreed between the parties for the Transaction), for the actual number of days during the period commencing on (and including) the Purchase Date for such Transaction and ending on (but excluding) the date of calculation or, if earlier, the Repurchase Date;

(jj) "Pricing Rate", with respect to any Transaction, the per annum percentage rate for calculation of the Price Differential agreed to by Buyer and Seller in relation to that Transaction;

(kk) "Purchase Date", with respect to any Transaction, the date on which Purchased Securities are to be sold by Seller to Buyer in relation to that Transaction;

(ll) "Purchase Price", on the Purchase Date, the price at which Purchased Securities are sold or are to be sold by Seller to Buyer;

(mm) "Purchased Securities", with respect to any Transaction, the Securities sold or to be sold by Seller to Buyer under that Transaction, and any New Purchased Securities transferred by Seller to Buyer under paragraph 8 in respect of that Transaction;

(nn) "Receivable Securities", the meaning specified in paragraph 10;

(oo) "Repurchase Date", with respect to any Transaction, the date on which Buyer is to sell Equivalent Securities to Seller in relation to that Transaction;

(pp) "Repurchase Price", with respect to any Transaction and as of any date, the sum of the Purchase Price and the Price Differential as of such date;

(qq) "Special Default Notice", the meaning specified in paragraph 14;

(rr) "Spot Rate", where an amount in one currency is to be converted into a second currency on any date, unless the parties otherwise agree, the spot rate of exchange quoted by Barclays Bank PLC in the London inter-bank market for the sale by it of such second currency against a purchase by it of such first currency;

(ss) "TARGET", the Trans European Automated Real time Gross Settlement Express Transfer System;

(tt) "Term", with respect to any Transaction, the interval of time commencing with the Purchase Date and ending with the Repurchase Date;

(uu) "Termination", with respect to any Transaction, refers to the requirement with respect to such Transaction for Buyer to sell Equivalent Securities against payment by Seller of the Repurchase Price in accordance with paragraph 3(f), and reference to a Transaction having a "fixed term" or being "terminable upon demand" shall be construed accordingly;

(vv) "Transaction Costs", the meaning specified in paragraph 10;

(ww) "Transaction Exposure", with respect to any Transaction at any time during the period from the Purchase Date to the Repurchase Date (or, if later, the date on which Equivalent Securities are delivered to Seller or the Transaction is terminated under paragraph 10(g) or 10(h)), the difference between (i) the Repurchase Price at such time multiplied by the applicable Margin Ratio (or, where the Transaction relates to Securities of more than one description to which different Margin Ratios apply, the amount produced by multiplying the Repurchase Price attributable to Equivalent Securities of each such description by the applicable Margin Ratio and aggregating the resulting amounts, the Repurchase Price being for this purpose attributed to Equivalent Securities of each such description in the same proportions as those in which the Purchase Price was apportioned among the Purchased Securities) and (ii) the Market Value of Equivalent Securities at such time. If (i) is greater than (ii), Buyer has a Transaction Exposure for that Transaction equal to that excess. If (ii) is greater than (i), Seller has a Transaction Exposure for that Transaction equal to that excess; and

(xx) except in paragraphs 14(b)(i) and 18, references in this Agreement to "written" communications and communications "in writing" include communications made through any electronic system agreed between the parties which is capable of reproducing such communication in hard copy form.

3. Initiation; Confirmation; Termination

(a) A Transaction may be entered into orally or in writing at the initiation of either Buyer or Seller.

(b) Upon agreeing to enter into a Transaction hereunder Buyer or Seller (or both), as shall have been agreed, shall promptly deliver to the other party written confirmation of such Transaction (a "Confirmation").

The Confirmation shall describe the Purchased Securities (including CUSIP or ISIN or other identifying number or numbers, if any), identify Buyer and Seller and set forth -

(i) the Purchase Date;

(ii) the Purchase Price;

(iii) the Repurchase Date, unless the Transaction is to be terminable on demand (in which case the Confirmation shall state that it is terminable on demand);

(iv) the Pricing Rate applicable to the Transaction;

(v) in respect of each party the details of the bank account[s] to which payments to be made hereunder are to be credited;

(vi) where the Buy/Sell Back Annex applies, whether the Transaction is a Repurchase Transaction or a Buy/Sell Back Transaction;

(vii) where the Agency Annex applies, whether the Transaction is an Agency Transaction and, if so, the identity of the party which is acting as agent and the name, code or identifier of the Principal; and

(viii) any additional terms or conditions of the Transaction;

and may be in the form of Annex II hereto or may be in any other form to which the parties agree.

The Confirmation relating to a Transaction shall, together with this Agreement, constitute prima facie evidence of the terms agreed between Buyer and Seller for that Transaction, unless objection is made with respect to the Confirmation promptly after receipt thereof. In the event of any conflict between the terms of such Confirmation and this Agreement, the Confirmation shall prevail in respect of that Transaction and those terms only.

(c) On the Purchase Date for a Transaction, Seller shall transfer the Purchased Securities to Buyer or its agent against the payment of the Purchase Price by Buyer.

(d) Termination of a Transaction will be effected, in the case of on demand Transactions, on the date specified for Termination in such demand, and, in the case of fixed term Transactions, on the date fixed for Termination.

(e) In the case of on demand Transactions, demand for Termination shall be made by Buyer or Seller, by telephone or otherwise, and shall provide for Termination to occur after not less than the minimum period as is customarily required for the settlement or delivery of money or Equivalent Securities of the relevant kind.

(f) On the Repurchase Date, Buyer shall transfer to Seller or its agent Equivalent Securities against the payment of the Repurchase Price by Seller (less any amount then payable and unpaid by Buyer to Seller pursuant to paragraph 5).

4. Margin Maintenance

(a) If at any time either party has a Net Exposure in respect of the other party it may by notice to the other party require the other party to make a Margin Transfer to it of an aggregate amount or value at least equal to that Net Exposure.

(b) A notice under sub paragraph (a) above may be given orally or in writing.

(c) For the purposes of this Agreement a party has a Net Exposure in respect of the other party if the aggregate of all the first party's Transaction Exposures plus any amount payable to the first party under paragraph 5 but unpaid less the amount of any Net Margin provided to the first party exceeds the aggregate of all the other party's Transaction Exposures plus any amount payable to the other party under paragraph 5 but unpaid less the amount of any Net Margin provided to the other party; and the amount of the Net Exposure is the amount of the excess. For this purpose any amounts not denominated in the Base Currency shall be converted into the Base Currency at the Spot Rate prevailing at the relevant time.

(d) To the extent that a party calling for a Margin Transfer has previously paid Cash Margin which has not been repaid or delivered Margin Securities in respect of which Equivalent Margin Securities have not been delivered to it, that party shall be entitled to require that such Margin Transfer be satisfied first by the repayment of such Cash Margin or the delivery of Equivalent Margin Securities but, subject to this, the composition of a Margin Transfer shall be at the option of the party making such Margin Transfer.

(e) Any Cash Margin transferred shall be in the Base Currency or such other currency as the parties may agree.

(f) A payment of Cash Margin shall give rise to a debt owing from the party receiving such payment to the party making such payment. Such debt shall bear interest at such rate, payable at such times, as may be specified in Annex I hereto in respect of the relevant currency or otherwise agreed between the parties, and shall be repayable subject to the terms of this Agreement.

(g) Where Seller or Buyer becomes obliged under sub paragraph (a) above to make a Margin Transfer, it shall transfer Cash Margin or Margin Securities or Equivalent Margin Securities within the minimum period specified in Annex I hereto or, if no period is there specified, such minimum period as is customarily required for the settlement or delivery of money, Margin Securities or Equivalent Margin Securities of the relevant kind.

(h) The parties may agree that, with respect to any Transaction, the provisions of sub-paragraphs (a) to (g) above shall not apply but instead that margin may be provided separately in respect of that Transaction in which case

(i) that Transaction shall not be taken into account when calculating whether either party has a Net Exposure;

(ii) margin shall be provided in respect of that Transaction in such manner as the parties may agree; and

(iii) margin provided in respect of that Transaction shall not be taken into account for the purposes of sub paragraphs (a) to (g) above.

(i) The parties may agree that any Net Exposure which may arise shall be eliminated not by Margin Transfers under the preceding provisions of this paragraph but by the repricing of Transactions under sub paragraph (j) below, the adjustment of Transactions under sub- paragraph (k) below or a combination of both these methods.

(j) Where the parties agree that a Transaction is to be repriced under this sub paragraph, such repricing shall be effected as follows -

(i) the Repurchase Date under the relevant Transaction (the "original Transaction") shall be deemed to occur on the date on which the repricing is to be effected (the "Repricing Date");

(ii) the parties shall be deemed to have entered into a new Transaction (the "Repriced Transaction") on the terms set out in (iii) to (vi) below;

(iii) the Purchased Securities under the Repriced Transaction shall be Securities equivalent to the Purchased Securities under the Original Transaction;

(iv) the Purchase Date under the Repriced Transaction shall be the Repricing Date;

(v) the Purchase Price under the Repriced Transaction shall be such amount as shall, when multiplied by the Margin Ratio applicable to the Original Transaction, be equal to the Market Value of such Securities on the Repricing Date;

(vi) the Repurchase Date, the Pricing Rate, the Margin Ratio and, subject as aforesaid, the other terms of the Repriced Transaction shall be identical to those of the Original Transaction;

(vii) the obligations of the parties with respect to the delivery of the Purchased Securities and the payment of the Purchase Price under the Repriced Transaction shall be set off against their obligations with respect to the delivery of Equivalent Securities and payment of the Repurchase Price under the Original Transaction and accordingly only a net cash sum shall be paid by one party to the other. Such net cash sum shall be paid within the period specified in sub paragraph (g) above.

(k) The adjustment of a Transaction (the "Original Transaction") under this sub paragraph shall be effected by the parties agreeing that on the date on which the adjustment is to be made (the "Adjustment Date") the Original Transaction shall be terminated and they shall enter into a new Transaction (the "Replacement Transaction") in accordance with the following provisions

(i) the Original Transaction shall be terminated on the Adjustment Date on such terms as the parties shall agree on or before the Adjustment Date;

(ii) the Purchased Securities under the Replacement Transaction shall be such Securities as the parties shall agree on or before the Adjustment Date (being Securities the aggregate Market Value of which at the Adjustment Date is substantially equal to the Repurchase Price under the Original Transaction at the Adjustment Date multiplied by the Margin Ratio applicable to the Original Transaction);

(iii) the Purchase Date under the Replacement Transaction shall be the Adjustment Date;

(iv) the other terms of the Replacement Transaction shall be such as the parties shall agree on or before the Adjustment Date; and

(v) the obligations of the parties with respect to payment and delivery of Securities on the Adjustment Date under the Original Transaction and the Replacement Transaction shall be settled in accordance with paragraph 6 within the minimum period specified in sub paragraph (g) above.

5. Income Payments

Unless otherwise agreed -

(i) where the Term of a particular Transaction extends over an Income Payment Date in respect of any Securities subject to that Transaction, Buyer shall on the date such Income is paid by the issuer transfer to or credit to the account of Seller an amount equal to (and in the same currency as) the amount paid by the issuer;

(ii) where Margin Securities are transferred from one party ("the first party") to the other party ("the second party") and an Income Payment Date in respect of such Securities occurs before Equivalent Margin Securities are transferred by the second party to the first party, the second party shall on the date such Income is paid by the issuer transfer to or credit to the account of the first party an amount equal to (and in the same currency as) the amount paid by the issuer;

and for the avoidance of doubt references in this paragraph to the amount of any Income paid by the issuer of any Securities shall be to an amount paid without any withholding or deduction for or on account of taxes or duties notwithstanding that a payment of such Income made in certain circumstances may be subject to such a withholding or deduction.

6. Payment and Transfer

(a) Unless otherwise agreed, all money paid hereunder shall be in immediately available freely convertible funds of the relevant currency. All Securities to be transferred hereunder (i) shall be in suitable form for transfer and shall be accompanied by duly executed instruments of transfer or assignment in blank (where required for transfer) and

such other documentation as the transferee may reasonably request, or (ii) shall be transferred through the book entry system of Euroclear or Clearstream, or (iii) shall be transferred through any other agreed securities clearance system or (iv) shall be transferred by any other method mutually acceptable to Seller and Buyer.

(b) Unless otherwise agreed, all money payable by one party to the other in respect of any Transaction shall be paid free and clear of, and without withholding or deduction for, any taxes or duties of whatsoever nature imposed, levied, collected, withheld or assessed by any authority having power to tax, unless the withholding or deduction of such taxes or duties is required by law. In that event, unless otherwise agreed, the paying party shall pay such additional amounts as will result in the net amounts receivable by the other party (after taking account of such withholding or deduction) being equal to such amounts as would have been received by it had no such taxes or duties been required to be withheld or deducted.

(c) Unless otherwise agreed in writing between the parties, under each Transaction transfer of Purchased Securities by Seller and payment of Purchase Price by Buyer against the transfer of such Purchased Securities shall be made simultaneously and transfer of Equivalent Securities by Buyer and payment of Repurchase Price payable by Seller against the transfer of such Equivalent Securities shall be made simultaneously.

(d) Subject to and without prejudice to the provisions of sub paragraph 6(c), either party may from time to time in accordance with market practice and in recognition of the practical difficulties in arranging simultaneous delivery of Securities and money waive in relation to any Transaction its rights under this Agreement to receive simultaneous transfer and/or payment provided that transfer and/or payment shall, notwithstanding such waiver, be made on the same day and provided also that no such waiver in respect of one Transaction shall affect or bind it in respect of any other Transaction.

(e) The parties shall execute and deliver all necessary documents and take all necessary steps to procure that all right, title and interest in any Purchased Securities, any Equivalent Securities, any Margin Securities and any Equivalent Margin Securities shall pass to the party to which transfer is being made upon transfer of the same in accordance with this Agreement, free from all liens, claims, charges and encumbrances.

(f) Notwithstanding the use of expressions such as "*Repurchase Date*", "*Repurchase Price*", "*margin*", "*Net Margin*", "*Margin Ratio*" and "*substitution*", which are used to reflect terminology used in the market for transactions of the kind provided for in this Agreement, all right, title and interest in and to Securities and money transferred or paid under this Agreement shall pass to the transferee upon transfer or payment, the obligation of the party receiving Purchased Securities or Margin Securities being an obligation to transfer Equivalent Securities or Equivalent Margin Securities.

(g) Time shall be of the essence in this Agreement.

(h) Subject to paragraph 10, all amounts in the same currency payable by each party to the other under any Transaction or otherwise under this Agreement on the same date shall be combined in a single calculation of a net sum payable by one party to the other and the obligation to pay that sum shall be the only obligation of either party in respect of those amounts.

(i) Subject to paragraph 10, all Securities of the same issue, denomination, currency and series, transferable by each party to the other under any Transaction or hereunder on the same date shall be combined in a single calculation of a net quantity of Securities transferable by one party to the other and the obligation to transfer the net quantity of Securities shall be the only obligation of either party in respect of the Securities so transferable and receivable.

(j) If the parties have specified in Annex I hereto that this paragraph 6(j) shall apply, each obligation of a party under this Agreement (other than an obligation arising under paragraph 10) is subject to the condition precedent that none of those events specified in paragraph 10(a) which are identified in Annex I hereto for the purposes of this paragraph 6(j) (being events which, upon the serving of a Default Notice, would be an Event of Default with respect to the other party) shall have occurred and be continuing with respect to the other party.

7. Contractual Currency

(a) All the payments made in respect of the Purchase Price or the Repurchase Price of any Transaction shall be made in the currency of the Purchase Price (the "Contractual Currency") save as provided in paragraph 10(c)(ii). Notwithstanding the foregoing, the payee of any money may, at its option, accept tender thereof in any other currency, provided, however, that, to the extent permitted by applicable law, the obligation of the payer to pay such money will be discharged only to the extent of the amount of the Contractual Currency that such payee may, consistent with normal banking procedures, purchase with such other currency (after deduction of any premium and costs of exchange) for delivery within the customary delivery period for spot transactions in respect of the relevant currency.

(b) If for any reason the amount in the Contractual Currency received by a party, including amounts received after conversion of any recovery under any judgment or order expressed in a currency other than the Contractual Currency, falls short of the amount in the Contractual Currency due and payable, the party required to make the payment will, as a separate and independent obligation, to the extent permitted by applicable law, immediately transfer such additional amount in the Contractual Currency as may be necessary to compensate for the shortfall.

(c) If for any reason the amount in the Contractual Currency received by a party exceeds the amount of the Contractual Currency due and payable, the party receiving the transfer will refund promptly the amount of such excess.

8. Substitution

(a) A Transaction may at any time between the Purchase Date and Repurchase Date, if Seller so requests and Buyer so agrees, be varied by the transfer by Buyer to Seller of Securities equivalent to the Purchased Securities, or to such of the Purchased Securities as shall be agreed, in exchange for the transfer by Seller to Buyer of other Securities of such amount and description as shall be agreed ("New Purchased Securities") (being Securities having a Market Value at the date of the variation at least equal to the Market Value of the Equivalent Securities transferred to Seller).

(b) Any variation under sub paragraph (a) above shall be effected, subject to paragraph 6(d), by the simultaneous transfer of the Equivalent Securities and New Purchased Securities concerned.

(c) A Transaction which is varied under sub paragraph (a) above shall thereafter continue in effect as though the Purchased Securities under that Transaction consisted of or included the New Purchased Securities instead of the Securities in respect of which Equivalent Securities have been transferred to Seller.

(d) Where either party has transferred Margin Securities to the other party it may at any time before Equivalent Margin Securities are transferred to it under paragraph 4 request the other party to transfer Equivalent Margin Securities to it in exchange for the transfer to the other party of new Margin Securities having a Market Value at the time of transfer at least equal to that of such Equivalent Margin Securities. If the other party agrees to the request, the exchange shall be effected, subject to paragraph 6(d), by the simultaneous transfer of the Equivalent Margin Securities and new Margin Securities concerned. Where either or both of such transfers is or are effected through a settlement system in circumstances which under the rules and procedures of that settlement system give rise to a payment by or for the account of one party to or for the account of the other party, the parties shall cause such payment or payments to be made outside that settlement system, for value the same day as the payments made through that settlement system, as shall ensure that the exchange of Equivalent Margin Securities and new Margin Securities effected under this sub paragraph does not give rise to any net payment of cash by either party to the other.

9. Representations

Each party represents and warrants to the other that -

(a) it is duly authorised to execute and deliver this Agreement, to enter into the Transactions contemplated hereunder and to perform its obligations hereunder and thereunder and has taken all necessary action to authorise such execution, delivery and performance;

(b) it will engage in this Agreement and the Transactions contemplated hereunder (other than Agency Transactions) as principal;

(c) the person signing this Agreement on its behalf is, and any person representing it in entering into a Transaction will be, duly authorised to do so on its behalf;

(d) it has obtained all authorisations of any governmental or regulatory body required in connection with this Agreement and the Transactions contemplated hereunder and such authorisations are in full force and effect;

(e) the execution, delivery and performance of this Agreement and the Transactions contemplated hereunder will not violate any law, ordinance, charter, by law or rule applicable to it or any agreement by which it is bound or by which any of its assets are affected;

(f) it has satisfied itself and will continue to satisfy itself as to the tax implications of the Transactions contemplated hereunder;

(g) in connection with this Agreement and each Transaction -

(i) unless there is a written agreement with the other party to the contrary, it is not relying on any advice (whether written or oral) of the other party, other than the representations expressly set out in this Agreement;

(ii) it has made and will make its own decisions regarding the entering into of any Transaction based upon its own judgment and upon advice from such professional advisers as it has deemed it necessary to consult;

(iii) it understands the terms, conditions and risks of each Transaction and is willing to assume (financially and otherwise) those risks; and

(h) at the time of transfer to the other party of any Securities it will have the full and unqualified right to make such transfer and that upon such transfer of Securities the other party will receive all right, title and interest in and to those Securities free of any lien, claim, charge or encumbrance.

On the date on which any Transaction is entered into pursuant hereto, and on each day on which Securities, Equivalent Securities, Margin Securities or Equivalent Margin Securities are to be transferred under any Transaction, Buyer and Seller shall each be deemed to repeat all the foregoing representations. For the avoidance of doubt and notwithstanding any arrangements which Seller or Buyer may have with any third party, each party will be liable as a principal for its obligations under this Agreement and each Transaction.

10. Events of Default

(a) If any of the following events (each an “Event of Default”) occurs in relation to either party (the “Defaulting Party”, the other party being the “non-Defaulting Party”) whether acting as Seller or Buyer -

(i) Buyer fails to pay the Purchase Price upon the applicable Purchase Date or Seller fails to pay the Repurchase Price upon the applicable Repurchase Date, and the non-Defaulting Party serves a Default Notice on the Defaulting Party; or

(ii) if the parties have specified in Annex I hereto that this sub paragraph shall apply, Seller fails to deliver Purchased Securities on the Purchase Date or Buyer fails to deliver Equivalent Securities on the Repurchase Date, and the non-Defaulting Party serves a Default Notice on the Defaulting Party; or

(iii) Seller or Buyer fails to pay when due any sum payable under sub paragraph (g) or (h) below, and the non-Defaulting Party serves a Default Notice on the Defaulting Party; or

(iv) Seller or Buyer fails to comply with paragraph 4 and the non-Defaulting Party serves a Default Notice on the Defaulting Party; or

(v) Seller or Buyer fails to comply with paragraph 5 and the non-Defaulting Party serves a Default Notice on the Defaulting Party; or

(vi) an Act of Insolvency occurs with respect to Seller or Buyer and (except in the case of an Act of Insolvency which is the presentation of a petition for winding up or any analogous proceeding or the appointment of a liquidator or analogous officer of the Defaulting Party in which case no such notice shall be required) the non-Defaulting Party serves a Default Notice on the Defaulting Party; or

(vii) any representations made by Seller or Buyer are incorrect or untrue in any material respect when made or repeated or deemed to have been made or repeated, and the non-Defaulting Party serves a Default Notice on the Defaulting Party; or

(viii) Seller or Buyer admits to the other that it is unable to, or intends not to, perform any of its obligations hereunder and/or in respect of any Transaction and the non-Defaulting Party serves a Default Notice on the Defaulting Party; or

(ix) Seller or Buyer is suspended or expelled from membership of or participation in any securities exchange or association or other self-regulating organisation, or suspended from dealing in securities by any government agency, or any of the assets of either Seller or Buyer or the assets of investors held by, or to the order of, Seller or Buyer are transferred or ordered to be transferred to a trustee by a regulatory authority pursuant to any securities regulating legislation and the non-Defaulting Party serves a Default Notice on the Defaulting Party; or

(x) Seller or Buyer fails to perform any other of its obligations hereunder and does not remedy such failure within 30 days after notice is given by the non-¬Defaulting Party requiring it to do so, and the non-Defaulting Party serves a Default Notice on the Defaulting Party;

Then sub paragraphs (b) to (f) below shall apply.

(b) The Repurchase Date for each Transaction hereunder shall be deemed immediately to occur and, subject to the following provisions, all Cash Margin (including interest accrued) shall be immediately repayable and Equivalent Margin Securities shall be immediately deliverable (and so that, where this sub paragraph applies, performance of the respective obligations of the parties with respect to the delivery of Securities, the payment of the Repurchase Prices for any Equivalent Securities and the repayment of any Cash Margin shall be effected only in accordance with the provisions of sub paragraph (c) below).

(c)

(i) The Default Market Values of the Equivalent Securities and any Equivalent Margin Securities to be transferred, the amount of any Cash Margin (including the amount of interest accrued) to be transferred and the Repurchase Prices to be paid by each party shall be established by the non-Defaulting Party for all Transactions as at the Repurchase Date; and

(ii) on the basis of the sums so established, an account shall be taken (as at the Repurchase Date) of what is due from each party to the other under this Agreement (on the basis that each party's claim against the other in respect of the transfer to it of Equivalent Securities or Equivalent Margin Securities under this Agreement equals the Default Market Value therefor) and the sums due from one party shall be set off against the sums due from the other and only the balance of the account shall be payable (by the party having the claim valued at the lower amount pursuant to the foregoing) and such balance shall be due and payable on the next following Business Day. For the purposes of this calculation, all sums not denominated in the Base Currency shall be converted into the Base Currency on the relevant date at the Spot Rate prevailing at the relevant time.

(d) For the purposes of this Agreement, the "Default Market Value" of any Equivalent Securities or Equivalent Margin Securities shall be determined in accordance with sub paragraph (e) below, and for this purpose -

(i) the "Appropriate Market" means, in relation to Securities of any description, the market which is the most appropriate market for Securities of that description, as determined by the non-Defaulting Party;

(ii) the "Default Valuation Time" means, in relation to an Event of Default, the close of business in the Appropriate Market on the fifth dealing day after the day on which that Event of Default occurs or, where that Event of Default is the occurrence of an Act of Insolvency in respect of which under paragraph 10(a) no notice is required from the non-Defaulting Party in order for such event to constitute an Event of Default, the close of business on the fifth dealing day after the day on which the non-Defaulting Party first became aware of the occurrence of such Event of Default;

(iii) "Deliverable Securities" means Equivalent Securities or Equivalent Margin Securities to be delivered by the Defaulting Party;

(iv) "Net Value" means at any time, in relation to any Deliverable Securities or Receivable Securities, the amount which, in the reasonable opinion of the non- Defaulting Party, represents their fair market value, having regard to such pricing sources and methods (which may include, without limitation, available prices for Securities with similar maturities, terms and credit characteristics as the relevant Equivalent Securities or Equivalent Margin Securities) as the non-Defaulting Party considers appropriate, less, in the case of Receivable Securities, or plus, on the case of Deliverable Securities, all Transaction Costs which would be incurred in connection with the purchase or sale of such Securities;

(v) “Receivable Securities” means Equivalent Securities or Equivalent Margin Securities to be delivered to the Defaulting Party; and

(vi) “Transaction Costs” in relation to any transaction contemplated in paragraph 10(d) or (e) means the reasonable costs, commission, fees and expenses (including any mark up or mark down) that would be incurred in connection with the purchase of Deliverable Securities or sale of Receivable Securities, calculated on the assumption that the aggregate thereof is the least that could reasonably be expected to be paid in order to carry out the transaction;

(e) (i) If between the occurrence of the relevant Event of Default and the Default Valuation Time the non-Defaulting Party gives to the Defaulting Party a written notice (a “Default Valuation Notice”) which -

(A) states that, since the occurrence of the relevant Event of Default, the non-Defaulting Party has sold, in the case of Receivable Securities, or purchased, in the case of Deliverable Securities, Securities which form part of the same issue and are of an identical type and description as those Equivalent Securities or Equivalent Margin Securities, and that the non- Defaulting Party elects to treat as the Default Market Value -

(aa) in the case of Receivable Securities, the net proceeds of such sale after deducting all reasonable costs, fees and expenses incurred in connection therewith (provided that, where the Securities sold are not identical in amount to the Equivalent Securities or Equivalent Margin Securities, the non-Defaulting Party may either (x) elect to treat such net proceeds of sale divided by the amount of Securities sold and multiplied by the amount of the Equivalent Securities or Equivalent Margin Securities as the Default Market Value or (y) elect to treat such net proceeds of sale of the Equivalent Securities or Equivalent Margin Securities actually sold as the Default Market Value of that proportion of the Equivalent Securities or Equivalent Margin Securities, and, in the case of (y), the Default Market Value of the balance of the Equivalent Securities or Equivalent Margin Securities shall be determined separately in accordance with the provisions of this paragraph 10(e) and accordingly may be the subject of a separate notice (or notices) under this paragraph 10(e)(i); or

(bb) in the case of Deliverable Securities, the aggregate cost of such purchase, including all reasonable costs, fees and expenses incurred in connection therewith (provided that, where the Securities purchased are not identical in amount to the Equivalent Securities or Equivalent Margin Securities, the non-Defaulting

Party may either (x) elect to treat such aggregate cost divided by the amount of Securities sold and multiplied by the amount of the Equivalent Securities or Equivalent Margin Securities as the Default Market Value or (y) elect to treat the aggregate cost of purchasing the Equivalent Securities or Equivalent Margin Securities actually purchased as the Default Market Value of that proportion of the Equivalent Securities or Equivalent Margin Securities, and, in the case of (y), the Default Market Value of the balance of the Equivalent Securities or Equivalent Margin Securities shall be determined separately in accordance with the provisions of this paragraph 10(e) and accordingly may be the subject of a separate notice (or notices) under this paragraph 10(e)(i)

(B) states that the non-Defaulting Party has received, in the case of Deliverable Securities, offer quotations or, in the case of Receivable Securities, bid quotations in respect of Securities of the relevant description from two or more market makers or regular dealers in the Appropriate Market in a commercially reasonable size (as determined by the non-Defaulting Party) and specifies -

(aa) the price or prices quoted by each of them for, in the case of Deliverable Securities, the sale by the relevant market marker or dealer of such Securities or, in the case of Receivable Securities, the purchase by the relevant market maker or dealer of such Securities;

(bb) the Transaction Costs which would be incurred in connection with such a transaction; and

(cc) that the non-Defaulting Party elects to treat the price so quoted (or, where more than one price is so quoted, the arithmetic mean of the prices so quoted), after deducting, in the case of Receivable Securities, or adding, in the case of Deliverable Securities, such Transaction Costs, as the Default Market Value of the relevant Equivalent Securities or Equivalent Margin Securities; or

(C) states

(aa) that either (x) acting in good faith, the non-Defaulting Party has endeavoured but been unable to sell or purchase Securities in accordance with sub paragraph (i)(A) above or to obtain quotations in accordance with sub paragraph (i)(B) above (or both) or (y) the non-Defaulting Party has determined that it would not be commercially reasonable to obtain such quotations, or that it would ‘ not be commercially reasonable to use any quotations which it has obtained under sub paragraph (i)(B) above; and

(bb) that the non-Defaulting Party has determined the Net Value of the relevant Equivalent Securities or Equivalent Margin Securities (which shall be specified) and that the non-Defaulting Party elects to treat such Net Value as the Default Market Value of the relevant Equivalent Securities or Equivalent Margin Securities,

then the Default Market Value of the relevant Equivalent Securities or Equivalent Margin Securities shall be an amount equal to the Default Market Value specified in accordance with (A), (B)(cc) or, as the case may be, (C)(bb) above.

(ii) If by the Default Valuation Time the non-Defaulting Party has not given a Default Valuation Notice, the Default Market Value of the relevant Equivalent Securities or Equivalent Margin Securities shall be an amount equal to their Net Value at the Default Valuation Time; provided that, if at the Default Valuation Time the non- Defaulting Party reasonably determines that, owing to circumstances affecting the market in the Equivalent Securities or Equivalent Margin Securities in question, it is not possible for the non-Defaulting Party to determine a Net Value of such Equivalent Securities or Equivalent Margin Securities which is commercially reasonable, the Default Market Value of such Equivalent Securities or Equivalent Margin Securities shall be an amount equal to their Net Value as determined by the non-Defaulting Party as soon as reasonably practicable after the Default Valuation Time.

(f) The Defaulting Party shall be liable to the non-Defaulting Party for the amount of all reasonable legal and other professional expenses incurred by the non-Defaulting Party in connection with or as a consequence of an Event of Default, together with interest thereon at LIBOR or, in the case of an expense attributable to a particular Transaction, the Pricing Rate for the relevant Transaction if that Pricing Rate is greater than LIBOR.

(g) If Seller fails to deliver Purchased Securities to Buyer on the applicable Purchase Date Buyer may -

(i) if it has paid the Purchase Price to Seller, require Seller immediately to repay the sum so paid;

(ii) if Buyer has a Transaction Exposure to Seller in respect of the relevant Transaction, require Seller from time to time to pay Cash Margin at least equal to such Transaction Exposure;

(iii) at any time while such failure continues, terminate the Transaction by giving written notice to Seller. On such termination the obligations of Seller and Buyer with respect to delivery of Purchased Securities and Equivalent Securities shall terminate and Seller shall pay to Buyer an amount equal to the excess of the Repurchase Price at the date of Termination over the Purchase Price.

(h) If Buyer fails to deliver Equivalent Securities to Seller on the applicable Repurchase Date Seller may -

(i) if it has paid the Repurchase Price to Buyer, require Buyer immediately to repay the sum so paid;

(ii) if Seller has a Transaction Exposure to Buyer in respect of the relevant Transaction, require Buyer from time to time to pay Cash Margin at least equal to such Transaction Exposure;

(iii) at any time while such failure continues, by written notice to Buyer declare that that Transaction (but only that Transaction) shall be terminated immediately in accordance with sub paragraph (c) above (disregarding for this purpose references in that sub paragraph to transfer of Cash Margin and delivery of Equivalent Margin Securities and as if references to the Repurchase Date were to the date on which notice was given under this sub-paragraph).

(i) The provisions of this Agreement constitute a complete statement of the remedies available to each party in respect of any Event of Default.

(j) Subject to paragraph 10(k), neither party may claim any sum by way of consequential loss or damage in the event of a failure by the other party to perform any of its obligations under this Agreement.

(k) (i) Subject to sub paragraph (ii) below, if as a result of a Transaction terminating before its agreed Repurchase Date under paragraphs 10(b), 10(g)(iii) or10(h)(iii), the non-Defaulting Party, in the case of paragraph 10(b), Buyer, in the case of paragraph 10(g)(iii), or Seller, in the case of paragraph 10(h)(iii),(in each case the “first party”) incurs any loss or expense in entering into replacement transactions, the other party shall be required to pay to the first party the amount determined by the first party in good faith to be equal to the loss or expense incurred in connection with such replacement transactions (including all fees, costs and other expenses) less the amount of any profit or gain made by that party in connection with such replacement transactions; provided that if that calculation results in a negative number, an amount equal to that number shall be payable by the first party to the other party.

(ii) If the first party reasonably decides, instead of entering into such replacement transactions, to replace or unwind any hedging transactions which the first party entered into in connection with the Transaction so terminating, or to enter into any replacement hedging transactions, the other party shall be required to pay to the first party the amount determined by the first party in good faith to be equal to the loss or expense incurred in connection with entering into such replacement or unwinding (including all fees, costs and other expenses) less the amount of any profit or gain made by that party in connection with such replacement or unwinding; provided that if that calculation results in a negative number, an amount equal to that number shall be payable by the first party to the other party.

(l) Each party shall immediately notify the other if an Event of Default, or an event which, upon the serving of a Default Notice, would be an Event of Default, occurs in relation to it.

11. Tax Event

(a) This paragraph shall apply if either party notifies the other that

(i) any action taken by a taxing authority or brought in a court of competent jurisdiction (regardless of whether such action is taken or brought with respect to a party to this Agreement); or

(ii) a change in the fiscal or regulatory regime (including, but not limited to, a change in law or in the general interpretation of law but excluding any change in any rate of tax), has or will, in the notifying party's reasonable opinion, have a material adverse effect on that party in the context of a Transaction.

(b) If so requested by the other party, the notifying party will furnish the other with an opinion of a suitably qualified adviser that an event referred to in sub paragraph (a)(i) or (ii) above has occurred and affects the notifying party.

(c) Where this paragraph applies, the party giving the notice referred to in sub paragraph (a) may, subject to sub paragraph (d) below, terminate the Transaction with effect from a date specified in the notice, not being earlier (unless so agreed by the other party) than 30 days after the date of the notice, by nominating that date as the Repurchase Date.

(d) If the party receiving the notice referred to in sub paragraph (a) so elects, it may override that notice by giving a counter notice to the other party. If a counter notice is given, the party which gives the counter notice will be deemed to have agreed to indemnify the other party against the adverse effect referred to in sub paragraph (a) so far as relates to the relevant Transaction and the original Repurchase Date will continue to apply.

(e) Where a Transaction is terminated as described in this paragraph, the party which has given the notice to terminate shall indemnify the other party against any reasonable legal and other professional expenses incurred by the other party by reason of the termination, but the other party may not claim any sum by way of consequential loss or damage in respect of a termination in accordance with this paragraph.

(f) This paragraph is without prejudice to paragraph 6(b) (obligation to pay additional amounts if withholding or deduction required); but an obligation to pay such additional amounts may, where appropriate, be a circumstance which causes this paragraph to apply.

12. Interest

To the extent permitted by applicable law, if any sum of money payable hereunder or under any Transaction is not paid when due, interest shall accrue on the unpaid sum as a separate debt at the greater of the Pricing Rate for the Transaction to which such sum

relates (where such sum is referable to a Transaction) and LIBOR on a 360 day basis or 365 day basis in accordance with the applicable ISMA convention, for the actual number of days during the period from and including the date on which payment was due to, but excluding, the date of payment.

13. Single Agreement

Each party acknowledges that, and has entered into this Agreement and will enter into each Transaction hereunder in consideration of and in reliance upon the fact that all Transactions hereunder constitute a single business and contractual relationship and are made in consideration of each other. Accordingly, each party agrees (i) to perform all of its obligations in respect of each Transaction hereunder, and that a default in the performance of any such obligations shall constitute a default by it in respect of all Transactions hereunder, and (ii) that payments, deliveries and other transfers made by either of them in respect of any Transaction shall be deemed to have been made in consideration of payments, deliveries and other transfers in respect of any other Transactions hereunder.

14. Notices and Other Communications

(a) Any notice or other communication to be given under this Agreement -

(i) shall be in the English language, and except where expressly otherwise provided in this Agreement, shall be in writing;

(ii) may be given in any manner described in sub paragraphs (b) and (c) below;

(iii) shall be sent to the party to whom it is to be given at the address or number, or in accordance with the electronic messaging details, set out in Annex I hereto.

(b) Subject to sub paragraph (c) below, any such notice or other communication shall be effective -

(i) if in writing and delivered in person or by courier, at the time when it is delivered;

(ii) if sent by telex, at the time when the recipient’s answerback is received;

(iii) if sent by facsimile transmission, at the time when the transmission is received by a responsible employee of the recipient in legible form (it being agreed that the burden of proving receipt will be on the sender and will not be met by a transmission report generated by the sender’s facsimile machine);

(iv) if sent by certified or registered mail (airmail, if overseas) or the equivalent (return receipt requested), at the time when that mail is delivered or its delivery is attempted;

(v) if sent by electronic messaging system, at the time that electronic message is received;

except that any notice or communication which is received, or delivery of which is attempted, after close of business on the date of receipt or attempted delivery or on a day which is not a day on which commercial banks are open for business in the place where that notice or other communication is to be given shall be treated as given at the opening of business on the next following day which is such a day.

(c) If -

(i) there occurs in relation to either party an event which, upon the service of a Default Notice, would be an Event of Default; and

(ii) the non-Defaulting Party, having made all practicable efforts to do so, including having attempted to use at least two of the methods specified in sub paragraph (b)(ii), (iii) or (v), has been unable to serve a Default Notice by one of the methods specified in those sub paragraphs (or such of those methods as are normally used by the non-Defaulting Party when communicating with the Defaulting Party),

the non-Defaulting Party may sign a written notice (a “Special Default Notice”) which -

(aa) specifies the relevant event referred to in paragraph 10(a) which has occurred in relation to the Defaulting Party;

(bb) states that the non-Defaulting Party, having made all practicable efforts to do so, including having attempted to use at least two of the methods specified in sub paragraph (b)(ii), (iii) or (v), has been unable to serve a Default Notice by one of the methods specified in those sub paragraphs (or such of those methods as are normally used by the non-Defaulting Party when communicating with the Defaulting Party);

(cc) specifies the date on which, and the time at which, the Special Default Notice is signed by the non-Defaulting Party; and

(dd) states that the event specified in accordance with sub paragraph (aa) above shall be treated as an Event of Default with effect from the date and time so specified.

On the signature of a Special Default Notice the relevant event shall be treated with effect from the date and time so specified as an Event of Default in relation to the Defaulting Party, and accordingly references in paragraph 10 to a Default Notice shall be treated as including a Special Default Notice. A Special Default Notice shall be given to the Defaulting Party as soon as practicable after it is signed.

(d) Either party may by notice to the other change the address, telex or facsimile number or electronic messaging system details at which notices or other communications are to be given to it.

15. Entire Agreement; Severability

This Agreement shall supersede any existing agreements between the parties containing general terms and conditions for Transactions. Each provision and agreement herein shall be treated as separate from any other provision or agreement herein and shall be enforceable notwithstanding the unenforceability of any such other provision or agreement.

16. Non assignability; Termination

(a) Subject to sub paragraph (b) below, neither party may assign, charge or otherwise deal with (including without limitation any dealing with any interest in or the creation of any interest in) its rights or obligations under this Agreement or under any Transaction without the prior written consent of the other party. Subject to the foregoing, this Agreement and any Transactions shall be binding upon and shall inure to the benefit of the parties and their respective successors and assigns.

(b) Sub paragraph (a) above shall not preclude a party from assigning, charging or otherwise dealing with all or any part of its interest in any sum payable to it under paragraph 10(c) or (f) above.

(c) Either party may terminate this Agreement by giving written notice to the other, except that this Agreement shall, notwithstanding such notice, remain applicable to any Transactions then outstanding.

(d) All remedies hereunder shall survive Termination in respect of the relevant Transaction and termination of this Agreement.

(e) The participation of any additional member State of the European Union in economic and monetary union after 1 January 1999 shall not have the effect of altering any term of the Agreement or any Transaction, nor give a party the right unilaterally to alter or terminate the Agreement or any Transaction.

17. Governing Law

This Agreement shall be governed by and construed in accordance with the laws of England. Buyer and Seller hereby irrevocably submit for all purposes of or in connection with this Agreement and each Transaction to the jurisdiction of the Courts of England.

Party A hereby appoints the person identified in Annex I hereto as its agent to receive on its behalf service of process in such courts. If such agent ceases to be its agent, Party A shall promptly appoint, and notify Party B of the identity of, a new agent in England.

Party B hereby appoints the person identified in Annex I hereto as its agent to receive on its behalf service of process in such courts. If such agent ceases to be its agent, Party B shall promptly appoint, and notify Party A of the identity of, a new agent in England.

Each party shall deliver to the other, within 30 days of the date of this Agreement in the case of the appointment of a person identified in Annex I or of the date of the appointment of the relevant agent in any other case, evidence of the acceptance by the agent appointed by it pursuant to this paragraph of such appointment.

Nothing in this paragraph shall limit the right of any party to take proceedings in the courts of any other country of competent jurisdiction.

18. No Waivers, etc.

No express or implied waiver of any Event of Default by either party shall constitute a waiver of any other Event of Default and no exercise of any remedy hereunder by any party shall constitute a waiver of its right to exercise any other remedy hereunder. No modification or waiver of any provision of this Agreement and no consent by any party to a departure herefrom shall be effective unless and until such modification, waiver or consent shall be in writing and duly executed by both of the parties hereto. Without limitation on any of the foregoing, the failure to give a notice pursuant to paragraph 4(a) hereof will not constitute a waiver of any right to do so at a later date.

19. Waiver of immunity

Each party hereto hereby waives, to the fullest extent permitted by applicable law, all immunity (whether on the basis of sovereignty or otherwise) from jurisdiction, attachment (both before and after judgment) and execution to which it might otherwise be entitled in any action or proceeding in the Courts of England or of any other country or jurisdiction, relating in any way to this Agreement or any Transaction, and agrees that it will not raise, claim or cause to be pleaded any such immunity at or in respect of any such action or proceeding.

20. Recording

The parties agree that each may electronically record all telephone conversations between them.

21. Third Party Rights

No person shall have any right to enforce any provision of this Agreement under the Contracts (Rights of Third Parties) Act 1999.

JPMorgan Chase Bank, N.A., London Branch

By: /s/ Louis J. Cerrotta
Name: Louis J. Cerrotta
Title: ED

Race Street Funding LLC

By: /s/ Gerald F. Stahlecker
Name: Gerald F. Stahlecker
Title: Executive Vice President

ANNEX 1

Supplemental Terms or Conditions

Paragraph references are to paragraphs in the Agreement.

1. The following elections shall apply:

(a) paragraph 1(c)(i). Buy/Sell Back Transactions may not be effected under this Agreement, and accordingly the Buy/Sell Annex shall not apply.

(b) paragraph 1(c)(ii). Transactions in Net Paying Securities may not be effected under this Agreement.

(c) paragraph 1(d). Agency Transactions may not be effected under this Agreement, and accordingly the Agency Annex shall not apply.

(d) paragraph 1. Transactions in gilt-edged securities (as defined in the Gilts Annex) may not be effected under this Agreement, and accordingly the Gilts Annex shall not apply.

(e) paragraph 1. Transactions in Italian Bonds may not be effected under this Agreement, and accordingly the Italian Annex shall not apply.

(f) paragraph 2(d). The Base Currency shall be U.S. Dollars.

(g) paragraph 2(p). Party A's Designated Offices: London

Party B's Designated Offices: Philadelphia

(h) paragraph 2(cc). The calculation of Market Value shall be determined in good faith based on generally acceptable market practices and pricing sources for the relevant Purchased Securities by Party A or as agreed to by the parties in the related Confirmation.

(i) paragraph 2(rr). Spot Rate to be as in paragraph 2(rr).

(j) paragraph 3(b). Party A to deliver Confirmations.

(k) paragraph 4(b). Notices pursuant to Section 4 of the Agreement may be delivered orally or by electronic mail to an address supplied by the other party. The parties shall promptly confirm by electronic mail or other writing, all margin calls communicated orally, provided that any failure or delay in the provision of such electronic mail or written confirmation shall not (i) invalidate such oral notice, (ii) excuse non-compliance with such margin call, (iii) extend the time for compliance with such margin call or (iv) constitute a breach of the Agreement.

(l) paragraph 4(c). It is the intention of the parties that Party B will never have the right to have margin posted to it by Party A (although it will have the right, under proper circumstances to have Cash Margin repaid to it and Equivalent Margin Securities transferred to it) and the parties agree that the "Net Exposure" of Party B with respect to Party A be the lesser of (a) the "Net Exposure" determined in accordance with Section 4(c), and (b) Party B's Net Margin posted to Party A.

(m) paragraph 4(f). Interest rate on Cash Margin for any given day will be the U.S. Dollar Federal Funds rate for such day as determined by the Buyer in good faith.

(n) paragraph 4(g). Delivery period for Margin Transfers to be the same day if the request is made before 10:00 a.m. (NY time) on a Business Day and, if requested after such time on such Business Day, the next Business Day. Margin Transfers shall be comprised of Cash Margin or Margin Securities of the type and combination as is agreed to by the party requesting the Margin Transfer.

(o) paragraph 6(j). Paragraph 6(j) shall apply and the events specified in paragraph 10(a) identified for the purposes of paragraph (6)(j) shall be those set out in paragraphs (i) – (x) of paragraph 10(a) of the Agreement.

(p) paragraph 10(a)(ii). Paragraph 10(a)(ii) shall apply.

(q) paragraph 14. For the purposes of paragraph 14 of this Agreement –

(i) Address for notices and other communications for Party A-

Address:	JPMorgan Chase Bank, N.A., London Branch 125 London Wall London EC2Y 5AJ
Attention:	Repo Settlements
Telephone:	Stefano Bellani +44 20 7779 3140 - Trading Nick Hamilton +44 1202 341280 - Operations

For Emerging Markets Business:

Address:	JPMorgan Chase Bank, N.A., London Branch 18 Christchurch Road, Floor 3 Bournemouth BH1 3BA, United Kingdom
Attention:	Confirmation Group
Telephone:	+44 1202 342438
Facsimile:	+44 1202 347279

(ii) Address for notices and other communications for Party B –

Address:	Race Street Funding LLC Cira Centre, 2929 Arch Street, Suite 675 Philadelphia, Pennsylvania 19104
Attention:	Gerald F. Stahlecker
Telephone:	(215) 495-1169
Telecopy:	(215) 222-4649

(r) paragraph 17. For the purposes of paragraph 17 of this Agreement -

(i) Party A appoints JPMorgan Chase Bank, N.A. (London Branch) as its agent for service of process;

(ii) Party B appoints Race Street Funding LLC as its agent for service of process.

2. The following Supplemental Terms and Conditions shall apply.

Pursuant to the terms of paragraph 1 of the Agreement, Buyer and Seller agree to be governed by the Supplemental Terms and Conditions stated herein. To the extent that any provisions in these Supplemental Terms and Conditions are in conflict with provisions contained in the Agreement, the provisions contained in these Supplemental Terms and Conditions shall prevail.

Notwithstanding anything herein to the contrary, this Agreement shall amend and restate the Global Master Repurchase Agreement, dated as of July 21, 2011, between Party A and Party B (the "Initial Agreement"), and any obligations, liabilities or rights of the parties under the Initial Agreement shall be deemed to be assumed and incorporated herein, subject to the revised terms of this Agreement.

(a) JPMorgan Chase Bank, N.A. in this Agreement refers to JPMorgan Chase Bank, N.A. in its capacity as a principal acting through its London office and any successor or assign.

(b) Each Party shall deliver to the other the following documents on or prior to the execution of this Agreement:

Party A: evidence of signing authority (including specimen of signature)

Party B: (i) certified organizational documents, good standing certificate, lien search results and evidence of signing authority (including specimen of signature);

(ii) opinion of counsel, in form and substance satisfactory to Party A, relating to corporate and enforceability matters;

(iii) opinion of counsel, in form and substance satisfactory to Party A, relating to tax matters;

(iv) opinions of counsel, each in form and substance satisfactory to Party A, relating to (i) non-consolidation matters, and (ii) true sale and security interest matters herein; and

(v) opinion of counsel, in form and substance satisfactory to Party A, relating to securities contract matters.

(c) (i) Party A represents that it is organized under the laws of the United States as a National Banking Association and that under United States and United Kingdom tax law currently in effect, all payments by Party B to Party A pursuant to this Agreement are exempt from withholding taxes and backup withholding taxes.

(ii) Party B represents that it is a limited liability company organized under the laws of Delaware that is disregarded as an entity separate from its owner, FS Investment Corporation, for United States federal income tax purposes.

(d) Modifications to Payment and Transfer.

Notwithstanding anything to the contrary in this Agreement, in the case of a transfer by Party A of its rights and obligations under this Agreement, Party B shall not be required to pay additional amounts to any person in excess of the additional amounts it would have been required to pay to Party A if no such transfer had occurred.

(e) Additional Events of Default.

The following shall constitute Additional Events of Default with respect to which Party B will be the Defaulting Party and shall be inserted following Section 10(a)(x) of the Agreement:

(xi) "Benefit plan investors" that are subject to the investment restrictions set forth in the Employee Retirement Income Security Act of 1974 of the United States of America, as amended ("ERISA"), own 25% or more of any class of equity or membership interests in Party B or, for any reason, any Transaction constitutes a "prohibited transaction" within the meaning of ERISA

(xii) Adjusted Net Worth Test. On any date on which a determination of Adjusted Net Worth is made pursuant to Section 6(f) of this Annex I, Party B calculates that the Adjusted Net Worth of the Collateral is equal to or less than the Collateral Minimum and Party B is unable to cure such deficiency within two Business Days of such date of determination.

(xiii) Restricted Payments and Investment Guidelines. Party B (1) makes any Restricted Payment that is not expressly permitted under Section 6(o) of this Annex I or (2) purchases or sells any Collateral other than pursuant to transactions completed in accordance with the Investment Guidelines and Section 8(b) of this Annex I.

(xiv) Custodial Account. Any Collateral shall be removed, by Party B or otherwise, from the Custodial Account at any time other than in accordance with this Agreement.

(xv) Fair Market Value Calculation Procedures. Party B amends the terms and procedures for Fair Market Value Calculation Procedures contained in Annex II without the written consent of Party A.

(xvi) Repurchase Agreement. With respect to this Agreement, at any time when this Agreement or any Transaction hereunder is outstanding, Party B disaffirms, disclaims, repudiates or rejects, in whole or in part, or challenges the validity of, this Agreement.

(xvii) [Reserved]

(xviii) Other Violations. With respect to either the LLC Agreement, the Collateral Management Agreement or the Asset Transfer Agreement, (x) Party B (1) violates any provisions of such agreement or (2) amends such agreement, in each case of (1) and (2), in a manner materially adverse to Party A, without the written consent of Party A, or (y) Party B or any other party to the LLC Agreement, Collateral Management Agreement or Asset Transfer Agreement, as applicable, disaffirms, disclaims, repudiates or rejects, in whole or in part, or challenges the validity of, the LLC Agreement, Collateral Management Agreement or Asset Transfer Agreement, as applicable; *provided*, notwithstanding the materiality limits contained in subclause (x) above, Party B shall provide Party A with notice of any amendment of the LLC Agreement, the Collateral Management Agreement or the Asset Transfer Agreement at least two Business Days prior to the execution thereof, regardless of whether such amendment will materially adversely affect Party A.

With respect to Party A, only the events enumerated in paragraph 10(a)(i) through 10(a)(vi) shall constitute Events of Default and, in the case of paragraphs 10(a)(i) through (v) only if: (x) such event remains uncured at the end of the third Business Day following the date on which notice of such failure has been delivered to Party A and (y) is not excused by illegality, impossibility or force majeure.

3. Limitation of Liability. Except as provided in Paragraph 10 of the Agreement and in respect of any Transaction under this Agreement, no party shall be required to pay or be liable to the other party for any consequential or indirect damages, opportunity costs or lost profits, even if expressly advised, or otherwise aware, of the possibility of such damages.

4. Netting of Payments and Deliveries.

As specified in the Agreement and for the avoidance of doubt, it is the intent of the parties hereto that all cash amounts payable in the same currency on the same day hereunder, whether as Income, cash proceeds of redemption of Purchased Securities included in the definition of Equivalent Securities, Purchase Price, Repurchase Price,

Cash Margin or otherwise, should be netted off, and thus, if on any date amounts would otherwise be payable in the same currency by each party to the other, then, on such date, each party's obligation to make payment of any such amount will be automatically satisfied and discharged and, if the aggregate amount that would otherwise be payable by one party exceeds the aggregate amount that would otherwise be payable by the other party, replaced by an obligation of the party with the larger aggregate amount payable to pay the other party the excess of the larger aggregate amount over the smaller aggregate amount.

It is the intent of the parties that if one Repurchase Transaction is maturing and another Repurchase Transaction with respect to the same Purchased Securities is commencing on the same day, the Buyer is authorised to retain the Purchased Securities for the maturing Transaction to the extent necessary to satisfy the obligation of the Seller to deliver Purchased Securities in respect of the new Transaction.

5. Tax treatment of Transaction.

The parties agree to treat all Transactions under this Agreement as loans from Party A to FS Investment Corporation for federal, state and local income and franchise tax purposes.

6. Further Additional Representations, Warranties and Covenants

On the date hereof and each day this Agreement or any Transaction under this Agreement is still outstanding, Party B represents, warrants and covenants as follows:

(a) Collateral Terms. Party B has good and marketable title to all properties and assets (the "Initial Assets") transferred to it under the Asset Transfer Agreement, in each case free from liens, encumbrances and defects that would affect Party A in any manner, including without limitation any effect on the value thereof or interference with the use made or to be made thereof by it or Party A's security interest therein. With respect to the Initial Assets and any cash and other properties and assets acquired or received by Party B, including any Participations in any properties or assets received by Party B, on or after the date hereof and required to be pledged in favor of Party A (the "Further Assets" and, collectively with the Initial Assets, the "Collateral" and any particular asset that is part of the Collateral, a "Collateral Asset"), pursuant to the Asset Transfer Agreement or otherwise (and for the avoidance of doubt, including without limitation, any interest, principal, capital gain or realization, dividend or other amount received with respect to any Collateral): (i) Party B will have the power to grant a security interest to Party A in such Collateral and will have taken all necessary actions to authorize the granting of such security interest; (ii) Party B will be the sole owner of such Collateral, free and clear of any security interest, lien, encumbrance or other restrictions other than Permitted Liens; (iii) Party A will have a valid and perfected security interest in such Collateral, subject to no prior security interest, lien or encumbrance except for liens expressly permitted pursuant to this Agreement; (iv) to the extent such Collateral can be credited to the Custodial Account, the Collateral is held solely in the Custodial Account in accordance with Section 7 of this Annex I and Party B has not transferred any Collateral Asset out of the Custodial Account other than in accordance with the terms of this Agreement; and (v) the performance by Party B of its obligations under this Agreement will not result in the creation of any security interest, lien or other encumbrance on any Collateral Asset other than (A) the security interest granted pursuant to this Agreement and (B) Permitted Liens.

(b) Party B Status. Party B shall preserve and maintain its legal existence and all of its material rights, privileges, licenses and franchises necessary for operation of its business.

(c) Notices. Party B shall give notice to Party A promptly in writing upon the occurrence of any of the following:

(i) any litigation, investigation, regulatory action or proceeding that is pending or threatened by or against Party B in any federal or state court or before any governmental authority which, if not cured or if adversely determined, would reasonably be expected to have a material adverse effect on Party A's rights hereunder or constitute an Event of Default under this Agreement; and

(ii) promptly upon receipt of notice or knowledge of any lien or security interest (other than Permitted Liens) on, or claim asserted against, any of the Purchased Securities, the Custodial Account (as defined below) or any Collateral (collectively, the Purchased Securities, Custodial Account and the Collateral, the "Protected Items").

For the avoidance of doubt, the notice requirements contained in Paragraph 10(l) shall apply to all Events of Default contained in this Annex I.

(d) Party B Incurrence of Debt. Party B shall not incur, acquire, issue or otherwise become an obligor of any indebtedness except to the extent such indebtedness is expressly permitted under this Agreement; *provided*, nothing in this clause (d) shall affect Party B's right to execute transactions under the Revolving Credit Agreement.

(e) Initial Adjusted Net Worth. (i) On the date hereof, the Adjusted Net Worth of the Initial Assets is at least $510,000,000 and (ii) on the date that is 60 days after the date hereof, the Adjusted Net Worth of the Collateral is at least $600,000,000.

(f) Adjusted Net Worth Calculations and Valuation Updates. Party B shall calculate a valuation of the Adjusted Net Worth of the Collateral as often as reasonably possible, and in no event less often than necessary to provide a new valuation thereof for each valuation update required pursuant to this paragraph. Each such calculation shall be executed in accordance with the Fair Market Value Calculation Procedures in Annex II, as such procedures may be amended with the express written consent of Party A. Party B shall provide Party A on a (i) weekly basis, and (ii) daily upon a valuation of the Adjusted Net Worth equal to or lesser than the Collateral Minimum until such deficiency is cured, in each case, a summary of the Collateral Assets (such summary, a "Valuation Update") and the Adjusted Net Worth of the entire Collateral and each Collateral Asset. Each Valuation Update shall be provided in form substantially similar to Annex III; *provided*, that in no event shall Party B be required to obtain a more recent valuation with respect to any Collateral Asset valued pursuant to clause (B)(2) of Annex II hereof (the "Non-Quoted Asset") so long as (1) Party B shall have previously received a valuation with respect to such Non-Quoted Asset provided by an Independent Valuation Firm pursuant to the Fair Market Value Calculation Procedures in Annex II less than four months prior to the date of such Valuation Update or (2) such Non-Quoted Asset was valued pursuant to the proviso in clause (B)(2) of Annex II.

(g) Collateral Minimum. The Adjusted Net Worth of the Collateral will, at all times, exceed $500,000,000 (the "Collateral Minimum").

(h) Defense of Title. Party B (a) warrants and will defend the right, title and interest of Party A in and to all Protected Items against all adverse claims and demands of all persons whomsoever and will do so on Party A's demand and (b) shall not, at any time create, incur or permit to exist any lien, encumbrance or security interest in or on any of the Protected Items other than Permitted Liens.

(i) Preservation of Protected Items. Party B shall do all things necessary to preserve the Protected Items so that Party B's rights, title and interest in, to and under such Protected Items remain subject to a first priority perfected security interest hereunder. Without limiting the foregoing, Party B will comply in all material respects with all applicable laws, rules and regulations of any governmental authority applicable to Party B or relating to the Protected Items and cause the Protected Items to comply in all material respects with all applicable laws, rules and regulations of any such governmental authority. To the extent within Party B's control, Party B will not allow any default to occur for which Party B is responsible under any Protected Items and Party B shall fully perform or cause to be performed when due all of its obligations under any Protected Items. For the avoidance of doubt, any non-compliance by Party B with any applicable laws, rules or regulations shall be considered non-compliance in a material respect if such non-compliance causes, directly or indirectly, the occurrence of any cost, legal or regulatory issue or burden or any other adverse effect on Party A and/or its affiliates.

(j) Inspection Rights. Party B will permit Party A or any representatives designated by Party A, upon reasonable prior notice, to visit and inspect its books and records at such reasonable times and as often as reasonably requested by Party A; *provided* that Party B shall be entitled to have its representatives and advisors present during any inspection of its books and records.

(k) Audit Rights. Party B will permit any representatives designated by Party A (including any consultants, accountants, lawyers and appraisers) to conduct evaluations and appraisals of the Collateral and the Adjusted Net Worth of the Collateral, all at such reasonable times and as often as reasonably requested and at the cost of Party B.

(l) Recharacterization. In the event any Transaction is recharacterized as a secured financing of the Purchased Securities, the provisions of this Agreement are effective to create in favor of Party A a valid security interest in all rights, title and interest of Party B in, to and under the Purchased Securities and, in such event, Party A shall have a valid security interest in the Purchased Securities.

(m) Litigation. As of the date hereof, there are no actions, suits or proceedings at law or in equity or before any court, tribunal, governmental body, agency or official or any arbitrator (collectively, "Actions") pending, or to Party B's knowledge, threatened against Party B that affect the legality, validity or enforceability against Party B of this Agreement or Party B's ability to perform its obligations under this Agreement; on any date following the date hereof, there are no Actions pending, or to Party B's knowledge, threatened against Party B that could reasonably be expected to that affect the legality, validity or enforceability against Party B of this Agreement or Party B's ability to perform its obligations under this Agreement or otherwise result in a material adverse effect on Party A's rights hereunder or constitute an Event of Default under this Agreement.

(n) True and Complete Disclosure. All applicable information that is furnished in writing by or on behalf of Party B to Party A in connection with this Agreement and any other transaction documents and the transactions contemplated hereby is, and will be, as of the date of the information, true, accurate and complete in every material respect.

(o) Restricted Payments. So long as this Agreement or any Transaction hereunder is outstanding or all obligations hereunder are not fully satisfied, Party B will not declare or make, or agree to pay or make, directly or indirectly, any Restricted Payment, except that Party B may declare and pay or transfer:

(i) distributions to any Member (as defined in the LLC Agreement) of Party B in cash or Collateral Assets where such distribution is payable solely from (x) income or dividends received by Party B on the Collateral, (y) monies representing capital appreciation received with respect to Collateral that has matured or has been transferred pursuant to this Agreement, or (z) any Collateral, regardless of the applicability of clause (x) or (y), if after such distribution the Adjusted Net Worth of the Collateral would be at least equal to $600,000,000 (except that for a period of 60 days from the Second Amendment Date, such limit shall be $500,000,000); *provided*, Party B is prohibited from making any distribution in accordance with this subclause (i) unless immediately prior to and immediately after giving effect to such distribution the Adjusted Net Worth of the Collateral will be greater than the Collateral Minimum;

(ii) payments to purchase Collateral Assets meeting the Investment Guidelines and the terms of Section 8(b) of this Annex I; *provided*, Party B is prohibited from making any purchase in accordance with this subclause (ii) unless immediately prior to and immediately after giving effect to such purchase the Adjusted Net Worth of the Collateral will be greater than the Collateral Minimum;

(iii) payments of (1) operating expenses and governmental and regulatory fees, and (2) fees, expenses and indemnities payable under the LLC Agreement or the Collateral Management Agreement; *provided*, Party B is prohibited from making any distribution in accordance with this subclause (iii)(2) unless immediately prior to and immediately after giving effect to such distribution the Adjusted Net Worth of the Collateral will be greater than the Collateral Minimum; and

(iv) payments of the purchase price for any assets sold to Party B by FS Investment Corporation pursuant to the Asset Transfer Agreement (such assets, "Sold Assets") by transferring Collateral Assets then owned by Party B to FS Investment Corporation having a Fair Market Value at the time of such transfer equal to the Fair Market Value of the Sold Asset transferred to Party B as of the date of acquisition of such Sold Asset (such value, the "Initial Fair Market Value"); provided, however, that in the case of Collateral Assets that previously were sold to Party B by FS Investment Corporation (each, a "Prior Sold Asset"), the Initial Fair Market Value of such Prior Sold Asset to be transferred to FS Investment Corporation as part of the purchase price, when aggregated with the Initial Fair Market Value of all other Prior Sold Assets previously transferred to FS Investment Corporation as part of the purchase price of Sold Assets, is less than or equal to 10% of the aggregate Initial Fair Market Value as of the respective date of acquisition of all Prior Sold Assets at any time hereunder.

For the avoidance of doubt, any breach of these representations shall be considered an Event of Default under Paragraph 10(a)(vii) of the Agreement.

7. Custodial Account. On or prior to the date hereof, Party A and Party B shall establish at the Custodian an account (the "Custodial Account") held in the name of the Custodian, for the benefit of Party A, as secured party hereunder, in accordance with this Agreement and any account control agreement or other necessary documentation. Party A and Party B hereby agree that (i) FS Investment Corporation shall directly transfer the Initial Assets into the Custodial Account pursuant to the Asset Transfer Agreement, and (ii) upon Party B receiving or having possession of any Further Assets, Party B shall promptly deposit such Further Assets into the Custodial Account. No Collateral may be transferred from the Custodial Account except with the express written consent of Party A or in accordance with a permitted Restricted Payment pursuant to Section 6(o) of this Annex I. Any transfers by Party A of Collateral from the Custodial Account, or of Collateral that is required to be deposited into the Custodial Account pursuant to this Section 7, will be deemed null and void unless expressly permitted under the terms of this Agreement or Party A has given express written consent to such transfer. Party B agrees to provide all necessary cooperation, including entering into all relevant commercially reasonable documentation, for Party A to establish and maintain a perfected security interest in the Custodial Account and all Collateral deposited therein. Upon the termination of this Agreement and payment in full of obligations hereunder, Party A shall transfer to Party B ownership of the Custodial Account and all Collateral (if any) deposited therein.

8. Asset Transfer Agreement and Investment Guidelines.

(a) Asset Transfer Agreement: Party B hereby grants to Party A all of its right, title and interest in, to and under, in each case, whether now owned or existing, or hereafter acquired or arising, the Asset Transfer Agreement.

(b) Investment Guidelines: Notwithstanding anything herein to the contrary, Party B and Party A agree that Party B shall not purchase, sell or accept as a contribution any assets unless such assets and such purchase, sale or contribution are each permitted in accordance with the Investment Guidelines (the "Investment Guidelines") contained in Annex IV hereof. Further, Party B shall be prohibited from undertaking any purchase, sale or contribution of any asset unless (i) such transaction does not adversely affect Party

A's security interest in any other Collateral Asset or the Collateral generally, (ii) any assets received in exchange for Collateral are Collateral Assets governed by Party A's security interest hereunder and (iii) such transaction is executed on terms equivalent to those in a transaction completed on an arm's length basis and at a price equal to the market value of the relevant asset.

9. Definitions. The following definitions are incorporated herein:

(a) "Adjusted Net Worth" on any date of determination is the Fair Market Value of the Collateral in the Custodial Account at such time; *provided*, the Fair Market Value of the Collateral will be adjusted by establishing a value of $0 for any Collateral in excess of the following criteria (the "Concentration Limitations"):

(i) 8% Maximum – assets from one Obligor; *provided*, the Collateral may include 12% of assets of three separate Obligors;

(ii) 20% Maximum – Performing Common Equity, Preferred Stock and Structured Finance Obligations and Finance Leases;

(iii) 10% Maximum – Structured Finance Obligations and Finance Leases;

(iv) 10% Maximum – Participations; *provided*, this Concentration Limitation does not need to be satisfied until on or after sixty days after the date hereof; *provided*, *further*, the Fair Market Value of any Participation held for sixty or more days shall be $0 unless (1) Party B has made commercially reasonable efforts during such sixty day period to complete the relevant assignment, (2) Party B reasonably believes the assignment will occur within the next thirty days and (3) Party A, in its sole discretion, agrees that the assignment period shall be extended for thirty days, in which case the Fair Market Value of such applicable Participation shall be $0 if held through the end of such thirty day extension (unless extended again by Party A);

(v) 0% Maximum – Uncovered Revolving or Delayed-Draw Assets; Non-Performing Common Equity; Derivatives Transactions; debt or equity of affiliates of Party B (including haircut of the repo); and

(vi) 65% Maximum – Collateral that is not Bank Loans (i.e., Bank Loans must constitute at least 35% of the Collateral).

(b) "Asset Transfer Agreement" means the Asset Transfer Agreement, dated as of September 26, 2012, between FS Investment Corporation and Party B.

(c) "Bank Loans" means debt obligations (including, without limitation, term loans, debtor-in-possession financings, and other similar loans and investments) which are generally documented under a loan or credit facility.

(d) "Collateral Management Agreement" means the Collateral Management Agreement, dated as of September 26, 2012, between FS Investment Corporation and Party B.

(e) "Covered Revolving or Delayed-Draw Assets" means a Revolving or Delayed-Draw Asset where any undrawn or unfunded amount is fully collateralized in cash.

(f) "Custodian" means State Street Bank and Trust Company, a Massachusetts trust company.

(g) "Derivatives Transactions" means any transaction that is a contract, agreement, swap, future, forward, option, swaption, repurchase agreement, reverse repurchase agreement, securities lending agreement, collar, floor, or other transaction recognized as a derivative that has a valuation based, in whole or in part, on the value of, any interest in, or any qualitative measure or the occurrence of any event relating to, one or more commodities, securities, currencies, interest or other rates, or other assets; *provided*, this Agreement shall not be considered a Derivatives Transactions for the purposes hereof.

(h) "Fair Market Value" has the meaning given such term in Annex II.

(i) [Reserved].

(j) "Independent Valuation Firm" means Houlihan, Lokey, Howard & Zukin Inc., Duff & Phelps Corporation, Valuation Research Corporation, Murray, Devine & Company, CBIZ, Inc., Capstone Valuation Services, LLC and any other firm approved by Party A in its reasonable discretion.

(k) "LLC Agreement" means the Amended and Restated Limited Liability Company Agreement of Party B, dated as of September 26, 2012, among FS Investment Corporation and the Independent Managers (as defined therein), as amended from time to time.

(l) "Non-Performing Common Equity" means common stock (other than Preferred Stock) and warrants of an issuer having any debt for borrowed money outstanding that is ninety or more days past due or has been placed in non-accrual status.

(m) "Obligor" means, with respect to any Collateral Asset hereunder, (a) the issuer, obligor or guarantor with respect to such Collateral Asset or (b) any subsidiary, affiliate or parent company of such issuer, obligor or guarantor.

(n) "Participation" means temporary participations in a Loan in accordance with standard LSTA terms granted to the Issuer in connection with the settlement of the assignment of such Loan.

(o) "Performing Common Equity" means common stock (other than Preferred Stock) and warrants of an issuer with no debt for borrowed money outstanding or whose outstanding debt for borrowed money is neither ninety or more days past due nor has been placed in non-accrual status.

(p) "Permitted Liens" means (i) liens granted to Party A in accordance with this Agreement; (ii) liens with respect to taxes, assessments and other governmental charges or levies for amounts not yet due or which are being contested in good faith by appropriate proceedings diligently conducted and with respect to which adequate reserves have been set aside in accordance with U.S. generally accepted accounting principles; and (iii) any other lien approved in writing by Party A.

(q) "Preferred Stock," means capital stock of any entity of any class or classes (however designated) that ranks prior, as to the payment of dividends or as to the distribution of assets upon any voluntary or involuntary liquidation, dissolution or winding up of such entity, to any shares (or other interests) of other equity of such entity, and shall include, without limitation, cumulative preferred, non-cumulative preferred, participating preferred and convertible preferred equity.

(r) "Restricted Payment" means a dividend or any other distribution (whether in cash, securities or other property) with respect to any shares of equity or otherwise, or any payment (whether in cash, securities or other property), to any party other than Party A or as otherwise permitted under this Agreement.

(s) "Revolving Credit Agreement" means the Revolving Credit Agreement, dated as of July 21, 2011, between FS Investment Corporation and Party B.

(t) "Revolving or Delayed-Draw Assets" means any loan or other borrowing pursuant to which the holder may be required to make future advances to the borrower.

(u) "Structured Finance Obligations and Finance Leases" means any obligation issued by a special purpose vehicle and secured directly by, referenced to, or representing ownership of, a pool of receivables or other financial assets of any obligor, including collateralized debt obligations (cash-flow or synthetic) and mortgaged-backed securities, or any finance lease.

(v) "Uncovered Revolving or Delayed-Draw Assets" means any Revolving or Delayed-Draw Asset that is not a Covered Revolving or Delayed-Draw Asset.

10. General

(a) A failure or delay in exercising any right, power or privilege in respect of this Agreement will not be presumed to operate as a waiver, and a single or partial exercise of any right, power or privilege will not be presumed to preclude any subsequent or further exercise, of that right, power or privilege or the exercise of any other right, power or privilege.

(b) In the event of any discrepancy between this Agreement and the preprinted terms of the Global Master Repurchase Agreement 2000 Version published by The Bond Market Association and ISMA (the "TBMA") (other than the terms of this Annex I and Annex II) the terms of the TBMA shall prevail.

ANNEX II

FAIR MARKET VALUE CALCULATION PROCEDURES

The Fair Market Value of any Collateral Asset on any date of determination (each date, a "Valuation Date') means the lesser of:

(A) in the case of any Collateral Asset that is debt, the lesser of (i) 102% of the principal amount of such Collateral Asset and (ii) the principal amount of such Collateral Asset plus any applicable prepayment premium, and (B) the Fair Market Value of such Collateral Asset determined in accordance with the steps below:

1) Broker-Dealer Quotes: Party B shall request bids on each Collateral Asset (in each case, for the full notional amount of such Collateral Asset) from one or more independent third-party pricing services (each, a "Third Party Pricing Service"), where such quotes from dealers are screened for validity by the services on the applicable Valuation Date. The highest bid received from a Third Party Pricing Service for the Collateral Asset shall be the Fair Market Value for such Collateral Asset.

2) Independent Valuation Firm: In the event that broker quotes from a Third Party Pricing Service are not available for any Collateral Asset, Party B shall request valuation of such Collateral Asset from one or more Independent Valuation Firms and the Collateral Asset valuation provided by the Independent Valuation Firm shall be the Fair Market Value of such Collateral Asset; *provided*, if FS Investment Corporation or any its subsidiaries, including Party B, has owned the Collateral Asset for less than four months, the Fair Market Value of such Collateral Asset shall be the lesser of (x) a valuation (if any) received with respect to such Collateral Asset during such period of ownership, (y) the cost of such Collateral Asset, as determined by Party B in its reasonable discretion and (z) the purchase price paid by FS Investment Corporation or applicable subsidiary in purchasing such Collateral Asset.

If Party B is unable to determine a Fair Market Value for any Collateral Asset pursuant to clauses (A) or (B) above, the Fair Market Value for such Collateral Asset shall be $0. For the avoidance of doubt, in no event shall Party B be required to obtain a more recent valuation with respect to any Non-Quoted Asset so long as (I) Party B shall have previously received a valuation with respect to such Non-Quoted Asset provided by an Independent Valuation Firm pursuant to this Annex II less than four months prior to any Valuation Date or (II) such Non-Quoted Asset was valued pursuant to the proviso in clause (B)(2) above.

ANNEX III

FORM OF VALUATION UPDATES

ANNEX IV

INVESTMENT GUIDELINES

JPMorgan Chase Bank, N.A., London Branch

By: /s/ Louis J. Cerrotta
Name: Louis J. Cerrotta
Title: ED

Race Street Funding LLC

By: /s/ Gerald F. Stahlecker
Name: Gerald F. Stahlecker
Title: Executive Vice President

AMENDED AND RESTATED CONFIRMATION

The purpose of this amended and restated confirmation, dated as of September 26, 2012 (the "**Confirmation**" and such date, the "**Amendment Date**"), is to amend and restate the terms and conditions of the confirmation dated July 21, 2011, as initially revised February 15, 2012 (with such initial revision, the "**Original Confirmation**"), as initially amended and restated February 15, 2012 in respect of the terms of a series of repurchase transactions (each, a "**Series Transaction**") between JPMorgan Chase Bank, National Association, London branch ("**JPMCB**") and Race Street Funding LLC ("**Race Street**"). This Confirmation supplements, forms a part of and is subject to the Global Master Repurchase Agreement, dated as of July 21, 2011, between JPMCB and Race Street (as amended on September 26, 2012, and as amended and supplemented further from time to time, the "**Master Agreement**") and supersedes the Original Confirmation in its entirety. Except as expressly modified hereby, all provisions contained in, or incorporated by reference into, the Master Agreement shall govern this Confirmation and the Series Transactions. In the event of any inconsistencies between the Master Agreement and this Confirmation, this Confirmation will govern. This Confirmation shall become effective, and shall amend and restate the Original Confirmation, in each case as of the Amendment Date. Capitalised terms not defined herein have the meaning ascribed to them in the Master Agreement.

Contract Date	July 21, 2011
Purchased Securities	The Class A Floating Rate Notes, due 2023, with a maximum principal amount of up to USD 840,000,000 (the "**CLO Notes**"), issued by Locust Street Funding LLC (the "**CLO Issuer**") under the Indenture, dated as of July 21, 2011, as amended by the Supplemental Indenture No. 1 dated as of February 15, 2012, and as further amended by the Amended and Restated Indenture dated as of September 26, 2012 (the "**CLO Indenture**"), between the CLO Issuer and Citibank, N.A., as trustee (the "**CLO Trustee**").
CUSIP, ISIN or Other Identifying Number:	For Purchased Securities, as set forth below:

Class	**CUSIP**	
	Global Note	**144A**
Class A Notes	540141 AA6	

The CLO Notes, whether in Global Note form or 144A transferable, will be treated as fungible.

Buyer:	JPMCB
Seller:	Race Street

Purchase Date:

The Purchase Date for the initial Series Transaction will be the CLO Closing Date and any Ramp-up Date and the Purchase Date for each subsequent Series Transaction will be each succeeding CLO Payment Date up to and including the Final Purchase Date; provided, the Amendment Date shall be a Purchase Date and any Series Transaction to occur on such Amendment Date shall be completed in accordance with the terms hereof. The Seller shall deliver the Purchased Securities on each Purchase Date; and the Buyer will purchase the Purchased Securities on each such Purchase Date, subject only to (i) no Series Transaction having previously been terminated due to an Event of Default and (ii) unless the Buyer, in its sole discretion, waives such condition, the condition that no Excess Paydown Event have occurred.

On each date (each, a "**Ramp-up Date**") during the term of this Confirmation on which the CLO Issuer increases the aggregate outstanding principal amount of the CLO Notes, subject to prior notice from the Seller to the Buyer of the occurrence of the relevant Ramp-up Date, the parties shall enter into an additional Series Transaction with respect to which the Purchased Securities will be the CLO Notes to the extent of such increase and for which the Purchase Date will be the Ramp-up Date. Seller shall deliver a total of $840,000,000 of Purchased Securities to Buyer on or before April 15, 2013.

Excess Paydown Event:

An Excess Paydown Event will occur if on any Purchase Date the aggregate amount of principal payments with respect to the CLO Notes since the initial Purchase Date (including payments on that Purchase Date) exceeds the "Reduction Threshold" set forth below for the relevant period

Reduction Threshold

Period from but excluding	To and including the Repurchase Date in	Reduction Threshold
initial Purchase Date	October 2014	USD 0.00
the Repurchase Date in October 2014	April 2015	USD120,000,000
the Repurchase Date in April 2015	October 2015	USD240,000,000
the Repurchase Date in October 2015	April 2016	USD360,000,000
the Repurchase Date in April 2016	October 2016	USD480,000,000

CLO Closing Date

The "Closing Date" as defined on the CLO Indenture.

CLO Payment Date

The "Payment Date" as defined in the CLO Indenture.

Final Purchase Date:	The CLO Payment Date falling in July 2016; unless the Final Repurchase Date occurs prior to the Scheduled Final Repurchase Date (in which case the Final Purchase Date will be the Purchase Date preceding the Final Repurchase Date).
Final Repurchase Date	The final Repurchase Date, which will be the earlier of: (a) the date on which the aggregate outstanding principal amount of the CLO Notes, after giving effect to principal payments on that date, is equal to zero; and (b) the CLO Payment Date falling in October 2016 (the **"Scheduled Final Repurchase Date")**.
Purchase Price:	For any Purchase Date, (A) prior to the Amendment Date, (i) the aggregate outstanding principal amount of the CLO Notes divided by the Margin Ratio (equating to a Purchase Price at 71.428571428% of outstanding principal amount of the CLO Notes), or (ii) solely in the case of a Purchase Date resulting from a Ramp-up Date, the relevant increase in the outstanding principal amount of the CLO Notes divided by the Margin Ratio (equating to a Purchase Price at 71.428571428% of the increase in the outstanding principal amount of the CLO Notes); and (B) on and after the Amendment Date (i) the aggregate outstanding principal amount of the CLO Notes divided by the Margin Ratio (equating to a Purchase Price at 83.33333% of outstanding principal amount of the CLO Notes), or (ii) solely in the case of a Purchase Date resulting from a Ramp-up Date, the relevant increase in the outstanding principal amount of the CLO Notes divided by the Margin Ratio (equating to a Purchase Price at 83.33333% of the increase in the outstanding principal amount of the CLO Notes).
Margin Ratio:	Prior to the Amendment Date, 140%. On or after the Amendment Date, 120%.
Contractual Currency:	USD
Repurchase Date:	(A) For any Series Transaction outstanding on the Amendment Date, the Amendment Date; provided, that with respect to the Repurchase Price due on the Repurchase Date occurring on the Amendment Date, the portion thereof ($2,964,080.00) consisting of interest accrued at the Pricing Rate (the "Accrued Interest") shall be payable (in aggregate with any Repurchase Price owed for any Series Transaction entered into on or after the Amendment Date in accordance with the next paragraph) on

	the next Repurchase Date in October 2012. For the avoidance of doubt, (a) nothing herein shall affect in any manner (i) the calculation of the Repurchase Price owed under the Original Confirmation with respect to the period of time from the Purchase Date in July 2012 through the Amendment Date or (ii) the Seller's obligation to pay such Repurchase Price (other than the Accrued Interest) to the Buyer on the Amendment Date, (b) notwithstanding the terms of the Master Agreement, this Confirmation or any other document, the delay in payment of the Accrued Interest from the Amendment Date until the Repurchase Date in October 2012 shall not be a default or violation of the Master Agreement or applicable Series Transaction and (c) no interest shall accrue on such due and unpaid Accrued Interest during the period from the Amendment Date through the Repurchase Date in October 2012. (B) For any Series Transaction entered into on or after the Amendment Date, the CLO Payment Date immediately following the Purchase Date for that Series Transaction.
Pricing Rate:	For any Series Transaction, the Pricing Rate will be 3.25% (325 basis points) per annum.
Price Differential:	In addition to the amount defined in paragraph 2(ii) of the Master Agreement, the Price Differential will be increased by any Breakage payable by Seller.
Breakage:	(a) For any Repurchase Date with respect to which there is no Principal Paydown, zero and (b) breakage of 125 basis points per annum present valued, determined as follows: for any Repurchase Date with respect to which there is a Principal Paydown (including a Repurchase Date resulting from an Event of Default hereunder) (a "**Breakage Date**"), an amount, determined by the Buyer in good faith, equal to the present value, discounted at the applicable Swap Rate, of (i) 1.25% per annum *multiplied by* (ii) 83.33333% of the Principal Paydown *multiplied by* (iii) a fraction, the numerator of which is the number of days from and including the associated Breakage Date to but excluding the Scheduled Final Repurchase Date and the denominator of which is 360 (the "**Discounted Payment**").
Principal Paydown:	(a) For any Repurchase Date not resulting from an Event of Default hereunder, the Principal Paydown will equal the aggregate principal amount of the CLO Notes to be redeemed pursuant to the CLO Indenture; (b) for any Repurchase Date resulting from an Event of Default hereunder, the Principal Paydown will be equal to the Class A Maximum Principal Amount (as defined in the CLO Indenture) minus any principal payments previously made on the CLO Notes; and

(c) for any Repurchase Date on which a Purchase Date does not occur due to an Excess Paydown Event, the Principal Paydown will be equal to the aggregate outstanding principal amount of the CLO Notes.

Swap Rate: For any Breakage Date and any Discounted Payment, except as provided below, the annual swap rate (expressed as a percentage per annum) for a United States Dollar denominated interest rate swap transaction with a maturity equal to the Discounted Tenor which appears on the Reuters Page ISDAFIX1 or any successor page (the "**CMS-Screen Page**") as of 11:00 a.m. (New York time) on the Pricing Date, all as determined by Buyer. If there is no quotation for a period corresponding to the Discounted Tenor, then the Swap Rate for the relevant Breakage Date and Discounted Payment will be determined by linear interpolation.

If at such time the CMS-Screen Page is not available or if no swap rate appears, the relevant rate will be a percentage rate per annum determined on the basis of the mid-market semi-annual interest rate swap rate quotations provided by five leading swap dealers in the New York City interbank market ("**Reference Banks**") selected by Buyer at approximately 11:00 a.m. (New York time) on the Pricing Date. For this purpose, the mid-market semi-annual swap rate means the mean of the bid and offered rates for the semi-annual fixed leg, calculated on a 30/360 day count basis, of a fixed-for-floating United States Dollar interest rate swap transaction with a term equal to the Discounted Tenor commencing on that day and in an amount equal to the applicable Principal Paydown with an acknowledged dealer of good credit in the United States Dollar interest rate swap market, where the floating leg, calculated on an Actual/360 day count basis, is equivalent to USD-LIBOR-BBA with a maturity of three months. Buyer will request the principal New York City office of each of the Reference Banks to provide a quotation of its rate. If at least three quotations are provided, the Swap Rate will be the arithmetic mean of the quotations, eliminating the highest quotation (or, in the event of equality, one of the highest) and the lowest quotation (or, in the event of equality, one of the lowest). If less than three quotations are provided, Buyer will determine the Swap Rate at its sole discretion, acting in good faith and in accordance with standard market practice.

For purposes of the foregoing, for any particular Discounted Payment, the "**Discounted Tenor**" will mean the period from and including the relevant Breakage Date to but excluding the Scheduled Final Repurchase Date. For purposes of the foregoing, for any given Breakage Date, the "**Pricing Date**" will be the second Dealing Day prior to the relevant Breakage Date.

Equivalent Securities:	For the avoidance of doubt, with respect to Purchased Securities (and without limiting the applicability of 2(t)(B) or the second sentence of 2(s), in each case of the Master Agreement), only the CLO Notes (or, where applicable, Distributions in respect thereof) will be considered to be "equivalent to" the CLO Notes.

Additional Terms:

Market Value of the CLO Notes:	On and after the Amendment Date, the Market Value with respect to the CLO Notes shall be equal to the following: (a) so long as the CLO Collateral Value is greater than or equal to 112.976190% of the aggregate principal amount of the CLO Notes, then the Initial MV Percentage multiplied by the then-current principal amount of the CLO Notes and (b) otherwise, the Initial MV Percentage multiplied by the then-current principal amount of the CLO Notes minus the difference between (x) 112.976190% of the aggregate principal amount of the CLO Notes and (y) the CLO Collateral Value. "**Initial MV Percentage**" means, on or after the Amendment Date, (i) on the Amendment Date, 100%, and (ii) the percentage of par determined by dividing the market value of the CLO Note (as determined by Buyer) on any Purchase Date or any Ramp-up Date, as applicable, (which, for this purpose, will be a "clean" price excluding accrued interest) by the principal amount of such CLO Note at that date. "**CLO Collateral Value**" means, on any date of determination, the sum of: (i) with respect to each Pledged Obligation held by the CLO Issuer that is a Senior Secured Loan or a Second Lien Loan, the aggregate outstanding amount of such Pledged Obligation *multiplied by*, (1) (x) the average of the indicative bid-side price (expressed as a percentage) for such Pledged Obligation obtained by Buyer from Reuters Loan Pricing Corporation or LoanX, or (y) if only one such indicative bid-side price is available, such indicative bid-side price (expressed as a percentage) or (2) if Buyer determines that neither of such indicative prices is available or that neither of such prices is indicative of the actual current market price of the Pledged Obligation, then the indicative bid-side price (expressed as a percentage) from the loan trading desk of Buyer; (ii) with respect to any other Pledged Obligation (other than Cash) held by the CLO Issuer, the aggregate outstanding amount of such Pledged Obligation *multiplied by* the market value (expressed as a percentage) of such Pledged Obligation as determined by the Buyer in good faith and in a commercially reasonable manner; and (iii) with respect to any Cash held by the CLO Issuer (at such time based on the information most recently made available to the parties by the CLO Trustee), the amount of such Cash.

The market value price determined by Buyer pursuant to clauses (i)(2) and (ii) above is referred to herein as the "**JPMCB Determined Price**".

Seller, acting in good faith and in a commercially reasonable manner, may dispute the JPMCB Determined Price of some or all of the Pledged Obligations for purposes of any Margin Transfer to Buyer by Seller under paragraph 4 of the Master Agreement, if the following conditions are satisfied: (i) the Seller shall make all Margin Transfers required of it in accordance with paragraph 4 of the Master Agreement and (ii) if no Event of Default has occurred and is continuing with respect to Seller, then by no later than 10:00 a.m. (New York time) on the next Dealing Day, Seller may obtain a firm bid for the full amount of the relevant Pledged Obligation from an Independent Dealer (an "**Independent Bid**"). The Independent Bid must be maintained by the Independent Dealer and actionable for the Buyer before 12:00 p.m. (New York time) on such Dealing Day. If Seller obtains an Independent Bid and submits to the Buyer evidence of such Independent Bid no later than 10:00 a.m. (New York time) on such Dealing Day, then such Independent Bid (subject to any "Bid Disqualification Condition" as defined below) shall be used to determine the Market Value of such Pledged Obligation for the purposes of paragraph 4 of the Master Agreement (the "**Dispute Determined Price**") and the determination of any Margin Securities to be delivered or any Equivalent Margin Securities to be redelivered (in each case, no later than 5:00 p.m. (New York time) on such Dealing Day) in respect of the price established on such Dealing Day shall be based on such Dispute Determined Price.

"**Independent Dealers**" means Bank of America/Merrill Lynch, Barclays Bank, BNP Paribas, Citibank, Credit Suisse, Deutsche Bank, Goldman Sachs, Morgan Stanley, Nomura, Royal Bank of Scotland, UBS, any affiliate of any of the foregoing and any other third party mutually agreed to by Buyer and Seller, but in no event including Seller or any affiliate of Seller.

"**Dealing Day**" shall mean a day other than a Saturday, Sunday or day on which the Securities Industry and Financial Markets Association recommends that there be no trading in US dollar-denominated government securities, mortgage- and asset-backed securities, over-the-counter investment-grade and high-yield corporate bonds, municipal bonds and secondary money market trading in bankers' acceptances, commercial paper and USD and Euro certificates of deposit.

	"**Bid Disqualification Condition**" means that Buyer shall be entitled to disregard as invalid any Independent Bid submitted by any Independent Dealer if, in Buyer's good faith judgment: (i) such Independent Dealer is ineligible to accept assignment or transfer of the relevant Pledged Obligation or portion thereof, as applicable, substantially in accordance with the then-current market practice in the principal market for such Pledged Obligation, as reasonably determined by Buyer; or (ii) such firm bid or such firm offer is not bona fide due to the insolvency of the Independent Dealer or that, as of the relevant date of determination, the Buyer determines in good faith that such Independent Dealer is in default under purchase contracts for assets similar to the Pledged Obligations in an aggregate amount in excess of USD 250,000,000. The foregoing will not operate in derogation of the obligation to make additional incremental Margin Transfers in respect of any later demands. The JPMCB Determined Price or Dispute Determined Price for any Pledged Obligation that is under contract to be sold by the CLO Issuer will not exceed the sales price to be received by the CLO Issuer under the relevant sale contract. It is understood and agreed that the definition of "Market Value" set forth above is not intended to and does not track the definition of "Market Value" set forth in the CLO Indenture.
No Substitution:	In accordance with paragraph 8(a) of the Master Agreement, substitution is at Buyer's sole discretion.
Additional Event of Default:	In addition to the Events of Default specified in the Master Agreement, the following shall also constitute an Event of Default (as to which Seller will be the Defaulting Party) for so long as any Series Transaction under this Confirmation is outstanding: (x) Any CLO Event of Default shall have occurred and be continuing, (y) the occurrence of "cause" under the Collateral Management Agreement (as defined in the CLO Indenture), or (z) a breach of any of the covenants contained in Section 9(j) of Seller's LLC Agreement shall have occurred and be continuing and, in either case of (x), (y) or (z), the non-Defaulting Party serves a notice on the Defaulting Party. For purposes of the foregoing, the Seller will be the Defaulting Party and the Buyer will be the non-Defaulting Party.
CLO Event of Default:	An "Event of Default" as defined in the CLO Indenture.

Additional Representation of Race Street:	As of the initial Purchase Date, Race Street represents that the Final Repurchase Date is a date certain calculated as follows: (i) if the expected weighted average final amortisation of the Purchased Securities (the "**Expected Amortisation Date**") will occur 5 years or more after the initial Purchase Date for the Purchased Securities, the earlier of the date on which 80% of the number of days occurring between the initial Purchase Date for such Purchased Securities and the Expected Amortisation Date have lapsed or the date on which 20% or less of the initial principal amount of the Purchased Securities is outstanding, and (ii) if the Expected Amortisation Date will occur more than one but less than five years after the initial Purchase Date for the Purchased Securities, the earlier of the date occurring one year prior to the Expected Amortisation Date or the date on which 20% or less of the initial principal amount of the Purchased Securities is outstanding.
Application of Payments:	Notwithstanding anything to the contrary in the Master Agreement, payments under the CLO Notes (whether Income or Distributions) received on a Repurchase Date will be applied in the following order: *first*, to payment of the Repurchase Price; *second*, if the Adjusted Net Worth of the Collateral is less than the Collateral Minimum, to deposit into the Custodial Account an amount equal to the lesser of (i) (1) the Collateral Minimum *minus* (2) the Adjusted Net Worth of the Collateral, and (ii) the amount of the payment received; *third*, to any unpaid Margin Transfer amounts owing from Seller to Buyer which would exist after giving effect to repayment of the maturing repurchase transaction and entry into the new repurchase transaction; and *fourth*, with respect any remaining amounts (x) prior to the occurrence of an Event of Default, distributed in accordance with the terms of Section 6(o) of Annex I of the Master Agreement or (y) after the occurrence of an Event of Default, Buyer will be entitled to retain any Income or Distribution as additional Margin.
Acknowledgement by Race Street:	For the avoidance of doubt, and not to be construed in derogation of the conveyance of the Purchased Securities hereunder, Seller acknowledges that all of Seller's interest in the Purchased Securities shall pass to Buyer on each Purchase Date and, unless otherwise agreed by Buyer and Seller, (i) nothing in this Confirmation shall preclude Buyer from engaging in repurchase transactions with the Purchased Securities or otherwise selling, transferring, pledging or hypothecating the Purchased Securities, (ii) at all times prior to the Final Purchase Date, Buyer shall have the sole right to vote and exercise all other rights and privileges of a holder of the CLO Notes, including, but not limited to, the rights to accelerate and

order disposition of assets and the rights set forth in Sections 7.20 and 7.21 of the CLO Indenture, in each case in accordance with the relevant provisions of the CLO Indenture; provided that, so long as no Event of Default or potential Event of Default has occurred and is continuing, the Seller, and not the Buyer, shall be entitled to exercise the rights set forth in Section 7.20 of the CLO Indenture, and (iii) Buyer will be entitled to receive all payments under the Purchased Securities subject to paragraph 5 of the Master Agreement and the Application of Payments.

Seller further acknowledges and agrees that (x) neither JPMCB nor any of its affiliates have acted in any placement agent, underwriter or arranger capacity with respect to the Purchased Securities, and (y) following the earlier of (1) the end of the Initial Investment Period (as defined in the CLO Indenture) and (2) the date on which the CLO Notes have been increased to their respective Maximum Principal Amount (as defined in the CLO Indenture), JPMCB may convert the Purchased Securities from certificated to book-entry securities and, in connection with such conversion, JPMCB may, itself or through any of its affiliates, coordinate with Depository Trust Company ("DTC") (including by completing any required DTC documentation) to facilitate such conversion; it being agreed, for the avoidance of doubt, that JPMCB's or its affiliate's role in the conversion of the Purchased Securities is merely for administrative convenience and, notwithstanding any provisions in the required DTC documentation, shall in no event imply that JPMCB or its affiliate have performed or are performing any role as placement agent, underwriter or arranger with respect to the Purchased Securities.

Tax Treatment

The parties agree that each Series Transaction shall be treated as a loan by the Buyer to the Seller for federal, state and local income and franchise tax purposes.

This Confirmation may not be amended except in writing signed by both parties.

This Confirmation may be executed in any number of counterparts, and by each party on separate counterparts. Each counterpart is an original, but all counterparts shall together constitute one and the same instrument. Delivery of an executed counterpart signature page of this Confirmation by e-mail (PDF) or telecopy shall be as effective as delivery of a manually executed counterpart of this Confirmation. In relation to each counterpart, upon Confirmation by or on behalf of the signatory that the signatory authorises the attachment of such counterpart signature page to the final text of this Confirmation, such counterpart signature page shall take effect together with such final text as a complete authoritative counterpart.

Please confirm your acceptance of the terms and conditions of this Confirmation by signing and returning the attached duplicate.

JPMORGAN CHASE BANK, NATIONAL ASSOCIATION, LONDON BRANCH

By: /s/ Louis J. Cerrotta
Name: Louis J. Cerrotta
Title: ED

RACE STREET FUNDING LLC

By: /s/ Gerald F. Stahlecker
Name: Gerald F. Stahlecker
Title: Executive Vice President

Exhibit 10.5

AMENDMENT TO CREDIT AGREEMENT

Dated as of September 26, 2012

Reference is made to that certain Revolving Credit Agreement, dated as of July 21, 2011 (as amended, modified or supplemented from time to time, the "Credit Agreement"), between FS Investment Corporation (the "Lender") and Race Street Funding LLC (the "Borrower"). Capitalized terms used but not otherwise defined herein shall have the meanings set forth in the Credit Agreement.

In accordance with, and as permitted by, Section 6.01 of the Credit Agreement, each of the Lender and the Borrower hereby agrees and acknowledges as follows:

(a) The first paragraph under the heading "Preliminary Statements" is hereby amended by inserting immediately after the words "July 21, 2011" and prior to the phrase "and each among":

", and each as amended and restated as of September 26, 2012,"

(b) The second paragraph under the heading "Preliminary Statements" is hereby amended as follows:

(i) the following language is inserted immediately after the word "requirements" and prior to the phrase "under the Repurchase Agreement":

"and hold a minimum amount of Collateral to secure the Borrower's obligations, in each case in accordance with the terms of and"; and

(ii) the phrase "deliver such cash collateral" shall be deleted and replaced with "deliver such collateral".

(c) The definition of "Loan" in Section 1.01 is hereby amended by adding the phrase "or each advance as all or part of the purchase price for the acquisition of Collateral in accordance with Section 2.07" after the word "funds".

(d) Section 2.01 is hereby amended by deleting the phrase "THREE HUNDRED MILLION DOLLARS ($300,000,000)" and replacing it with the phrase "SIX HUNDRED MILLION DOLLARS ($600,000,000)"

(e) The following language is added as a new Section 2.07.

"**Section 2.07 Loans for Acquisition of Collateral**. Notwithstanding anything in this Agreement to the contrary, the parties agree that the Lender may make Loans to the Borrower as part of the purchase price for Collateral in lieu of the Borrower paying cash pursuant to the Asset Transfer Agreement to acquire such Collateral. The principal amount of any Loan made as part of the purchase price of the acquisition of Collateral shall be equal to the Fair Market Value of such Collateral under the Repurchase Agreement on the day the Loan is made less any cash paid by the Borrower to the Lender for such Collateral under the Asset Transfer Agreement."

(f) Section 3.01(c) is hereby amended by inserting the phrase “(other than defaults under the Repurchase Agreement as to which the Loan is intended to cure, resolve or alleviate such default)” after the word “bound”.

(g) Section 5.03 is hereby amended by inserting the phrase “and constitute permitted Restricted Payments in accordance with and as defined in the Repurchase Agreement” after the phrase “funds that are not required by the Borrower at such time to satisfy its payment and/or its margin maintenance obligations under the Repurchase Agreement”.

(h) Section 6.10 is hereby amended as follows:

(i) by deleting the phrase “CLO Notes and cash” and replacing it with the phrase “CLO Notes and the Collateral (as defined under the Repurchase Agreement)”; and

(ii) the following language is inserted immediately after the word “generated by the CLO Notes” and prior to the phrase “which are not required”: “and the Collateral”.

Except as expressly amended and modified pursuant to clauses (a) through (h) above, the provisions of the Credit Agreement are and shall remain in full force and effect.

This amendment shall be governed by, and construed and interpreted in accordance with, the law of the State of New York.

[Signature Page Follows]

IN WITNESS WHEREOF, the parties hereto have executed this amendment as of the day and year first above written.

FS INVESTMENT CORPORATION, as Lender

By: /s/ Gerald F. Stahlecker
Name: Gerald F. Stahlecker
Title: Executive Vice President

RACE STREET FUNDING LLC, as Borrower

By: /s/ Gerald F. Stahlecker
Name: Gerald F. Stahlecker
Title: Executive Vice President

Consented to in accordance with Section 6.01 of the Credit Agreement

JPMORGAN CHASE BANK N.A., LONDON BRANCH

By: /s/ Louis J. Cerrotta
Name: Louis J. Cerrotta
Title: ED

Exhibit 10.6

ASSET TRANSFER AGREEMENT

This ASSET TRANSFER AGREEMENT (this "**Agreement**"), dated as of September 26, 2012, is entered into by and between FS Investment Corporation (the "**Seller**") and Race Street Funding LLC ("**Race Street**").

RECITALS

WHEREAS, the Seller owns certain loans or interests in loans (each, a "**Collateral Obligation**");

WHEREAS, the Seller desires from time to time to sell to Race Street, and Race Street desires from time to time to purchase from the Seller, each Collateral Obligation (each such Collateral Obligation, a "**Sold Asset**," and collectively, the "**Sold Assets**") owned by the Seller and described on the related supplement to this Agreement between the Seller and Race Street substantially in the form attached hereto as Exhibit A (the "**Transfer Supplement**"); and

WHEREAS, the Seller and Race Street would like to confirm and evidence their intent that all right, title and interest in each Sold Asset be sold and transferred to Race Street.

NOW THEREFORE, in consideration of the recitals and mutual promises herein and other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the parties agree as follows:

1. Sales of Sold Assets.

(a) The Seller hereby agrees to sell, transfer, assign, set over, quitclaim, and otherwise convey to Race Street, without recourse, representation or warranty except as provided herein, and Race Street agrees to purchase from the Seller on each date set forth on the related Transfer Supplement (each such date, the "**Transfer Date**") all of the right, title and interest of the Seller, in and to the related Sold Assets, including all distributions thereon and collections thereof received or due on or after the applicable Transfer Date. The purchase price for the sale of the applicable Sold Assets on such Transfer Date, the receipt of which by the Seller is hereby acknowledged by the parties to be good and valuable consideration, in an amount equal to the fair market value thereof, consists of cash or, in the case of a Transfer Date occurring within sixty (60) days of the date hereof, an increase in the value of the Seller's limited liability company interests in Race Street, or (alone or in combination with cash), on any Transfer Date occurring more than sixty (60) days after the date hereof, a borrowing (each, a "**Loan**") under the Revolving Credit Agreement, dated as of July 11, 2011, between Race Street, as the borrower, and Seller, as lender, as amended by the Amendment to Credit Agreement, dated as of the date hereof (collectively, the "**Credit Agreement**"), in an amount equal to the fair market value of the related Sold Asset less any cash paid as part of the purchase price. In addition, Race Street may pay the purchase price for any Sold Assets by transferring collateral obligations then owned by Race Street to the Seller having a fair market value at the time of such transfer equal to the Initial Fair Market Value of the Sold Asset transferred to Race Street; provided, that in the case of collateral obligations that previously were sold to Race Street by the Seller (each, a "**Prior Sold Asset**"), the fair market value as of the date of acquisition of such Prior Sold Asset (such

value, the "**Initial Fair Market Value**") to be transferred to the Seller as part of the purchase price, when aggregated with the Initial Fair Market Value of all other Prior Sold Assets previously transferred to the Seller as part of the purchase price of Sold Assets, is less than or equal to 10% of the aggregate Initial Fair Market Value as of the respective date of acquisition of all Prior Sold Assets at any time hereunder.

(b) In the event that a participation interest in any Sold Asset is sold to Race Street by Seller pursuant to that certain Participation Agreement, dated as of the date hereof, between Seller and Race Street, each of Race Street and Seller agree that the "Purchase Price" (as defined therein) shall be without duplication of the purchase price with respect to such Sold Asset paid hereunder and that the consideration paid pursuant to Section 1(a) hereof with respect to such Sold Asset shall be in satisfaction of any amounts owing to Seller under the Participation Agreement with respect to such Sold Asset.

(c) After the effectiveness of the transfer of a Sold Asset, the Seller agrees that such Sold Asset shall not be part of the Seller's property for any purposes under state or federal law. It is the intention of the parties hereto that the arrangements with respect to the Sold Assets shall constitute a purchase and sale of the Sold Assets and not a loan. In the event, however, that a court were to hold that the transactions evidenced hereby constitute a loan and not a purchase and sale, it is the intention of the parties hereto that this Agreement shall be deemed to have created and does hereby create in favor of Race Street a first-priority perfected security interest in all of the Seller's right, title and interest, whether now owned or hereafter acquired, in, to and under the Sold Assets and all proceeds thereof, to secure the obligations of the Seller hereunder and a loan in the amount of the purchase price of the Sold Assets plus all interest accrued on and all proceeds of the Sold Assets.

(d) The Seller hereby authorizes the filing of any financing statements or continuation statements, and amendments to financing statements, in any jurisdictions and with any filing offices as Race Street may determine, in its sole discretion, are necessary or advisable to perfect the security interest described in the preceding paragraph. Such financing statements may describe the collateral in the same manner as described in this Agreement or in any other security agreement, assignment, transfer document or pledge agreement entered into by the parties in connection herewith.

2. Representations, Warranties and Covenants of the Seller. The Seller hereby represents, warrants and covenants to Race Street, its successors and assigns, that:

(a) Organization. It is duly incorporated, validly existing and in good standing under the laws and regulations of its jurisdiction of incorporation and is duly qualified, and in good standing in every jurisdiction where such qualification is necessary for the transaction of its business except where the failure to do so would not have a material adverse effect on the transactions contemplated hereby or the Seller's ability to perform its obligations hereunder. It has the power to own and hold the assets it purports to own and hold, and to carry on its business as now being conducted and proposed to be conducted, in each case, except where the failure to do so would not have a material adverse effect on the transactions contemplated hereby or the Seller's ability to perform its obligations hereunder.

(b) Due Execution; Enforceability. It has the full power and authority to execute and deliver this Agreement and to carry out its terms; it has full power, authority and right under its constituent documents to sell, convey, transfer, set over, and otherwise assign the Sold Assets to Race Street; and it has duly authorized such by all necessary entity action. This Agreement has been duly executed and delivered by the Seller, and constitutes the legal, valid and binding obligations of the Seller, enforceable against the Seller in accordance with its terms, subject to bankruptcy, insolvency, and other limitations on creditors' rights generally, to any applicable law imposing limitations upon, or otherwise affecting, the availability or enforcement of rights to indemnification hereunder and to equitable principles.

(c) Non-Contravention. Neither the execution and delivery of this Agreement, nor consummation by the Seller of the transactions contemplated by this Agreement, nor compliance by Seller with the terms, conditions and provisions of this Agreement will conflict with or result in a breach of any of the terms, conditions or provisions of any of the following in a manner which would have a material adverse effect on the Seller's ability to perform its obligations hereunder: (i) the organizational documents of the Seller, (ii) any contractual obligation to which the Seller is now a party or the rights under which have been assigned to the Seller or the obligations under which have been assumed by the Seller or to which the assets of the Seller are subject or constitute a default thereunder in any material respect, or result thereunder in the creation or imposition of any lien upon any of the assets of the Seller, other than pursuant to this Agreement, (iii) any judgment or order, writ, injunction, decree or demand of any court applicable to the Seller or (iv) any applicable requirement of law. The Seller has all necessary licenses, permits and other consents from governmental authorities necessary to acquire, own and sell the Sold Assets and for the performance of its obligations under this Agreement except where the failure to have any such license, permit or consent would not have a material adverse effect on the Seller's ability to perform its obligations hereunder.

(d) Litigation, Requirements of Law. (i) There is no action, suit, proceeding, investigation, or arbitration pending or, to the best knowledge of the Seller, threatened, against the Seller with respect to the Sold Assets, (ii) Seller is in compliance in all material respects with all requirements of law to which the Seller is subject with respect to the Sold Assets and (iii) Seller is not in default in any material respect with respect to any judgment, order, writ, injunction, decree, rule or regulation of any arbitrator or governmental authority, in each of the foregoing instances, except where such action, suit, proceeding, investigation, or arbitration, non compliance or default would not have a material adverse effect on any Sold Asset or Seller's ability to perform its obligations hereunder.

(e) Good Title to Sold Assets. The Seller has not assigned, pledged, or otherwise conveyed or encumbered any interest in the Sold Assets to any other person, which assignment, pledge, conveyance or encumbrance remains effective as of the applicable Transfer Date. Immediately prior to the purchase of any of the Sold Assets by Race Street from the Seller, such Sold Assets are free and clear of any lien, encumbrance or impediment to transfer created by Seller (including any "adverse claim" as defined in Section 8-102(a)(1) of the Uniform Commercial Code), and the Seller is the sole record and beneficial owner of and has good and marketable title to and the right to sell and transfer such Sold Assets to Race Street and, upon transfer of such Sold Asset to Race Street, Race Street shall be the sole owner of such Sold Assets free of any adverse claim created by the Seller. In the event the transactions

contemplated hereby are recharacterized as a secured financing of the Sold Assets, the provisions of this Agreement are effective to create in favor of Race Street a valid security interest in all rights, title and interest of the Seller in, to and under the Sold Assets and Race Street shall have a valid, perfected first priority security interest in the Sold Assets.

(f) No Default. No default shall have occurred and be continuing with respect to any Collateral Obligation as of the applicable Transfer Date.

(g) Sale Accounting. The Seller will treat each transfer of the Sold Assets to Race Street as a sale for legal purposes, but not for accounting purposes.

(h) Solvency. The Seller is generally able to pay, and as of the applicable Transfer Date is paying, its debts as they come due. The Seller's assets at a fair valuation exceeds its liabilities. The Seller has not entered into this Agreement or the transactions effectuated hereby in contemplation of insolvency or with intent to hinder, delay or defraud any creditor.

(i) Seller's Undertakings as to Sold Assets. The sale of each Sold Asset shall be a separate transaction (each, a "**Transaction**") and for each Transaction with respect to a Sold Asset that is of a type normally traded thereby, except as herein expressly provided, this Agreement shall constitute a "Confirmation" with respect to each Transaction and shall be governed by the Standard Terms and Conditions for Par/Near Par Trade Confirmations (the "**LSTA Standard Terms and Conditions**") published by the Loan Syndication and Trading Association, Inc. (the "**LSTA**") as of August, 2010; provided, that (a) no "Delayed Compensation" (as defined in the LSTA Standard Terms and Conditions) shall be payable in respect of any Transaction; (b) "Credit Documentation" (as defined in the LSTA Standard Terms and Conditions) shall be provided by the Seller to Race Street; and (c) "Assignment" (as defined in the LSTA Standard Terms and Conditions) shall apply unless a consent to the related Transaction is not timely obtained to permit consummation of such Assignment on or before the related settlement date, in which case the Transaction shall be settled by a Participation with Elevation applicable thereto. Race Street agrees to pay the "purchase price" to the Seller for each such Sold Asset on the related settlement date by payment of the consideration specified for such Sold Asset in the related Transfer Supplement.

3. Repurchase of Collateral Obligations. Each party to this Agreement shall give notice to the other party promptly, in writing, upon the discovery of any lien, encumbrance and defect with respect to any Sold Asset that would affect Race Street in any manner, including without limitation any effect on the value thereof or interference with the use made or to be made thereof by it in existence on the Transfer Date with respect to such Sold Asset. In the event of such discovery, the Seller shall promptly cure or repurchase any affected Collateral Asset from Race Street at an amount equal to (i) 100% of the "purchase price" (expressed as a percentage) paid by Race Street and multiplied by the principal amount of each such Collateral Asset and (ii) all accrued and unpaid interest thereon.

4. Representations, Warranties and Covenants of Race Street. Race Street hereby represents, warrants and covenants to the Seller, its successors and assigns, that:

(a) Organization. It is duly formed, validly existing and in good standing under the laws and regulations of its jurisdiction of formation and is duly licensed, qualified, and in good standing in every jurisdiction where such licensing or qualification is necessary for the transaction of its business except where the failure to do so would not have a material adverse effect on the transaction of Race Street's business or its ability to perform its obligations hereunder. It has the power to own and hold the assets it purports to own and hold, and to carry on its business as now being conducted and proposed to be conducted, in each case, except where the failure to do so would not have a material adverse effect on the transactions contemplated hereby or on Race Street's ability to perform its obligations hereunder.

(b) Due Execution, Enforceability. This Agreement has been duly executed and delivered by Race Street, and constitutes the legal, valid and binding obligations of Race Street, enforceable against Race Street in accordance with its terms, subject to bankruptcy, insolvency, and other limitations on creditors' rights generally, to any applicable law imposing limitations upon, or otherwise affecting, the availability or enforcement of rights to indemnification hereunder and to equitable principles.

(c) Litigation; Requirements of Law. (i) There is no action, suit, proceeding, investigation, or arbitration pending or, to the best knowledge of Race Street, threatened, against Race Street or any of its assets; (ii) Race Street is in compliance in all material respects with all requirements of law to which Race Street is subject; and (iii) Race Street is not in default in any material respect with respect to any judgment, order, writ, injunction, decree, rule or regulation of any arbitrator or governmental authority, in each of the foregoing instances, except where such action, suit, proceeding, investigation or arbitration, non-compliance or default would not have a material adverse effect on any Sold Asset or on Race Street's ability to perform its obligations hereunder.

(d) No Broker. Race Street has not dealt with any broker, investment banker, agent, or other person (other than the Seller or an affiliate of the Seller) who may be entitled to any commission or compensation in connection with the sale of the Sold Assets pursuant to this Agreement.

(e) Consents. No consent, approval or other action of, or filing by Race Street with, any governmental authority or any other person is required to authorize, or is otherwise required in connection with, the execution, delivery and performance of this Agreement (other than consents, approvals and filings that have been obtained or made, as applicable).

(f) Sale. Accounting. Race Street will treat the transfer of the Sold Assets to it as a purchase for legal purposes, but not for accounting purposes.

5. Closing. The closing of a sale of Sold Assets shall be held on the applicable Transfer Date at the time and place mutually agreed upon by the parties.

The closing shall be subject to each of the following conditions:

(a) all of the representations, warranties and covenants of Race Street and the Seller specified herein shall be true and correct in all material respects as of the applicable Transfer Date (or such other date specifically provided in the particular representation or warranty);

(b) the applicable Transfer Supplement shall be duly executed by the Seller and Race Street;

(c) the Collateral Obligations constituting the Sold Assets and any applicable transfer documents that are requested by the Buyer shall be delivered to the Buyer (or otherwise at the direction of Race Street); and

(d) all other terms and conditions of this Agreement required to be complied with on or before the applicable Transfer Date shall have been complied with.

Each of the parties hereto agrees to use all reasonable commercial efforts to perform its respective obligations hereunder in a manner that will enable Race Street to purchase the Sold Assets on the applicable Transfer Date.

6. Undertaking and Assumption. To the extent that any Collateral Obligation requires that any transferee of an interest therein must execute an assignment and assumption agreement whereby such transferee assumes all of the obligations of the holder thereof with respect to such Collateral Obligation or portion thereof being transferred, and such an agreement has not already been executed and delivered, the parties hereto intend that this Agreement shall constitute such an assignment and assumption agreement (within the meaning of such Collateral Obligation) with respect to the transfer of such Collateral Obligation to Race Street and Race Street may enter into an omnibus assignment and assumption agreement to evidence such assignment and assumption pursuant to this Agreement.

Race Street hereby assumes and undertakes to perform, pay or discharge in accordance with the terms and conditions thereof all obligations of the Seller in its capacity as the holder of each Sold Asset under the related Collateral Obligation, to the extent such obligations are to be performed, paid or discharged after the effectiveness of the transfer of each such Sold Asset and related Collateral Obligation to Race Street. Race Street hereby agrees to be bound by the terms, provisions, covenants and conditions in each Collateral Obligation applicable to the holder of each such Sold Asset. The Seller hereby retains and undertakes to perform, pay or discharge in accordance with the terms and conditions under such Collateral Obligation all of the obligations of the holder of the Sold Asset to the extent such obligations arose or accrued prior to the effectiveness of such transfer. Race Street agrees to execute and deliver all such further assurances as may be reasonably requested by the Seller in order to effect the assumption by Race Street of the obligations of the Seller under such Collateral Obligation with respect to the Sold Assets as contemplated herein. Except as may otherwise have been agreed to between the parties with respect to any particular Sold Asset, (i) the Seller hereby represents, warrants and agrees that any amounts received by it with respect to any Sold Asset and which accrue from and after the effectiveness of the transfer of such Sold Asset shall be held in trust for the benefit of and shall be promptly remitted to Race Street upon receipt thereof, and (ii) Race Street hereby represents, warrants and agrees that any amounts received by it with respect to a Sold Asset which accrue with respect to the period prior to the effectiveness of such transfer of such Sold Asset shall be held in trust for the benefit of and shall be promptly remitted to the Seller upon receipt thereof.

7. Notices. Any notice under this Agreement shall be in writing and sent by facsimile, confirmed by telephonic communication, or addressed and delivered or mailed postage paid to the other party at such address as such other party may designate for the receipt of such notice. Notice shall be deemed to have been duly given, made or received when delivered against receipt or upon actual receipt of registered or certificated mail, postage prepaid, return receipt requested, or in the case of facsimile notices, when received in legible form. Until further notice to the other party, it is agreed that the address of:

(a) the Seller for this purpose shall be:

FS Investment Corporation
Cira Centre
2929 Arch Street, Suite 675
Philadelphia, Pennsylvania 19104
Telephone: (215) 495-1169
Telecopy: (215) 222-4649
Attention: Gerald F. Stahlecker

(b) Race Street for this purpose shall be:

Race Street Funding LLC
Cira Centre
2929 Arch Street, Suite 675
Philadelphia, Pennsylvania 19104
Telephone: (215) 495-1169
Telecopy: (215) 222-4649
Attention: Gerald F. Stahlecker

8. GOVERNING LAW. THIS AGREEMENT SHALL BE GOVERNED BY AND INTERPRETED UNDER AND IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK APPLICABLE TO CONTRACTS MADE AND TO BE PERFORMED WHOLLY THEREIN, WITHOUT GIVING EFFECT TO THE PRINCIPLES OF CONFLICTS OF LAW.

9. Survival. The Seller and Race Street agrees that the representations, warranties and agreements made by it herein and in any certificate or other instrument delivered pursuant hereto shall be deemed to have been relied upon by Race Street and the Seller, respectively, notwithstanding any investigation heretofore or hereafter made by the other party or on the other party's behalf, and that the representations, warranties and agreements made by the Seller herein or in any such certificate or other instrument and Sections 17 and 18 of this Agreement, shall survive the delivery of and payment for the Sold Assets.

10. Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original, but all of which together shall constitute one instrument.

11. Acknowledgement of Assignment. The Seller hereby acknowledges that Race Street is assigning all of its right, title and interest in, to and under this Agreement to JPMorgan Chase Bank, N.A., London Branch, as buyer (the "Buyer"), under that certain Amended and Restated Global Master Repurchase Agreement, dated as of the date hereof (the "**GMRA**"), by and between the Buyer and Race Street. The Buyer shall be considered a third-party beneficiary of this Agreement and may enforce this Agreement against the Seller.

12. Entire Agreement. This Agreement constitutes the entire understanding and agreement among the parties and supersedes all other prior understandings and agreements, whether written or oral, among the parties concerning this subject matter.

13. Severability. In the event any court of competent jurisdiction shall hold any provision of this Agreement invalid or unenforceable, such holding shall not invalidate or render unenforceable any other provisions hereof.

14. Captions. The captions in this Agreement are included for convenience only and in no way define or limit any of the provisions hereof or otherwise affect their construction or effect.

15. Use of Terms. Words used herein, regardless of the number and gender specifically used, shall be deemed and construed to include any other number, singular or plural, and any other gender, masculine, feminine or neuter, as the context requires.

16. Amendments. This Agreement may be amended or modified only by an instrument in writing signed by the parties hereto.

17. Non-Petition. The Seller and Race Street agree that neither party shall institute against, or join any other person in instituting against Race Street or the Seller, respectively, any bankruptcy, reorganization, arrangement, insolvency, moratorium, liquidation or similar proceedings or other proceedings under U.S. federal or state bankruptcy laws or similar laws of any jurisdiction until at least one (1) year and one (1) day (or, if applicable, such longer preference period as may be in effect) after the payment in full (other than contingent indemnification or reimbursement obligations for which no claim has been made) of all obligations owing under the GMRA; provided that nothing in this Section 17 shall preclude, or be deemed to estop, the Seller or Race Street (A) from taking any other action prior to the expiration of such period in (i) any case or proceeding voluntarily filed or commenced by Race Street or the Seller, respectively, or (ii) any involuntary insolvency proceeding filed or commenced against Race Street or the Seller, respectively, by a person other than the Seller or Race Street, respectively, or (B) from commencing against Race Street or the Seller, respectively, or any properties of Race Street or the Seller, respectively, any legal action which is not a bankruptcy, reorganization, arrangement, insolvency, moratorium, liquidation or similar proceeding. The provisions of this Section 17 shall survive termination of this Agreement for any reason whatsoever.

18. Limited-Recourse. Notwithstanding any other provision of this Agreement, the obligations of Race Street to the Seller under this Agreement, and of the Seller to Race Street under this Agreement, shall be limited to the remaining amounts from time to time available and comprising the assets of Race Street and the Seller, respectively, having satisfied or provided for all other prior ranking liabilities of Race Street or the Seller, as the case may be. Accordingly,

the Seller shall have no claim or recourse against Race Street in respect of any amount which is or remains unsatisfied after the application of the funds comprising the assets of Race Street or representing the proceeds of realization thereof and any remaining obligation to pay any further unsatisfied amounts shall be extinguished. Correspondingly, Race Street shall have no claim or recourse against the Seller in respect of any amount which is or remains unsatisfied after the application of the funds comprising the assets of the Seller or representing the proceeds of realization thereof and any remaining obligation to pay any further unsatisfied amounts shall be extinguished. None of the shareholders, subordinated noteholders, partners, members, directors, board members, managers, officers, employees and agents of the Seller and Race Street shall be personally liable for any amounts payable, or performance due, under this Agreement. The provisions of this Section 18 shall survive termination of this Agreement for any reason whatsoever.

IN WITNESS WHEREOF, the parties hereto have executed and delivered this Asset Transfer Agreement on the date first above mentioned.

FS INVESTMENT CORPORATION

By: /s/ Gerald F. Stahlecker
Name: Gerald F. Stahlecker
Title: Executive Vice President

RACE STREET FUNDING LLC

By: /s/ Gerald F. Stahlecker
Name: Gerald F. Stahlecker
Title: Executive Vice President

EXHIBIT A

FORM OF TRANSFER SUPPLEMENT

THIS TRANSFER SUPPLEMENT TO THE ASSET TRANSFER AGREEMENT (this "Transfer Supplement"), dated as of **[INSERT DATE],** by and between FS Investment Corporation (the "Seller") and Race Street Funding LLC (the "Race Street"). Except as otherwise expressly provided herein or unless the context otherwise requires, all capitalized terms used herein shall have the meanings attributed to them in the Asset Transfer Agreement, dated as of September 26, 2012, as amended from time to time (the "Asset Transfer Agreement"), between the Seller and Race Street.

Section 1. Sold Assets

(a) The Sold Assets to which this Transfer Supplement applies are described on Schedule A hereto.

(b) Transfer Date: [ ].

(c) Purchase Price of Sold Assets: $[ ].

Section 2. Representations, Warranties and Covenants of the Seller. The representations, warranties and covenants of the Seller set forth in Section 2 of the Asset Transfer Agreement shall be true in all material respects as of the Transfer Date (or such other date specifically provided in the particular representation or warranty).

Section 3. Effect of Supplement. Except as specifically supplemented herein, the Asset Transfer Agreement shall continue in full force and effect in accordance with its original terms. Reference to this specific Transfer Supplement need not be made in the Asset Transfer Agreement, or any other instrument or document executed in connection therewith, or in any certificate, letter or communication issued or made pursuant to or with respect to the Asset Transfer Agreement, any reference in any of such items to the Asset Transfer Agreement being sufficient to refer to the Asset Transfer Agreement as supplemented hereby.

Section 4. Counterparts. This Transfer Supplement may be executed in any number of counterparts, and by the different parties on different counterpart signature pages, all of which taken together shall constitute one and the same agreement. Any of the parties hereto may execute this Transfer Supplement by signing any such counterpart and each of such counterparts shall for all purposes be deemed to be an original. This Transfer Supplement shall be governed by the internal laws of the State of New York.

* * * * *

IN WITNESS WHEREOF, the parties hereto have caused this Transfer Supplement to Asset Transfer Agreement to be duly executed by their respective officers duly authorized as of the day and year first above written.

FS INVESTMENT CORPORATION

By: _____

Name: Gerald F. Stahlecker
Title: Executive Vice President

RACE STREET FUNDING LLC

By: _____

Name: Gerald F. Stahlecker
Title: Executive Vice President

[Signature Page to Transfer Supplement]

Exhibit 10.7

AMENDED AND RESTATED COLLATERAL MANAGEMENT AGREEMENT

This Amended and Restated Collateral Management Agreement, dated as of September 26, 2012 (the "Agreement"), is entered into by and between Locust Street Funding LLC, a Delaware limited liability company (together with successors and assigns permitted hereunder, the "Issuer"), and FS Investment Corporation, a Maryland corporation (together with its successors and assigns, the "Collateral Manager"). This Agreement amends and restated in its entirety the Collateral Management Agreement, dated as of July 21, 2011, between the Issuer and the Company.

WITNESSETH:

WHEREAS, the Issuer intends to issue, pursuant to an amended and restated indenture to be dated as of the date hereof (as the same may be supplemented or otherwise modified from time to time, the "Indenture"), by and between the Issuer and Citibank, N.A., as trustee (the "Trustee"), up to $840,000,000 aggregate principal amount of Class A Notes, Due October 15, 2023 (the "Class A Notes");

WHEREAS, pursuant to the Indenture, the Issuer intends to pledge to the Trustee for the benefit of the Secured Parties certain Collateral Obligations, Eligible Investments, any Equity Securities acquired or received in connection with the Collateral Obligations, together with certain other contract rights, amounts on deposit in certain accounts, certain other assets and the proceeds thereof;

WHEREAS, the Issuer is authorized to enter into this Agreement, pursuant to which the Collateral Manager agrees to perform, on behalf of the Issuer, certain duties with respect to the Collateral in the manner and on the terms set forth herein and to perform such additional duties as are consistent with the terms of this Agreement and the Indenture as the Issuer may from time to time request; and

WHEREAS, the Collateral Manager has the capacity to provide the services required hereby and is prepared to perform such services upon the terms and conditions set forth herein.

NOW, THEREFORE, in consideration of the mutual agreements herein set forth and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by the parties to this Agreement, the parties hereto agree as follows:

1. Definitions.

Capitalized terms used herein but not otherwise defined shall have the meanings set forth in the Indenture.

"Agreement" shall mean this Collateral Management Agreement, as amended or otherwise modified from time to time in accordance with the terms hereof.

"Collateral Management Fee" shall have the meaning specified in Section 8(a).

2. General Duties of the Collateral Manager.

The Collateral Manager shall provide services to the Issuer as follows:

(a) Subject to and in accordance with the terms of the Indenture and this Agreement, the Collateral Manager agrees to supervise and direct the investment and reinvestment of the Collateral and shall perform on behalf of the Issuer, after observation of any directions of the Board of Managers, those investment-related duties and functions assigned to the Issuer under the Indenture, including, without limitation, the furnishing of Issuer Orders and providing such certifications as may be required under the Indenture with respect to permitted purchases and sales of Collateral Obligations and Eligible Investments, and the Collateral Manager shall have the power to execute and deliver all other necessary and appropriate documents and instruments on behalf of the Issuer with respect thereto except to the extent otherwise expressly provided in the Indenture.

(b) The Collateral Manager shall, subject to the terms and conditions of the Indenture, perform its obligations hereunder with reasonable care and in good faith using a degree of skill and attention no less than that which the Collateral Manager exercises with respect to comparable assets that it manages for others with similar objectives and policies, and carry out its obligations hereunder in a manner consistent with the practices and procedures followed by prudent institutional managers of national standing relating to assets of the nature and character of the Collateral. Without prejudicing the preceding sentence, the Collateral Manager shall follow its customary standards, policies and procedures in performing its duties hereunder.

(c) The Collateral Manager shall comply with all of the terms and conditions of the Indenture affecting the duties and functions to be performed by it hereunder. The Collateral Manager shall be bound to follow the terms of any amendment to the Indenture, subject to the limitations set forth in Section 8.5 of the Indenture.

(d) Subject to the terms and conditions of this Agreement and the Indenture, the Collateral Manager shall (i) select the Collateral Obligations and Eligible Investments to be acquired by the Issuer, (ii) invest and reinvest the Collateral and facilitate the acquisition and settlement of Collateral Obligations by the Issuer and (iii) instruct the Trustee with respect to any disposition or tender of a Collateral Obligation, Equity Security or Eligible Investment by the Issuer. In performing its duties hereunder, the Collateral Manager shall seek to maximize the value of the Collateral for the benefit of the Noteholders, taking into account the investment criteria and limitations set forth herein and in the Indenture, and the Collateral Manager shall use all reasonable efforts to manage the Collateral in such a way that timely payments are made on the Class A Notes and no Default occurs under the Indenture; provided, that (x) the Collateral Manager shall not be responsible if such objectives are not achieved so long as the Collateral Manager performs its duties under this Agreement and the Indenture in the manner provided for herein and therein; and (y) there shall be no recourse to the Collateral Manager with respect to the Class A Notes. In no event whatsoever shall there be recourse to the Collateral Manager or any of its Affiliates for any amounts payable on the Class A Notes or the other payment obligations of the Issuer under the Indenture or any of the other documents executed and delivered by the Issuer in connection with the transactions contemplated by the Indenture.

(e) The Collateral Manager shall monitor the Collateral on behalf of the Issuer and, on an ongoing basis, provide to the Trustee, the Collateral Administrator and the Issuer all reports, schedules and other data which the Issuer is required to prepare and deliver under the Indenture, substantially in the form and containing such information required thereby, in sufficient time for such required reports, schedules and data to be reviewed and delivered by the Issuer to the parties entitled thereto under the Indenture. In addition, the Collateral Manager shall, on behalf of the Issuer and to the extent reasonable and practicable, from sources of information normally available to it, be responsible for obtaining any information concerning whether a Collateral Obligation has become a Defaulted Obligation.

(f) The Collateral Manager may, subject to and in accordance with the provisions of the Indenture and this Agreement, direct the Trustee to take the following actions with respect to the Collateral:

(i) retain any Collateral Obligation, Equity Security or Eligible Investment;

(ii) sell or otherwise dispose of such Collateral Obligation, Equity Security or Eligible Investment in the open market or otherwise as permitted under the terms hereof and under the terms of the Indenture;

(iii) if applicable, tender such Collateral Obligation, Equity Security or Eligible Investment pursuant to an Offer;

(iv) if applicable, consent or withhold consent to any proposed amendment, modification or waiver pursuant to an Offer;

(v) retain or dispose of any securities or other property (other than Cash) received pursuant to an Offer;

(vi) waive, or consent to the waiver of, any default with respect to a Defaulted Obligation;

(vii) accelerate, or vote to accelerate, the maturity of a Defaulted Obligation;

(viii) take appropriate action with respect to Collateral that does not constitute Collateral Obligations or Eligible Investments; or

(ix) subject to Sections 7.20 and 7.21 of the Indenture, exercise, or consent to the exercise of, any other rights or remedies with respect to such Collateral Obligation, Equity Security or Eligible Investment as provided in the related document and instruments governing such Collateral Obligation.

(g) Subject to the satisfaction of the requirements of this Agreement and the Indenture, following the disposition of any Collateral Obligation, Equity Security or Eligible Investment (or any security or property received in exchange therefor), the Collateral Manager shall direct the Trustee to apply such amounts in accordance with the Indenture to the purchase of one or more Collateral Obligations or Eligible Investments from time to time as required or permitted by the Indenture.

(h) The Collateral Manager hereby agrees to the following:

(i) the Collateral Manager agrees not to institute against, or join any other Person in instituting against, the Issuer any bankruptcy, reorganization, arrangement, insolvency, moratorium or liquidation proceedings or other proceedings under U.S. federal or state bankruptcy or similar laws until at least one year and one day or, if longer, the applicable preference period then in effect, after the payment in full of all Class A Notes; provided, that nothing in this clause (i) shall preclude, or be deemed to estop, the Collateral Manager (A) from taking any action prior to the expiration of the applicable preference period in (x) any case or proceeding voluntarily filed or commenced by the Issuer or (y) any involuntary insolvency proceeding filed or commenced against the Issuer by a Person other than the Collateral Manager, or (B) from commencing against the Issuer or any properties of the Issuer any legal action which is not a bankruptcy, reorganization, arrangement, insolvency, moratorium or liquidation proceeding;

(ii) the Collateral Manager shall cause any purchase or sale of any Collateral Obligation to be conducted on terms and conditions no less favorable to the Issuer than those available on an arm's length basis;

(iii) the Collateral Manager shall provide to the Independent accountants appointed pursuant to Section 10.7 of the Indenture all reports, data and other information (including, without limitation, any letters of representations) that such accountants may reasonably request in connection with such appointment, to the extent reasonably available to the Collateral Manager; and

(iv) the Collateral Manager shall notify the Issuer of any change in control of the Collateral Manager within a reasonable time after such change in control occurs.

(i) In providing services hereunder, the Collateral Manager may, without the prior consent of the Issuer or any Noteholder, employ or contract with third parties at its own expense, including its Affiliates, to render advice (including investment advice) and assistance, including the performance of any of its duties hereunder. Such third parties shall be in addition to the Collateral Administrator employed by the Issuer pursuant to the Collateral Administration Agreement, the Independent accountants appointed on behalf of the Issuer pursuant to Section 10.7 of the Indenture and any additional agents and counsel employed by the Issuer pursuant to the Indenture, and to the maximum extent permitted under applicable law, the Collateral Manager shall not be liable for the acts or omissions of any such Person employed or appointed by the Issuer. The Collateral Manager shall not be relieved of any of its duties hereunder as a result of employing or contracting with third parties pursuant to this Section 2(i) regardless of the performance of services by such third parties. Notwithstanding the foregoing, the Collateral Manager may not assign its duties hereunder except in accordance with Section 16.

(j) Notwithstanding anything in this Agreement to the contrary and for the avoidance of doubt, the Collateral Manager shall not purchase any Collateral Obligation without the prior written consent of a Majority of the Controlling Class.

3. Brokerage.

The Collateral Manager, in its sole discretion, shall seek to obtain the best execution for all orders placed with respect to the Collateral, considering all relevant circumstances, including, without limitation, if applicable, conditions related to any optional redemption of the Class A Notes or Tax Event (it being understood that the Collateral Manager may not always obtain the best prices available). Subject to the objective of obtaining the best execution, the Collateral Manager may, in the allocation of business, take into consideration all factors that it deems relevant, including, without limitation, the price, the size of the transaction, the nature of the market for the security, the amount of the commission, the amount of any assignment or transaction fees, the timing of the transaction taking into account market prices and trends, the reputation, experience and financial stability of the broker or dealer involved, the quality of service rendered by the broker or dealer in other transactions and other research and other brokerage services furnished to the Collateral Manager or its Affiliates by brokers and dealers, in connection with the duties of the Collateral Manager hereunder or otherwise, in each case in compliance with Section 28(e) of the Exchange Act. Such brokerage services may be used by the Collateral Manager or its Affiliates in connection with its other advisory activities or investment operations. The Collateral Manager may aggregate sales and purchase orders with respect to a transaction with similar orders being made simultaneously for other accounts managed by the Collateral Manager or its Affiliates, if in the Collateral Manager's reasonable judgment such aggregation may result in an overall economic benefit to the Issuer, taking into consideration the selling or purchase price, brokerage commission or other expenses. The terms and conditions of any transaction between the Company and the Collateral Manager pursuant to this Agreement shall be conducted and executed in accordance with applicable law and under terms and at a price that would be applicable in a materially identical transaction conducted on an arms-length basis. When a transaction on behalf of the Issuer occurs as part of any aggregate sales or purchase orders by the Collateral Manager, the objective of the Collateral Manager (and of its Affiliates involved in such transactions) shall be to allocate the executions among the accounts in an equitable manner based on then current facts and circumstances as determined by the Collateral Manager from information reasonably available to it.

Subject to the Collateral Manager's execution obligations described herein, the Collateral Manager is hereby authorized to effect client cross-transactions where the Collateral Manager causes a transaction to be effected between the Issuer and another account advised by it or any of its Affiliates; provided that, if and to the extent required by the Advisers Act, such authorization is terminable at the Issuer's option without penalty, effective upon receipt by the Collateral Manager of written notice from the Issuer.

4. Additional Activities of the Collateral Manager.

(a) Nothing herein shall prevent the Collateral Manager or any of its Affiliates from engaging in other businesses, or from rendering services of any kind to the Issuer and its Affiliates, the Trustee, the Holders of the Class A Notes or any other Person. Without prejudice to the generality of the foregoing, the Collateral Manager and its Affiliates and their respective members, managers, directors, officers, stockholders, employees and agents may, among other things, and subject to any limits specified in the Indenture and to the extent permitted by applicable law:

(i) serve as directors (whether supervisory or managing), officers, employees, agents, nominees or signatories for the Issuer, its Affiliates or any issuer of any obligations included in the Collateral, to the extent permitted by their organizational documents, as from time to time amended, or by any resolutions duly adopted by the Issuer, its Affiliates or any issuer of any securities included in the Collateral, pursuant to their respective organizational documents;

(ii) receive fees for services rendered to any issuer of any obligations included in the Collateral; provided, that (i) if any portion of such services is related to any obligations included in the Collateral, the portion of such fees, if any, that are payable to the Issuer and included within the definition of "Principal Proceeds" in the Indenture relating to such obligations shall be deposited in the Collection Account and (ii) with respect to such services, the Collateral Manager is not acting as an agent for the Issuer;

(iii) be retained to provide services to the Issuer or its Affiliates that are unrelated to this Agreement, and be paid therefor;

(iv) be a secured or unsecured creditor of, or hold an equity interest in, the issuer of any obligations included in the Collateral or any Affiliate thereof;

(v) make a market in any Collateral Obligation, Eligible Investment or in the Class A Notes; provided, that with respect to such market, the Collateral Manager is not acting as agent for the Issuer;

(vi) serve as a member of any "creditors' committee" or informal workout group with respect to any obligation included in the Collateral which has become, or, in the Collateral Manager's reasonable opinion, may become, a Defaulted Obligation; and

(vii) act as collateral manager, investment manager or investment advisor for any other entity which invests in securities in connection with collateralized debt obligation transactions and in accordance with investment policies and objectives similar to that of the Issuer; provided, that the Collateral Manager may not take any such action if such action would require registration of the Issuer as an "investment company" under the Investment Company Act or violate any provisions of federal or applicable state law or any law, rule or regulation of any governmental body or agency having jurisdiction over the Issuer.

(b) It is understood that the Collateral Manager and any of its Affiliates may engage in any other business and furnish investment management and advisory services to others, including Persons which may have investment policies different from or similar to those of the Collateral Manager and which may own securities of the same class, or which are of the same type as the Collateral Obligations, Equity Securities or Eligible Investments or other securities of the issuers of Collateral Obligations, Equity Securities or Eligible Investments. The Collateral Manager shall be free in its sole discretion to make recommendations to others, or effect transactions on behalf of itself or for others, which may be the same as or different from those effected with respect to the Collateral. The Issuer acknowledges that transactions in a specific Collateral Obligation may not be accomplished for all accounts of the Collateral Manager's clients at the same time or the same price.

(c) Nothing contained in this Agreement shall prevent the Collateral Manager or any of its Affiliates, acting either as principal or agent on behalf of others, from buying or selling, or from recommending to or directing any other account to buy or sell, at any time, securities of the same kind or class, or securities of a different kind or class of the same issuer, as those directed by the Collateral Manager to be purchased or sold on behalf of the Issuer hereunder. It is understood that, to the extent permitted by applicable law, the Collateral Manager, its Affiliates, and any officer, director, member, manager or employee of the Collateral Manager or any such Affiliate or any member of their families or a Person advised by the Collateral Manager may have an interest in a particular transaction or in securities of the same kind or class, or securities of a different kind or class of the same issuer, as those whose purchase or sale the Collateral Manager may direct hereunder.

(d) The Issuer acknowledges that the ability of the Collateral Manager and its Affiliates to effect and/or recommend transactions related to the Collateral Obligations may be restricted by applicable regulatory requirements in the United States or elsewhere and/or the Collateral Manager's internal policies designed to comply with such requirements. Without limitation of the foregoing, when the Collateral Manager or an Affiliate is engaged in an underwriting or other distribution of securities of a company, the Collateral Manager may in certain circumstances be prohibited from purchasing or recommending the purchase of certain securities of that company for its clients. Without limitation of the foregoing, the Collateral Manager and its Affiliates may also be prohibited from effecting certain transactions for the Issuer's account with or through its Affiliates, when acting as agent for another customer as well as the Issuer in respect of a particular transaction, or from acting as the counterparty on a transaction with the Issuer. If not prohibited, the Collateral Manager is nonetheless not required to effect transactions for the Issuer's account with or through the Collateral Manager's Affiliates and other clients of the Collateral Manager and/or its Affiliates or in instances in which the Collateral Manager or its Affiliates have multiple interests.

(e) Unless the Collateral Manager determines in its sole discretion that such purchase or sale may be appropriate, the Collateral Manager may refrain from directing the purchase or sale hereunder of securities of (i) the Collateral Manager, its Affiliates or any of its or their officers, directors, agents, stockholders or employees, (ii) Persons for which the Collateral Manager or its Affiliates act as financial adviser or underwriter and (iii) Persons about which the Collateral Manager or its Affiliates have information which the Collateral Manager deems confidential or non-public or otherwise might prohibit it from trading such securities in accordance with applicable law. The Collateral Manager shall not be obligated to exploit any particular investment opportunity that may arise with respect to the Collateral.

5. Conflicts of Interest.

(a) Any purchase or disposition of a Collateral Obligation shall be made in accordance with Section 2(h)(ii). Any purchase or disposition of a Collateral Obligation effected on behalf of the Issuer with the Collateral Manager or any Affiliate thereof will be effected in accordance with all applicable laws (including, without limitation, the Investment Company Act and the Advisers Act and their respective rules and regulations) and on terms as favorable to the Issuer as would be the case if such Person were not so affiliated.

(b) Various potential and actual conflicts of interest may arise from the overall investment activities of the Collateral Manager and its Affiliates. The Collateral Manager and its Affiliates may invest in securities and loans that would be appropriate to purchase under the Indenture. Such investments may be different from those made on behalf of the Issuer. The Collateral Manager and its Affiliates may have ongoing relationships with companies whose securities or loans are purchased under the Indenture as Collateral Obligations. Affiliates and clients of the Collateral Manager may invest in securities or loans that are senior to, or have interests different from or adverse to, the

securities and loans that are purchased under the Indenture. The Collateral Manager may serve as asset manager for, invest in, or be affiliated with, other entities organized to issue collateralized debt obligations secured by high yield debt securities, loans, emerging market debt securities and loans or other types of investments (or combinations thereof). The Collateral Manager has and may at certain times be simultaneously seeking to purchase or sell investments for the Issuer and any similar entity for which it serves as asset manager, or for its clients and Affiliates, or enter into transactions between the Issuer and any similar entity for which it serves as asset manager. The Issuer hereby acknowledges the various potential and actual conflicts of interest that may exist with respect to the Collateral Manager as described above and further acknowledges and agrees that, except to the extent that the Collateral Manager breaches any of its covenants or undertakings hereunder, the Collateral Manager shall have no liability arising out of such potential or actual conflicts of interest; provided, that nothing in this Section 5 shall be construed as altering the duties of the Collateral Manager as set forth in this Agreement or any other transaction document or the requirements of any law, rule, or regulation applicable to the Collateral Manager.

6. Records; Confidentiality.

The Collateral Manager shall maintain appropriate books of account and records relating to services performed hereunder, and such books of account and records shall be accessible for inspection by a representative of the Issuer, the Trustee, the Holders of the Class A Notes, the Collateral Administrator and the Independent accountants appointed by the Collateral Manager on behalf of the Issuer pursuant to Section 10.7 of the Indenture at any time during the Collateral Manager's normal business hours and upon not less than three (3) Business Days' prior notice. The Collateral Manager shall keep confidential any and all information obtained in connection with the services rendered hereunder and shall not disclose any such information to non-affiliated third parties except (i) with the prior written consent of the Issuer, (ii) in connection with establishing trading or investment accounts or otherwise in connection with effecting transactions on behalf of the Issuer, (iii) as required by law, regulation, court order, organizational document or the rules or regulations of any self-regulating organization, body or official having jurisdiction over the Collateral Manager, (iv) to its professional advisers, (v) information relating to performance of the Collateral as may be used by the Collateral Manager in the ordinary course of its business, (vi) such information that was or is obtained by the Collateral Manager on a non-confidential basis; provided, that the Collateral Manager does not know or have reason to know of any breach by such source of any confidentiality obligations with respect thereto, (vii) such information as may be necessary or desirable in order for the Collateral Manager to prepare, publish and distribute to any Person any information relating to the investment performance of the Collateral during any period that the Collateral Manager serves as an investment adviser to the Issuer, (viii) to potential buyers in connection with a sale of any of the Class A Notes or any Collateral and (x) such information as shall have been publicly disclosed other than in violation of this Agreement; provided, that notwithstanding anything to the contrary set forth herein or in any other agreement to which the parties hereto are parties or by which they are bound, each party hereto (and any employee, representative or agent of any party hereto) may disclose to any and all persons, without limitation of any kind, the tax structure and tax treatment of the transactions contemplated hereby and by the transaction

documents and all materials of any kind (including opinions or other tax analysis) that are provided to such party relating to such tax treatment and tax structure. For this purpose, "tax structure" is limited to any facts relevant to the U.S. federal income tax treatment of the offering and does not include information relating to the identity of the Issuer. For purposes of this Section 6, none of the Issuer, the Holders of the Class A Notes or the Trustee shall be considered "non-affiliated third parties."

7. Obligations of Collateral Manager.

Subject to the terms of the Indenture and to Section 10 hereof, the Collateral Manager shall use all commercially reasonable efforts to ensure that no action is taken by it, and shall not willfully or in a grossly negligent manner take any action which would (a) materially adversely affect the status of the Issuer for purposes of U.S. federal or state law or any other law which, in the Collateral Manager's good faith judgment, is applicable to the Issuer, (b) not be permitted by the Issuer's organizational documents, (c) violate any law, rule or regulation of any governmental body or agency having jurisdiction over the Issuer, including, without limitation, actions which would violate any U.S. federal, state or other applicable securities law the violation of which would adversely affect, in any material respect, any Holder of any Class A Notes, the business, operations, assets or financial condition of the Issuer, or the ability of the Collateral Manager to perform its obligations hereunder, (d) require registration of the Issuer or the pool of Collateral as an "investment company" under the Investment Company Act, (e) adversely affect the Trustee in any material respect, (f) result in the Issuer violating the terms of the Indenture, (g) adversely affect the interests of the Secured Parties in the pool of Collateral in any material respect (other than actions (i) permitted hereunder or under the Indenture or (ii) taken in the ordinary course of business of the Collateral Manager in accordance with its fiduciary duties to its clients) or (h) cause (i) the Issuer to take any action or make an election to classify itself as an association taxable as a corporation for federal, state or any applicable tax purposes or (ii) otherwise cause adverse tax consequences to the Issuer, it being understood that, in all circumstances, (x) the Collateral Manager and its Affiliates and their respective members, managers, directors, officers, stockholders, employees and agents shall not be liable to the Issuer except as provided in Section 10 and (y) in connection with the foregoing, the Collateral Manager shall not be required to make any independent investigation of any facts or laws not otherwise known to it in connection with its obligations under this Agreement and the Indenture or the conduct of its business generally. If the Collateral Manager is ordered to take any such action, the Collateral Manager shall promptly notify the Trustee if, in the Collateral Manager's judgment, such action would have one or more of the consequences set forth above; provided, that the Collateral Manager need not take such action unless a Majority of the Controlling Class have consented thereto in writing. In addition, the Collateral Manager need not take such action unless arrangements satisfactory to it are made to insure or indemnify the Collateral Manager from any liability it may incur as a result of such action. The Collateral Manager and its Affiliates and their respective members, managers, directors, officers, stockholders, employees and agents shall not be liable to the Issuer, the Trustee, any Secured Party or any other Person except as provided in Section 10. The Collateral Manager covenants that it shall comply in all material respects with applicable laws and regulations relating to its performance under this Agreement. Notwithstanding anything contained in this Agreement to the contrary, any indemnification of the Collateral Manager provided for in this Section 7 shall be payable out of the Collateral in accordance with the Priority of Payments.

8. Compensation.

(a) On each Payment Date, the Collateral Manager shall be entitled to receive, for services rendered and performance of its obligations under this Agreement over the related Due Period, a fee payable in arrears equal to an aggregate 0.15% per annum on the Aggregate Principal Amount of the Collateral Portfolio (such fee, the "Collateral Management Fee"), measured as of the beginning of the Due Period preceding such Payment Date and payable in accordance with the Priority of Payments as described in Article XI of the Indenture on each such Payment Date. The Collateral Management Fee shall be computed on the basis of a calendar year consisting of 360-days and the actual number of days elapsed.

(b) If this Agreement is terminated pursuant to Section 12 or 13 or otherwise, any accrued and unpaid Collateral Management Fee will immediately become due and payable in accordance with the Priority of Payments on the next Payment Date to the outgoing Collateral Manager; provided, that the accrued and unpaid Collateral Management Fee with respect to the Due Period in which this Agreement is terminated will be payable to the outgoing Collateral Manager and the successor Collateral Manager pro rata based on the number of days each served in such capacity during the Due Period in which this Agreement is terminated; provided, further, that any accrued and unpaid Collateral Management Fee accrued prior to the Due Period in which this Agreement is terminated, including any Collateral Management Fees deferred pursuant to Section 8(c), shall be payable solely to the outgoing Collateral Manager.

(c) If on any Payment Date there are insufficient funds to pay any Collateral Management Fee then due in full in accordance with the Priority of Payments, or if on or prior to any Payment Date the Collateral Manager elects (by delivering notice of such election to the Trustee and the Collateral Administrator) to defer all or any portion of the Collateral Management Fee due or to become due on such Payment Date, the amount not so paid or elected to be deferred shall be deferred and shall be payable on the first succeeding Payment Date on which any funds are available therefor in accordance with the Priority of Payments, unless deferred again. The Collateral Manager shall have the right, at its sole option, to waive all or a portion of any accrued and unpaid Collateral Management Fee at any time by delivering notice thereof to the Trustee, and directing the Trustee to apply such amounts as Interest Proceeds or as Principal Proceeds for application in accordance with the Priority of Payments.

(d) The Collateral Manager shall be responsible for all expenses incurred in the performance of its obligations under this Agreement; provided, that the following shall be reimbursed by the Issuer in accordance with the Indenture: (i) the fees and disbursements of the Collateral Manager and its counsel with respect to the offering and sale of the Class A Notes, (ii) the reasonable fees and reasonable expenses of employing outside lawyers or consultants in connection with the restructuring of any Collateral

Obligation, (iii) the fees payable to Virtus Group, LP, as Collateral Administrator under the Collateral Administration Agreement, (iv) the reasonable fees and reasonable expenses of employing outside lawyers to provide advice with respect to any provisions of the Indenture or this Agreement, including any amendment or waiver thereto or hereto, (v) the reasonable expenses of exercising observation rights (including through a representative) pursuant to Section 18, and (vi) the expenses of Independent accountants of the Issuer.

9. Benefit of the Agreement.

The Collateral Manager agrees that its obligations under this Agreement shall be enforceable by the Trustee on behalf of the Secured Parties.

10. Limits of Collateral Manager Responsibility; Indemnification.

(a) The Collateral Manager assumes no responsibility under this Agreement other than to render the services called for hereunder and under the terms of the Indenture applicable to it with reasonable care and in good faith and, subject to the standard of conduct described in the next succeeding sentence, shall not be responsible for any action of the Issuer or the Trustee in following or declining to follow any advice, recommendation or direction of the Collateral Manager. The Collateral Manager and its Affiliates and their respective members, managers, directors, officers, stockholders, employees and agents shall not be liable to the Issuer, the Trustee, any Secured Party or the Holders of the Class A Notes or any other Persons for any Losses (as defined below) incurred, or for any decrease in the value of the Collateral or the Class A Notes, as a result of the actions taken or recommended, or for any omissions, by the Collateral Manager or its Affiliates or their respective members, managers, directors, officers, stockholders, employees or agents under this Agreement, except by reason of acts or omissions constituting bad faith, fraud, willful misconduct or gross negligence in the performance of its obligations hereunder and under the applicable terms of the Indenture. Notwithstanding anything in this Agreement or the Indenture to the contrary, any obligation of the Collateral Manager to apply commercially reasonable efforts in purchasing and disposing of Collateral Obligations and Eligible Investments and the performance of its other duties under this Agreement shall permit the Collateral Manager to take into account its investment decision-making process and any other considerations it deems appropriate. The Collateral Manager and its Affiliates and their respective members, managers, directors, officers, stockholders, employees and agents shall be entitled to indemnification by the Issuer in accordance with Section 10(b) and the Priority of Payments. The Collateral Manager shall indemnify and hold harmless (the Collateral Manager, in such case the "Indemnifying Party") the Issuer and its Affiliates and their respective members, managers, directors, officers, stockholders, employees and agents (each, an "Indemnified Party") from and against any and all expenses, losses, damages, liabilities, demands, charges or claims of any nature whatsoever (including reasonable attorneys' fees and expenses) (collectively, "Losses"), as incurred, in respect of or arising from acts or omissions constituting, and determined in a final judicial proceeding to constitute, bad faith, fraud, willful misconduct or gross negligence in the performance by the Collateral Manager of its obligations hereunder and under the applicable terms of the Indenture.

(b) The Issuer shall indemnify and hold harmless (the Issuer, in such case the "Indemnifying Party") the Collateral Manager and its Affiliates and their respective members, managers, directors, officers, stockholders, employees and agents (each, an "Indemnified Party") from and against any and all Losses, as incurred, in respect of or arising from (i) the issuance of the Class A Notes, (ii) the transactions described in the Indenture or this Agreement, or (iii) any action or failure to act by any Indemnified Party which has not been determined in a final judicial proceeding to constitute bad faith, fraud, willful misconduct or gross negligence of the Collateral Manager's duties under this Agreement or the Indenture. The obligations of the Issuer under this Section 10 to indemnify any Indemnified Party for any Losses will be payable solely out of the Collateral in accordance with the Priority of Payments.

The foregoing provisions, however, shall not be construed to relieve any Person of any liability to the extent that such liability may not be waived, modified or limited under applicable law.

(c) An Indemnified Party shall (or, solely in the case of Collateral Manager as Indemnified Party, with respect to the Collateral Manager's Affiliates and the members, managers, directors, officers, stockholders, employees and agents of the Collateral Manager and its Affiliates, the Collateral Manager shall cause such Indemnified Party to) promptly notify the Indemnifying Party if the Indemnified Party receives a complaint, claim, compulsory process or other notice of any loss, claim, damage or liability giving rise to a claim for indemnification under this Section 10, but failure so to notify the Indemnifying Party (i) shall not relieve such Indemnifying Party from its obligations under Section 10(b) unless and to the extent that it did not otherwise learn of such action or proceeding and to the extent such failure results in the forfeiture by the Indemnifying Party of substantial rights and defenses and (ii) shall not, in any event, relieve the Indemnifying Party of any obligations to any Person entitled to indemnity pursuant to Section 10(b) other than the indemnification obligations provided for in Section 10(b).

(d) With respect to any claim made or threatened against an Indemnified Party, or compulsory process or request served upon such Indemnified Party for which such Indemnified Party is or may be entitled to indemnification under this Section 10, such Indemnified Party shall (or, solely in the case of Collateral Manager as Indemnified Party, with respect to the Collateral Manager's Affiliates and the members, managers, directors, officers, stockholders, employees and agents of the Collateral Manager and its Affiliates, the Collateral Manager shall cause such Indemnified Party to), at the Indemnifying Party's expense:

(i) give written notice to the Indemnifying Party of such claim within ten (10) days after such claim is made or threatened, which notice shall specify in reasonable detail the nature of the claim and the amount (or an estimate of the amount) of the claim; provided, that failure to give notice shall not relieve the Indemnifying Party of its obligation hereunder, unless the Indemnifying Party is materially prejudiced or otherwise forfeits substantial rights or defenses by reason of such failure;

(ii) provide the Indemnifying Party such information and cooperation with respect to such claim as the Indemnifying Party may reasonably require, including, but not limited to, making appropriate personnel available to the Indemnifying Party at such reasonable times as the Indemnifying Party may request;

(iii) cooperate and take all such steps as the Indemnifying Party may reasonably request to preserve and protect any defense to such claim;

(iv) in the event suit is brought with respect to such claim, upon reasonable prior notice, afford to the Indemnifying Party the right, which the Indemnifying Party may exercise in its sole discretion and at its expense, to participate in the investigation, defense and settlement of such claim;

(v) neither incur any material expense to defend against nor release or settle any such claim or make any admission with respect thereto (other than routine or incontestable admissions or factual admissions the failure to make which would expose such Indemnified Party to unindemnified liability) without the prior written consent of the Indemnifying Party; provided, that the Indemnifying Party shall have advised such Indemnified Party that such Indemnified Party is entitled to be indemnified hereunder with respect to such claim; and

(vi) upon reasonable prior notice, afford to the Indemnifying Party the right, in its sole discretion and at its sole expense, to assume the defense of such claim, including, but not limited to, the right to designate counsel and to control all negotiations, litigation, arbitration, settlements, compromises and appeals of such claim; provided, that if the Indemnifying Party assumes the defense of such claim, it shall not be liable for any fees and expenses of counsel for any Indemnified Party incurred thereafter in connection with such claim except that if such Indemnified. Party reasonably determines that counsel designated by the Indemnifying Party has a conflict of interest, such Indemnifying Party shall pay the reasonable fees and disbursements of one counsel (in addition to any local counsel) separate from its own counsel for all Indemnified Parties in connection with any one action or separate but similar or related actions in the same jurisdiction arising out of

the same general allegations or circumstances; provided, further, that prior to entering into any final settlement or compromise, such Indemnifying Party shall seek the consent of the Indemnified Party and use its best efforts in the light of the then prevailing circumstances (including, without limitation, any express or implied time constraint on any pending settlement offer) to obtain the consent of such Indemnified Party as to the terms of settlement or compromise. If an Indemnified Party does not consent to the settlement or compromise within a reasonable time under the circumstances and such settlement or compromise includes a full release of all claims and does not include any admission of liability or wrongdoing by the Indemnified Party, the Indemnifying Party shall not thereafter be obligated to indemnify the Indemnified Party for any amount in excess of such proposed settlement or compromise.

(e) No Indemnified Party shall, without the prior written consent of the Indemnifying Party, which consent shall not be unreasonably withheld or delayed, settle or compromise any claim giving rise to a claim for indemnity hereunder, or permit a default or consent to the entry of any judgment in respect thereof, unless such settlement, compromise or consent includes, as an unconditional term thereof, the giving by the claimant to the Indemnifying Party of a release from liability substantially equivalent to the release given by the claimant to such Indemnified Party in respect of such claim.

(f) In the event that any Indemnified Party waives its right to indemnification hereunder, the Indemnifying Party shall not be entitled to appoint counsel to represent such Indemnified Party nor shall the Indemnifying Party reimburse such Indemnified Party for any costs of counsel to such Indemnified Party.

11. No Partnership or Joint Venture.

The Issuer and the Collateral Manager are not partners or joint venturers with each other and nothing herein shall be construed to make them such partners or joint venturers or impose any liability as such on either of them. The Collateral Manager shall be, for all purposes herein, deemed to be an independent contractor and shall, unless otherwise expressly provided herein or authorized by the Issuer from time to time, have no authority to act for or represent the Issuer in any way or otherwise be deemed an agent of the Issuer.

12. Term; Termination.

(a) This Agreement shall continue in force until the first of the following occurs: (i) the payment in full or redemption in whole of the Class A Notes and the termination of the Indenture in accordance with its terms; (ii) the liquidation of the Collateral and the final distribution of the proceeds of such liquidation to the Holders of the Class A Notes; or (iii) the termination of this Agreement in accordance with Section 12(b), (c) or Section 13. The Collateral Manager hereby acknowledges and agrees that the Collateral Manager shall continue to perform its obligations hereunder and

under the Indenture in the manner provided herein and therein until the payment in full or redemption in whole of the Class A Notes unless any of the events described in clause (ii) or (iii) of the preceding sentence occur prior thereto.

(b) Notwithstanding any other provision hereof to the contrary, this Agreement may be terminated without cause by the Collateral Manager, and the Collateral Manager may resign, upon 90 days' prior written notice to the Issuer and the Trustee.

(c) This Agreement shall be automatically terminated in the event that the Issuer or any portion of the pool of Collateral has become required to register as an investment company under the provisions of the Investment Company Act.

(d) If this Agreement is terminated pursuant to this Section 12, such termination shall be without any further liability or obligation of either party to the other, except as provided in Sections 8, 10 and 14, which provisions shall survive the termination of this Agreement.

(e) Upon the removal or resignation of the Collateral Manager pursuant to Section 12 or 13, the Issuer may appoint a successor Collateral Manager that is reasonably acceptable to a Majority of the Controlling Class and that is approved by all of the members of the Issuer.

If the Collateral Manager is removed pursuant to Section 13, (1) a Majority of the Controlling Class may elect to increase the Collateral Management Fee (or provide for a subordinated collateral management fee) for the successor Collateral Manager, subject to the consent of the Issuer; and (2) if a successor Collateral Manager is not appointed within 60 days of such removal of the Collateral Manager for "cause," the Issuer may not reinvest in additional Collateral Obligations.

(f) Upon the acceptance by a successor Collateral Manager of such appointment, all rights and obligations of the Collateral Manager under this Agreement shall terminate, except as provided in Sections 2(h)(i), 8(b), 10(a), 10(b), 14(a) and 23. Upon expiration of the applicable notice period with respect to termination specified in this Section 12 or Section 13, as applicable, and upon the acceptance by a successor Collateral Manager of such appointment, all authority and power of the Collateral Manager under this Agreement and the Indenture, whether with respect to the Collateral or otherwise, shall automatically and without further action by any Person pass to and be vested in the successor Collateral Manager upon the appointment thereof. Nevertheless, the Collateral Manager shall take such steps as may be reasonably necessary to transfer such authority and power.

13. Termination for Cause.

This Agreement may be terminated, and the Collateral Manager may be removed by the Issuer for cause, upon thirty (30) days' prior written notice and with the consent of a Majority of the Controlling Class; provided, that the termination of this Agreement pursuant to

Section 13(c) shall be automatic with no notice required from the Issuer or any other Person and with no consent required from a Majority of the Controlling Class or any other Person; provided, further, that such notice may be waived by the Collateral Manager. Notice of such removal for cause shall be delivered by or on behalf of the Issuer to the Holders of the Class A Notes. For purposes of determining "cause" with respect to termination of this Agreement pursuant to this Section 13, such term shall mean any one of the following events:

(a) the Collateral Manager shall willfully violate or breach any material provision of this Agreement or the Indenture applicable to it;

(b) the Collateral Manager shall violate or breach any provision of this Agreement or any term of the Indenture applicable to it (including, but not limited to, any breach of a material representation, warranty or certification of the Collateral Manager hereunder or thereunder, but other than as covered in Section 13(a), and it being understood that the failure of any Coverage Test or any Eligibility Criteria is not a violation or breach, other than a willful violation or breach of the Eligibility Criteria at the time of the acquisition of any Collateral Obligation), which violation or breach (1) has a material adverse effect on the Holders of any Class A Notes and (2) if capable of being cured, is not cured within 30 days of the Collateral Manager becoming aware of, or its receiving notice from the Issuer or the Trustee of, such violation or breach, or, if such violation or breach is not capable of being cured within 30 days but is capable of being cured in a longer period, it fails to cure such violation or breach within the period in which a reasonably prudent person could cure such violation or breach, but in no event greater than 60 days;

(c) the Collateral Manager is wound up or dissolved or there is appointed over it or a substantial part of its assets a receiver, administrator, administrative receiver, trustee or similar officer; or the Collateral Manager (i) ceases to be able to, or admits in writing its inability to, pay its debts as they become due and payable, or makes a general assignment for the benefit of, or enters into any composition or arrangement with, its creditors generally; (ii) applies for or consents (by admission of material allegations of a petition or otherwise) to the appointment of a receiver, trustee, assignee, custodian, liquidator or sequestrator (or other similar official) of the Collateral Manager or of any substantial part of its properties or assets, or authorizes such an application or consent, or proceedings seeking such appointment are commenced without such authorization, consent or application against the Collateral Manager and continue undismissed for 60 days; (iii) authorizes or files a voluntary petition in bankruptcy, or applies for or consents (by admission of material allegations of a petition or otherwise) to the application of any bankruptcy, reorganization, arrangement, readjustment of debt, insolvency or dissolution, or authorizes such application or consent, or proceedings to such end are instituted against the Collateral Manager without such authorization, application or consent and are approved as properly instituted and remain undismissed for 60 days or result in adjudication of bankruptcy or insolvency; or (iv) permits or suffers all or any substantial part of its properties or assets to be sequestered or attached by court order and the order remains undismissed for 60 days;

(d) the indictment of the Collateral Manager for any act constituting fraud or criminal negligence or otherwise constituting a felony, in each case that is related to the Collateral Manager's performance of its obligations under this Agreement or is materially related to the Collateral Manager providing asset management services;

(e) the occurrence of any event specified in clause (a) or (b) of the definition of Event of Default in the Indenture which default is primarily the result of any act or omission of the Collateral Manager resulting from a breach of its duties under this Agreement or under the Indenture (but not as a result of any default of any Collateral Obligation);

(f) as of any Measurement Date, failure of the percentage equivalent of a fraction, (i) the numerator of which is equal to (1) the Aggregate Principal Amount of all Collateral Obligations plus (2) the aggregate Market Value of all Defaulted Obligations as of such date and (ii) the denominator of which is equal to the Aggregate Outstanding Amount of the Class A Notes, to equal or exceed 130%; or

(g) GSO/Blackstone Debt Funds Management LLC ceases to be the sub advisor of the Collateral Manager.

If any of the events specified in Section 13(c) shall occur, the Collateral Manager shall give prompt written notice thereof to the Issuer and the Trustee upon the Collateral Manager's becoming aware of the occurrence of such event.

14. Action Upon Termination.

(a) From and after the effective date of termination of this Agreement, the Collateral Manager shall not be entitled to compensation for further services hereunder, but shall be paid all compensation accrued to the date of termination and its pro rata portion of any Collateral Management Fee payable after the date of termination, as provided in Section 8(b), and shall be entitled to receive any amounts owing under Section 10, in each case in accordance with the Priority of Payments on the following Payment Date and each Payment Date thereafter until paid in full. Upon such termination, the Collateral Manager shall as soon as practicable:

(i) deliver to the Issuer, or to the successor Collateral Manager if so directed by the Issuer, all property and documents of the Trustee or the Issuer or otherwise relating to the Collateral then in the custody of the Collateral Manager; and

(ii) deliver to the Trustee an accounting with respect to the books and records delivered to the Trustee or the successor Collateral Manager appointed pursuant to Sections 12(e) and (f).

Notwithstanding such termination, the Collateral Manager shall remain liable for its acts or omissions hereunder to the extent set forth in Section 10 arising prior to termination and for any expenses, losses, damages, liabilities, demands, charges and claims of any nature

whatsoever (including reasonable attorneys' fees) in respect of or arising out of a breach of the representations and warranties made by the Collateral Manager in Section 17(b) or from any failure of the Collateral Manager to comply with the provisions of this Section 14 or its obligations under Section 2(h)(i), Section 6 (solely with respect to confidentiality) and Section 7.

The Collateral Manager agrees that, notwithstanding any termination, it shall reasonably cooperate in any Proceeding arising in connection with this Agreement, the Indenture or any of the Collateral (excluding any such Proceeding in which claims are asserted against the Collateral Manager or any Affiliate of the Collateral Manager) upon receipt of appropriate indemnifications and expense reimbursement.

15. [Reserved].

16. Assignments.

The Collateral Manager may not assign its rights or responsibilities under this Agreement without the approval of a Majority of the Controlling Class and all of the members of the Issuer; provided, that, notwithstanding the foregoing, the Collateral Manager shall be permitted to assign any or all of its rights and delegate any or all of its obligations under this Agreement to an Affiliate without obtaining the approval of a Majority of the Controlling Class if such Affiliate (i) has demonstrated an ability to perform professionally and competently duties similar to those imposed upon the Collateral Manager under this Agreement and the Indenture; (ii) is legally qualified and has the capacity to act as Collateral Manager under this Agreement and (iii) performs its obligations under this Agreement using substantially the same team of individuals which would have performed such obligations had the assignment not occurred (subject to the right of the Collateral Manager to remove, replace or substitute any such individuals in the ordinary course of its business); provided, further, that any assignment by the Collateral Manager of its rights and responsibilities under this Agreement shall require the written consent of each of the Issuer and a Majority of the Controlling Class if it would constitute an "assignment" for purposes of Section 205(a)(2) of the Advisers Act.

In addition, the Collateral Manager, in its discretion, may employ, or contract with, third parties (including Affiliates) to render advice (including investment advice) and assistance to the Issuer and to perform any of its duties under this Agreement; provided, that the Collateral Manager shall not be relieved of any of its duties under this Agreement regardless of the performance of any services by third parties.

Any assignment made in accordance with this Agreement shall bind the assignee hereunder in the same manner as the Collateral Manager is bound. In addition, the assignee shall execute and deliver to the Issuer and the Trustee a counterpart of this Agreement naming such assignee as Collateral Manager. Upon the execution and delivery of such a counterpart by the assignee, the Collateral Manager shall be released from further obligation pursuant to this Agreement, except with respect to its obligations arising under Section 10 prior to such assignment and for any expenses, losses, damages, liabilities, demands, charges and claims of any nature whatsoever (including reasonable attorneys' fees) in respect of or arising out of a breach of the representations and warranties made by the Collateral Manager in Section 17(b) or from any failure of the Collateral Manager to comply with the provisions of this Section 16 or its

obligations under Section 2(h)(i), Section 6 (with respect to confidentiality) and Section 7 (prior to such assignment). In addition, Sections 10(a), 10(b) and 14 shall survive any release of the Collateral Manager from its obligations under this Agreement pursuant to any assignment.

Any assignment of this Agreement by the Issuer shall require the prior written consent of the Collateral Manager and the Trustee, except in the case of assignment by the Issuer (i) to an entity which is a successor to the Issuer permitted under the Indenture, in which case such successor organization shall be bound hereunder and by the terms of said assignment in the same manner as the Issuer is bound thereunder, or (ii) to the Trustee as contemplated by the Indenture. In the event of any assignment by the Issuer, the Issuer shall use reasonable efforts to cause its successor to execute and deliver to the Collateral Manager such documents as the Collateral Manager shall consider reasonably necessary to effect fully such assignment.

17. Representations and Warranties.

(a) The Issuer hereby represents and warrants to the Collateral Manager as follows:

(i) The Issuer has been duly formed and is validly existing under the laws of Delaware, has the full power and authority to own its assets and the securities proposed to be owned by it and included in the Collateral and to transact the business in which it is presently engaged and is duly qualified under the laws of each jurisdiction where its ownership or lease of property or the conduct of its business requires, or the performance of its obligations under this Agreement, the Amended and Restated Securities Account Control Agreement, the Indenture, or the Class A Notes would require such qualification, except for failures to be so qualified, authorized or licensed that would not in the aggregate have a material adverse effect on the business, operations, assets or financial condition of the Issuer.

(ii) The Issuer has the full power and authority to execute and deliver this Agreement, the Indenture, the Amended and Restated Securities Account Control Agreement and the Class A Notes and perform all obligations required hereunder and thereunder and has taken all necessary action to authorize this Agreement, the Indenture, the Amended and Restated Securities Account Control Agreement and the Class A Notes on the terms and conditions hereof and thereof and the execution, delivery and performance of this Agreement, the Indenture, the Amended and Restated Securities Account Control Agreement and the Class A Notes and the performance of all obligations imposed upon it hereunder and thereunder. No consent of any other person including, without limitation, stockholders and creditors of the Issuer, and no license, permit, approval or authorization of, exemption by, notice or report

to, or registration, filing or declaration with, any governmental authority, other than those that may be required under state securities or "blue sky" laws and those that have been or shall be obtained in connection with this Agreement, the Indenture, the Amended and Restated Securities Account Control Agreement or the issuance of the Class A Notes, is required by the Issuer in connection with this Agreement, the Indenture, the Amended and Restated Securities Account Control Agreement or the Class A Notes or the execution, delivery, performance, validity or enforceability of this Agreement, the Indenture, the Amended and Restated Securities Account Control Agreement or the Class A Notes or the obligations imposed upon it hereunder or thereunder. This Agreement, the Indenture, the Amended and Restated Securities Account Control Agreement and the Class A Notes constitute, and each instrument or document required hereunder or thereunder, when executed and delivered hereunder or thereunder, shall constitute, the legally valid and binding obligation of the Issuer enforceable against the Issuer in accordance with its terms, subject, as to enforcement, to (a) the effect of bankruptcy, insolvency or similar laws affecting generally the enforcement of creditors' rights, as such laws would apply in the event of any bankruptcy, receivership, insolvency or similar event applicable to the Issuer and (b) general equitable principles (whether enforceability of such principles is considered in a proceeding at law or in equity).

(iii) The execution, delivery and performance of this Agreement and the documents and instruments required hereunder shall not violate any provision of any existing law or regulation binding on the Issuer, or any order, judgment, award or decree of any court, arbitrator or governmental authority binding on the Issuer, or the organizational documents of, or any securities issued by, the Issuer or of any mortgage, indenture, lease, contract or other agreement, instrument or undertaking to which the Issuer is a party or by which the Issuer or any of its assets is or may be bound, the violation of which would have a material adverse effect on the business, operations, assets or financial condition of the Issuer, and shall not result in or require the creation or imposition of any lien on any of its property, assets or revenues pursuant to the provisions of any such mortgage, indenture, lease, contract or other agreement, instrument or undertaking (other than the lien of the Indenture).

(iv) The Issuer is not an "investment company" which is required to be registered under the Investment Company Act.

(v) The Issuer is not in violation of its organizational documents or in breach or violation of or in default under the Indenture, the Amended and Restated Securities Account Control Agreement or any contract or agreement to which it is a party or by which it or any of its assets may be bound, or any applicable statute or any rule, regulation or order of any court, government agency or body having jurisdiction over the Issuer or its properties, the breach or violation of which or default under which would have a material adverse effect on the validity or enforceability of this Agreement or the performance by the Issuer of its duties hereunder.

(b) The Collateral Manager hereby represents and warrants to the Issuer as follows:

(i) The Collateral Manager is a corporation duly organized, validly existing and in good standing under the laws of the State of Maryland and has full corporate power and authority to own its assets and to transact the business in which it is currently engaged and is duly qualified as a corporation and is in good standing under the laws of each jurisdiction where its ownership or lease of property or the conduct of its business requires, or the performance of this Agreement would require such qualification, except for those jurisdictions in which the failure to be so qualified, authorized or licensed would not have a material adverse effect on the ability of the Collateral Manager to perform its obligations under, or on the validity or enforceability of, this Agreement and the provisions of the Indenture applicable to the Collateral Manager.

(ii) The Collateral Manager has the necessary power and authority to execute, deliver and perform this Agreement and all obligations required hereunder and has the necessary power to perform its obligations under the provisions of the Indenture applicable to the Collateral Manager and has taken all necessary corporate action to authorize this Agreement on the terms and conditions hereof and the execution, delivery and performance of this Agreement and all obligations required hereunder and has taken all necessary corporate action in order to perform its obligations under the terms of the Indenture applicable to the Collateral Manager. No consent of any other person, including, without limitation, creditors of the Collateral Manager, and no license, permit, approval or authorization of, exemption by, notice or report to, or registration, filing or declaration with, any governmental authority is required by the Collateral Manager in connection with this Agreement or the execution, delivery, performance, validity or enforceability of this Agreement or the obligations required hereunder or the

performance of its obligations under the terms of the Indenture applicable to the Collateral Manager. This Agreement has been, and each instrument and document required hereunder will be, executed and delivered by a duly authorized officer of the Collateral Manager, and this Agreement constitutes, and each instrument and document required hereunder when executed and delivered by the Collateral Manager hereunder will constitute, the valid and legally binding obligations of the Collateral Manager enforceable against the Collateral Manager in accordance with their terms, subject, as to enforcement, to (a) the effect of bankruptcy, insolvency or similar laws affecting generally the enforcement of creditors' rights, as such laws would apply in the event of any bankruptcy, receivership, insolvency or similar event applicable to the Collateral Manager and (b) general equitable principles (whether enforceability of such principles is considered in a proceeding at law or in equity).

(iii) The execution, delivery and performance of this Agreement and the performance by the Collateral Manager of the terms of the Indenture applicable to it will not violate any provision of any existing law or regulation binding the Collateral Manager, or any order, judgment, award or decree of any court, arbitrator or governmental authority binding on the Collateral Manager, or the organizational documents of, or any securities issued by, the Collateral Manager or of any mortgage, indenture, lease, contract or other agreement, instrument or undertaking to which the Collateral Manager is a party or by which the Collateral Manager or any of its assets may be bound, the violation of which would have a material adverse effect on the ability of the Collateral Manager to perform its obligations under or the validity or enforceability of this Agreement or the provisions of the Indenture applicable to the Collateral Manager, and will not result in or require the creation or imposition of any lien on any of its property, assets or revenues pursuant to the provisions of any such mortgage, indenture, lease, contract or other agreement, instrument or undertaking.

(iv) Except as otherwise disclosed, there is no charge, investigation, action, suit or proceeding before or by any court pending or, to the best knowledge of the Collateral Manager, threatened that, if determined adversely to the Collateral Manager, would have a material adverse effect upon the performance by the Collateral Manager of its duties under, or on the validity or enforceability of, this Agreement.

(v) The Collateral Manager is not in violation of its organizational documents or in breach or violation of or in default under any contract or agreement to which it is a party or by which it or any of its property may be bound, or any applicable statute or any rule, regulation or order of any court, government agency or body having jurisdiction over the Collateral Manager or its properties, the breach or violation of which or default under which would have a material adverse effect on the validity or enforceability of this Agreement or the performance by the Collateral Manager of its duties hereunder.

18. Observation Rights.

The Issuer covenants and agrees that, upon written request by the Collateral Manager, the Issuer will promptly provide the Collateral Manager with copies of the minutes of any meeting of the Board of Managers of the Issuer and any written materials presented or reviewed at any such meeting; provided that the Issuer will have no such obligation in respect of any meeting that relates solely to matters of an administrative or routine nature that would have no material effect on the Collateral Manager.

19. Notices.

Unless expressly provided otherwise herein, all notices, requests, demands and other communications required or permitted under this Agreement shall be in writing (including by telecopy) and shall be deemed to have been duly given, made and received when delivered against receipt or upon actual receipt of registered or certified mail, postage prepaid, return receipt requested, or, in the case of notice by facsimile or electronic mail, when received in legible form (it being agreed that such notice shall be effective at the time that a transmission report confirming transmission is generated by the sender's facsimile machine), in each case addressed as set forth below:

(a) If to the Issuer:

Locust Street Funding LLC
Cira Centre
2929 Arch Street, Suite 675
Philadelphia, Pennsylvania 19104
Telephone: (215) 495-1169
Telecopy: (215) 222-4649
Attention: Gerald F. Stahlecker
Electronic Mail: jerry.stahlecker@franklinsquare.com

(b) If to the Collateral Manager:

FS Investment Corporation
Cira Centre
2929 Arch Street, Suite 675

Philadelphia, Pennsylvania 19104
Telephone: (215) 495-1169
Telecopy: (215) 222-4649
Attention: Gerald F. Stahlecker
Electronic Mail: jerry.stahlecker@franklinsquare.com

(c) If to the Trustee:

Citibank, N.A.
388 Greenwich Street, 14th Floor
New York, New York 10013
Telephone: (800) 422-2006
Telecopy: (212) 816-5527
Attention: Global Transaction Services — Locust Street Funding LLC

(d) If to the Collateral Administrator

Virtus Group, LP
5400 Westheimer Court, Suite 760
Houston, Texas 77056
Telecopy: (866) 816-3203
Attention: Locust Street Funding LLC

(e) If to the Noteholders:

At their respective addresses set forth on the Register.

Any party may alter the mailing address, facsimile number or electronic mail address to which communications or copies are to be sent by giving notice of such change of address in conformity with the provisions of this Section 19 for the giving of notice.

20. Binding Nature of Agreement; Successors and Assigns.

This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective heirs, personal representatives, successors and assigns as provided herein.

21. Entire Agreement; Amendments.

This Agreement contains the entire agreement and understandings among the parties hereto with respect to the subject matter hereof, and supersedes all prior and contemporaneous agreements, understandings, inducements and conditions, express or implied, oral or written, of any nature whatsoever with respect to the subject matter hereof. Notwithstanding any term or condition hereof, the Collateral Manager is not and shall not be considered a party to the Indenture and shall only have the obligations expressly set forth herein and in the Indenture pursuant to Section 7.9(b) of the Indenture. None of the Trustee, any

Secured Party or any Noteholder shall have any right or claim arising out of any action or failure to act by the Collateral Manager hereunder (other than as a result of the assignment by the Issuer of certain of its rights hereunder to secure repayment of the Class A Notes pursuant to the Grant under the Indenture). The express terms hereof control and supersede any course of performance and/or usage of the trade inconsistent with any of the terms hereof. This Agreement may not be modified or amended other than by an agreement in writing by the parties hereto. The provisions of Article VIII of the Indenture relating to the requirement that the Collateral Manager consent to any amendments thereof are incorporated in this Agreement.

22. Conflict with the Indenture.

In the event that this Agreement requires any action to be taken with respect to any matter and the Indenture requires that a different action be taken with respect to such matter, and such actions are mutually exclusive, the provisions of the Indenture in respect thereof shall control.

23. Subordination.

The Collateral Manager agrees that the payment of all amounts to which it is entitled pursuant to this Agreement shall be subordinated to the extent set forth in, and the Collateral Manager agrees to be bound by the provisions of, Article XI of the Indenture and each of the Collateral Manager and Issuer hereby consents to the assignment of this Agreement as provided in Article XV of the Indenture and the Collateral Manager agrees to the provisions of Section 15.1(f) of the Indenture.

24. Governing Law; Submission to Jurisdiction; Venue, Etc.

THIS AGREEMENT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK.

With respect to Proceedings relating to this Agreement, each party irrevocably (i) submits to the non-exclusive jurisdiction of the courts of the State of New York and the United States District Court located in the Borough of Manhattan in New York City and (ii) waives any objection which it may have at any time to the laying of venue of any Proceedings brought in any such court, waives any claim that such Proceedings have been brought in an inconvenient forum and further waives the right to claim that such Proceedings have been brought in an inconvenient forum and further waives the right to object, with respect to such Proceedings, that such court does not have any jurisdiction over such party. Nothing in this Agreement precludes either party from bringing Proceedings in any other jurisdiction, nor will the bringing of Proceedings in any one or more jurisdictions preclude the bringing of Proceedings in any other jurisdiction.

THE PARTIES HERETO IRREVOCABLY CONSENT TO THE SERVICE OF ANY AND ALL PROCESS IN ANY ACTION OR PROCEEDING BY THE MAILING OR DELIVERY OF COPIES OF SUCH PROCESS TO EACH SUCH PARTY AT THE ADDRESS SPECIFIED IN SECTION 19 OF THIS AGREEMENT. THE PARTIES HERETO AGREE THAT A FINAL JUDGMENT SHALL BE CONCLUSIVE AND MAY BE ENFORCED IN OTHER JURISDICTIONS BY SUIT ON THE JUDGMENT OR IN ANY OTHER MANNER PROVIDED BY LAW.

25. Indulgences Not Waivers.

Neither the failure nor any delay on the part of any party hereto to exercise any right, remedy, power or privilege under this Agreement shall operate as a waiver thereof, nor shall any single or partial exercise of any right, remedy, power or privilege preclude any other or further exercise of the same or of any other right, remedy, power or privilege, nor shall any waiver of any right, remedy, power or privilege with respect to any occurrence be construed as a waiver of such right, remedy, power or privilege with respect to any other occurrence. No waiver shall be effective unless it is in writing and is signed by the party asserted to have granted such waiver.

26. Costs and Expenses.

The reasonable costs and expenses (including the fees and disbursements of counsel and accountants) incurred by the Collateral Manager in connection with the negotiation and preparation of and the execution of this Agreement, and all matters incident thereto, shall be borne by the Issuer.

27. Titles Not to Affect Interpretation.

The titles of paragraphs and subparagraphs contained in this Agreement are for convenience only, and they neither form a part of this Agreement nor are they to be used in the construction or interpretation hereof.

28. Execution in Counterparts.

This Agreement may be executed in any number of counterparts by facsimile or other written form of communication, each of which shall be deemed to be an original as against any party whose signature appears thereon, and all of which shall together constitute one and the same instrument. This Agreement shall become binding when one or more counterparts hereof, individually or taken together, shall bear the signatures of all of the parties reflected hereon as the signatories.

29. Provisions Separable.

The provisions of this Agreement are independent of and separable from each other, and no provision shall be affected or rendered invalid or unenforceable by virtue of the fact that for any reason any other or others of them may be invalid or unenforceable in whole or in part.

30. Number and Gender.

Words used herein, regardless of the number and gender specifically used, will be deemed and construed to include any other number, singular or plural, and any other gender, masculine, feminine or neuter, as the context requires.

31. Survival of Representations, Warranties and Indemnities.

Each representation and warranty made or deemed to be made herein or pursuant hereto, and each indemnity provided for hereby, shall survive indefinitely.

32. No Recourse.

The Collateral Manager hereby acknowledges and agrees that the Issuer's obligations hereunder shall be solely the corporate obligations of the Issuer, and the Collateral Manager shall not have any recourse to any of the directors, officers, employees, shareholders or Affiliates of the Issuer with respect to any expenses, losses, damages, judgments, assessments, costs, demands, charges, claims, liabilities, indemnities or other obligations in connection with any transactions contemplated hereby. Notwithstanding any other provision of this Agreement, recourse in respect of any obligations of the Issuer hereunder shall be limited to the Collateral applied in accordance with the Priority of Payments and, on the exhaustion thereof, all claims against the Issuer arising from this Agreement or any transactions contemplated hereby shall be extinguished and shall not thereafter revive. This Section 32 shall survive the termination of this Agreement.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first written above.

FS INVESTMENT CORPORATION

By: /s/ Gerald F. Stahlecker
Name: Gerald F. Stahlecker
Title: Executive Vice President

LOCUST STREET FUNDING LLC

By: /s/ Gerald F. Stahlecker
Name: Gerald F. Stahlecker
Title: Executive Vice President

Exhibit 10.8

AMENDED AND RESTATED COLLATERAL ADMINISTRATION AGREEMENT

This AMENDED AND RESTATED COLLATERAL ADMINISTRATION AGREEMENT, dated as of September 26, 2012 (as the same may be amended from time to time in accordance with the terms hereof (this "Agreement") is entered into by and among Locust Street Funding LLC, a limited liability company organized under the laws of the State of Delaware, as issuer (the "Issuer"), FS Investment Corporation, a corporation organized under the laws of the State of Maryland, in its capacity as collateral manager under the Collateral Management Agreement referred to below (in such capacity, together with its successors in such capacity, the "Collateral Manager") and Virtus Group, LP, a limited partnership organized under the laws of the State of Texas, as collateral administrator (the "Collateral Administrator"). This Agreement amends and restates in its entirety the Collateral Administration Agreement, dated as of July 21, 2011, by and among the Issuer, the Collateral Manager and the Collateral Administrator.

W I T N E S S E T H:

WHEREAS, the Issuer and Citibank, N.A., as trustee (the "Trustee"), have entered into an Amended and Restated Indenture (the "Indenture") dated as of September 26, 2012, pursuant to which the Class A Notes (as defined in the Indenture) were issued;

WHEREAS, pursuant to the terms of the Indenture, the Issuer pledged certain Collateral Obligations and Eligible Investments (each as defined in the Indenture and herein, the "Assets") as security for the Class A Notes;

WHEREAS, the Collateral Manager has entered into an amended and restated collateral management agreement (the "Collateral Management Agreement") with the Issuer, dated as of September 26, 2012, in connection with which the Collateral Manager has agreed to provide certain services to the Issuer with respect to the Assets;

WHEREAS, the Issuer wishes to engage the Collateral Administrator to perform on its behalf certain administrative duties of the Issuer with respect to the Assets pursuant to the Indenture; and

WHEREAS, the Collateral Administrator, on behalf of the Issuer, is prepared to perform certain specified obligations of the Issuer under the Indenture or of the Collateral Manager under the Indenture, and certain other services as specified herein.

NOW, THEREFORE, in consideration of the mutual covenants contained herein, and other good and valuable consideration the receipt of which is hereby acknowledged, the parties hereto agree as follows:

1. Definitions. Capitalized terms not otherwise defined in this Agreement shall have the meanings set forth in the Indenture.

2. Powers and Duties of the Collateral Administrator and the Collateral Manager.

(a) The Collateral Administrator shall act as agent for the Issuer until the earlier of (i) its resignation or removal pursuant to Section 7 hereof or (ii) the termination of this Agreement pursuant to Section 6 or Section 7 hereof. The Collateral Administrator shall assist the Collateral Manager in connection with monitoring the Collateral Obligations and Eligible Investments on an ongoing basis and providing to the Issuer certain reports, schedules and other data which the Issuer is required to prepare and deliver under Article 10 of the Indenture. The Collateral Administrator's duties and authority to act as collateral administrator hereunder are limited to the duties and authority specifically provided for in this Agreement and under the Indenture. The Collateral Administrator shall not be deemed to assume the obligations of the Issuer under the Indenture or of the Collateral Manager under the Collateral Management Agreement or the Indenture. The Collateral Administrator shall perform those duties and functions assigned to it in the Indenture, comply with all obligations applicable to it under the Indenture and perform its duties hereunder in accordance with the terms of this Agreement and the terms of the Indenture applicable to it.

(b) Promptly following the Closing Date, the Collateral Administrator shall create a Collateral Obligation and Eligible Investments database. Upon request for specific information in the Collateral Obligation and Eligible Investments database from the Collateral Manager, the Collateral Administrator shall promptly provide such information to the Collateral Manager. The Collateral Administrator shall update the Collateral Obligation and Eligible Investments database promptly following (i) the sale or disposition of any Collateral Obligation or Eligible Investment and (ii) the purchase of any Collateral Obligation or Eligible Investment.

(c) Not later than the Business Day prior to the day on which each Monthly Report or Valuation Report is required to be provided by the Issuer to the Trustee pursuant to Section 10.5(a) or Section 10.5(b) of the Indenture, respectively, the Collateral Administrator shall prepare the relevant report by calculating, using the information contained in the Collateral Obligation and Eligible Investments database created by the Collateral Administrator pursuant to Section 2(b) above, and subject to the Collateral Administrator's receipt from the Collateral Manager of information with respect to the Collateral Obligation or Eligible Investment that is not contained in such database and subject further to the provisions of this Section 2, each item required to be stated in such Monthly Report or Valuation Report (together with Payment Date disbursement instructions) in accordance with the Indenture and provide the results of such calculations to the Collateral Manager so that the Collateral Manager may confirm such results. Upon approval by the Collateral Manager, the Collateral Administrator shall deliver the Monthly Report or Valuation Report to the Trustee, to be posted to the Trustee's website in the manner contemplated in the Indenture.

(d) Upon request of the Collateral Manager in connection with a proposed purchase of a Collateral Obligation pursuant to Section 12.2 of the Indenture (accompanied by such information concerning the Collateral Obligation to be purchased as may be necessary to make the calculations referred to in this Section 2(d)), the Collateral Administrator shall calculate each criterion (including in the Reinvestment Criteria and the Coverage Tests or any other calculations contained in Section 12.2 of the Indenture requested by the Collateral Manager) as a condition to such purchase in accordance with the Indenture and provide the results of such calculations to the Collateral Manager for comparison to the Collateral Manager's own calculations in determining whether such purchase is permitted by the Indenture.

(e) Upon notification by the Collateral Manager during each time period as set forth in Section 12.1 of the Indenture of a proposed disposition of a Defaulted Obligation, Equity Security, Exchanged Equity Security, Withholding Tax Security or Collateral Obligation (accompanied by such information as may be necessary to make the calculation referred to in this Section 2(e)), the Collateral Administrator shall calculate each criterion set forth in the designated subsection of Section 12.2 of the Indenture as a condition to such disposition in accordance with the Indenture and shall provide the results of such calculations to the Collateral Manager.

(f) The Collateral Administrator shall have no liability for any determination to purchase or sell a Collateral Obligation made by the Collateral Manager based on the calculations provided by the Collateral Administrator pursuant to Section 2(d) or Section 2(e), as applicable, except to the extent due to the gross negligence, fraud or willful misconduct of the Collateral Administrator. The Collateral Manager hereby agrees that any determination to purchase or sell a Collateral Obligation made by the Collateral Manager is not based solely upon the calculations of the Collateral Administrator.

(g) The Collateral Administrator shall assist the Independent certified public accountants in the preparation of those reports required under Section 10.7 of the Indenture. In the event the firm or firms of Independent certified public accountants appointed by the Issuer for purposes of reviewing and delivering the reports or certificates of such accountants required by the Indenture requires the Collateral Administrator to agree to the procedures performed by such firm or requires the Collateral Administrator to execute any documents in order to obtain a copy of such reports or certificates, the Issuer hereby directs the Collateral Administrator to so agree; it being understood and agreed that the Collateral Administrator will deliver such letter of agreement in conclusive reliance on the foregoing direction of the Issuer, and the Collateral Administrator shall make no inquiry or investigation as to, and shall have no obligation in respect of, the sufficiency, validity or correctness of such procedures.

(h) [Reserved].

(i) The Collateral Administrator shall assist the Collateral Manager in the preparation of such other reports that may be required by the Indenture and that are reasonably requested in writing by the Collateral Manager and agreed to by the Collateral Administrator, which agreement shall not be unreasonably withheld.

(j) [Reserved].

(k) The Collateral Administrator shall promptly forward to the Collateral Manager copies of notices and other writings received by it, in its capacity as Collateral Administrator hereunder, from the obligor or other Person with respect to any Collateral Obligation or from any Clearing Agency with respect to any Collateral Obligation advising the holders of such obligation of any rights that the holders might have with respect thereto (including notices of calls and redemptions thereof) as well as all periodic financial reports received from such obligor or other Person with respect to such obligation and Clearing Agencies with respect to such obligor.

(l) The Collateral Manager reasonably shall assist and cooperate with the Collateral Administrator in connection with the preparation by the Collateral Administrator of all reports, instructions, the Monthly Reports, the Valuation Reports and statements and certificates required in connection with the acquisition and disposition of Collateral Obligations, Defaulted Obligations, Withholding Tax Securities, Eligible Investments, Equity Securities and Exchanged Equity Securities or as otherwise required under the Indenture. Without limiting the generality of the foregoing, the Collateral Manager shall advise the Collateral Administrator in a timely manner of the results of any determinations, designations and selections made by it as required or permitted under the Indenture and supply the Collateral Administrator with such other information as is in the possession of the Collateral Manager that the Collateral Administrator may from time to time reasonably request with respect to the Assets and is reasonably needed to complete the reports and certificates required to be prepared by the Collateral Administrator hereunder or reasonably required to permit the Collateral Administrator to perform its obligations hereunder, including any information that may be reasonably required under the Indenture with respect to or as to the designation of any Collateral Obligation, including but not limited to a Credit Risk Obligation, Credit Improved Obligation, Current Pay Obligation, Discount Obligation, First Lien Last Out Loan, Defaulted Obligation, Exchange Defaulted Obligation, DIP Loan, Equity Security, Exchanged Equity Security, Withholding Tax Security, Senior Secured Loan, Senior Secured Note, Second Lien Loan, Senior Unsecured Loan, Subordinated Loan, Substitute Collateral Obligation, CCC Collateral Obligation, Deferrable Obligation, Deferring Obligation, Fixed Rate Collateral Obligation, Bonds, Partial Deferrable Obligation, Letter of Credit, LIBOR Floor Obligation, Synthetic Security, Participation (and the related selling institution and its rating by each Rating Agency) and Structured Finance Obligation, whether a Specified Amendment or Specified Event has occurred and the S&P Rating and the Market Value of any Collateral Obligation to the extent required by the Indenture. Nothing herein shall obligate the Collateral Administrator to determine independently the correct characterization, classification or categorization of any Asset held under the Indenture or the Market Value of any Asset (it being understood that any such characterization, classification, categorization or Market Value shall be based exclusively upon the determination and notification received by the Collateral Administrator from the Collateral Manager or the Issuer). The Collateral Administrator shall have no obligation to determine whether any Asset meets the definition of “Collateral Obligation”. The Collateral Manager shall review and verify the contents of the aforesaid reports, instructions, statements and certificates and shall send such reports, instructions, statements and certificates to the Issuer for execution. Such reports, instructions, statements and certificates after execution by the Issuer or the Collateral Manager, as applicable, will be made available to Holders on the Trustee’s website.

(m) Not later than two Business Days prior to each Payment Date, the Collateral Administrator shall calculate the Priority of Payments and provide a written report to the Collateral Manager and the Trustee setting forth all amounts that the Trustee will be required to remit on such Payment Date and such other information required for the Trustee to make such remittances.

(n) If, in performing its duties under this Agreement, the Collateral Administrator is required to decide between alternative courses of action or if there are alternative methodologies that can be used in connection with any calculations required to be performed by the Collateral Administrator hereunder, the Collateral Administrator may request written instructions from the Collateral Manager as to the course of action or methodology to be used by the Collateral Administrator; *provided, however,* that except to the extent required by the Indenture or the Collateral Management Agreement, the Collateral Manager shall be under no obligation to provide such instructions. If the Collateral Administrator does not receive such instructions within two Business Days after it has requested them, it may, but shall be under no duty to, take or refrain from taking such action provided that the Collateral Administrator as promptly as possible notifies the Collateral Manager and the Issuer which course of action, if any (or refrainment from taking any course of action), it has decided to take. The Collateral Administrator shall act in accordance with instructions received after such two-Business Day period. The Collateral Administrator shall be entitled to rely on the advice of legal counsel selected with due care and Independent certified public accountants in performing its duties hereunder and shall be deemed to have acted in good faith if it acts in accordance with such advice, unless such advice is in conflict with this Agreement. Nothing herein shall prevent the Collateral Administrator or any of its Affiliates from engaging in other businesses or from rendering services of any kind to any Person.

(o) The Collateral Administrator shall provide the Collateral Manager and the Trustee with written notice if, as of any Measurement Date, the percentage equivalent of a fraction (i) the numerator of which is equal to (1) the Aggregate Principal Amount of all Collateral Obligations plus (2) the aggregate Market Value of all Defaulted Obligations as of such date and (ii) the denominator of which is equal to the Aggregate Outstanding Amount of the Class A Notes, shall fail to equal or exceed 130%.

3. Compensation. Subject to Section 13, the Issuer agrees to pay, and the Collateral Administrator shall be entitled to receive, as compensation for and reimbursement of expenses in connection with the Collateral Administrator's performance of the duties called for herein, the amounts set forth in a separate fee letter among the Collateral Manager, the Trustee and the Collateral Administrator. In accordance with Section 13, all amounts payable under this Section 3 shall be payable only in accordance with, and subject to, the Priority of Payments as set forth in the Indenture.

4. Limitation of Responsibility of the Collateral Administrator. (a) The Collateral Administrator will have no responsibility under this Agreement other than to render the services called for hereunder in good faith and without willful misfeasance, gross negligence or reckless disregard of its duties hereunder. The Collateral Administrator shall incur no liability to anyone in acting upon, and may rely conclusively upon, any signature, instrument, statement, notice, resolution, request, direction, consent, order, certificate, report, opinion, bond or other document or paper reasonably believed by it to be genuine and reasonably believed by it to be signed by the proper party or parties. Subject to Section 12, the Collateral Administrator may exercise any of its rights or powers hereunder or perform any of its duties hereunder either directly or by or through agents or attorneys, and the Collateral Administrator shall not be responsible for any misconduct or negligence on the part of any agent or attorney appointed hereunder with due care by it. The Collateral Administrator shall be entitled to the same rights, protections and

immunities that are afforded to the Trustee under Article 6 of the Indenture. Neither the Collateral Administrator nor any of its Affiliates, directors, officers, shareholders, members, agents or employees will be liable to the Collateral Manager, the Issuer or others, except by reason of acts or omissions constituting bad faith, willful misfeasance, gross negligence or reckless disregard of the Collateral Administrator's duties hereunder. Anything in this Agreement notwithstanding, in no event shall the Collateral Administrator be liable for special, punitive, indirect or consequential damage of any kind whatsoever (including but not limited to lost profits), even if the Collateral Administrator has been advised of such loss or damage and regardless of the form of action under or pursuant to this Agreement, its duties or obligations hereunder or arising out of or relating to the subject matter hereof. The Collateral Administrator shall in no event have any liability for the actions or omissions of the Issuer, the Collateral Manager or any other Person, and shall have no liability for any inaccuracy or error in any duty performed by it that results from or is caused by inaccurate, untimely or incomplete information or data received by it from the Issuer, the Collateral Manager or another Person except to the extent that such inaccuracies or errors are caused by the Collateral Administrator's own bad faith, willful misfeasance, gross negligence or reckless disregard of its duties hereunder. The Collateral Administrator shall not be liable for failing to perform or delay in performing its specified duties hereunder which results from or is caused by a failure or delay on the part of the Issuer, the Collateral Manager or another Person in furnishing necessary, timely and accurate information to the Collateral Administrator except to the extent that any failure or delay is caused by the Collateral Administrator's own criminal conduct, fraud, bad faith, willful misfeasance, gross negligence or reckless disregard of its duties hereunder. The duties and obligations of the Collateral Administrator and its employees or agents shall be determined solely by the express provisions of this Agreement and they shall not be under any obligation or duty except for the performance of such duties and obligations as are specifically set forth herein, and no implied covenants shall be read into this Agreement against them. For purposes of monitoring changes in ratings, the Collateral Administrator shall be entitled to use and rely (in good faith) exclusively upon one or more reputable electronic financial information reporting services, and shall have no liability for any inaccuracies in the information reported by, or other errors or omissions of, any such services.

(b) To the extent of any ambiguity in the interpretation of any definition or term contained in the Indenture, the Collateral Administrator shall request direction from the Collateral Manager as to the interpretation used, and the Collateral Administrator shall follow such direction, and together with the Trustee, shall be entitled to conclusively rely thereon without any responsibility or liability therefor.

(c) The Issuer shall reimburse, indemnify and hold harmless the Collateral Administrator, and its Affiliates, directors, officers, shareholders, members, agents and employees with respect to all out-of-pocket expenses, losses, damages, liabilities, demands, charges and claims of any nature (including the reasonable fees and expenses of counsel and other experts) in connection with or arising out of this Agreement and the Indenture, other than any such expenses, losses, damages, liabilities, demands, charges or claims incurred by reason of the bad faith, willful misfeasance, gross negligence or reckless disregard by the Collateral Administrator of its duties hereunder.

(d) The Collateral Administrator shall reimburse, indemnify and hold harmless the Collateral Manager and the Issuer and their respective Affiliates, directors, officers, shareholders, members, agents and employees with respect to all expenses, losses, damages, liabilities, demands, charges and claims of any nature (including the reasonable fees and expenses of counsel and other experts) in respect of or arising out of any acts or omissions performed or omitted, as the case may be, by the Collateral Administrator, its Affiliates, directors, officers, shareholders, members, agents or employees hereunder or in connection with the Indenture made in bad faith or constituting willful misfeasance, gross negligence or reckless disregard of its duties hereunder.

(e) The Collateral Manager will have no responsibility under this Agreement other than to render the services called for hereunder or in connection with the Indenture in good faith and without willful misfeasance, gross negligence or reckless disregard of its duties hereunder. The Collateral Manager will not be liable to the Collateral Administrator, the Issuer or others, except by reason of acts or omissions constituting bad faith, willful misfeasance, gross negligence or reckless disregard of the Collateral Manager's duties hereunder. The Collateral Manager shall reimburse, indemnify and hold harmless the Collateral Administrator and its Affiliates, directors, officers, shareholders, members, agents and employees with respect to all expenses, losses, damages, liabilities, demands, charges and claims of any nature (including the reasonable fees and expenses of counsel and other experts) in respect of or arising out of any acts or omissions performed or omitted, as the case may be, by the Collateral Manager, its Affiliates, directors, officers, shareholders, members, agents or employees hereunder made in bad faith or constituting willful misfeasance, gross negligence or reckless disregard of its duties hereunder or under the Indenture. Anything in this Agreement notwithstanding, in no event shall the Collateral Manager be liable for special, indirect or consequential damage of any kind whatsoever (including but not limited to lost profits), even if Collateral Manager has been advised of such loss or damage and regardless of the form of action.

(f) In connection with the aforesaid indemnification provisions, upon reasonable prior notice, any indemnified party will afford to the applicable indemnifying party the right, in its sole discretion and at its sole expense, to assume the defense of any claim, including, but not limited to, the right to designate counsel and to control all negotiations, litigation, arbitration, settlements, compromises and appeals of such claim; provided, that if the indemnifying party assumes the defense of such claim, it shall not be liable for any fees and expenses of counsel for any indemnified party incurred thereafter in connection with such claim except that if such indemnified party reasonably determines that counsel designated by the indemnifying party has a conflict of interest, such indemnifying party shall pay the reasonable fees and disbursements of one counsel (in addition to any local counsel) separate from its own counsel for all indemnified parties in connection with any one action or separate but similar or related actions in the same jurisdiction arising out of the same general allegations or circumstances; and provided, further, that prior to entering into any final settlement or compromise, such indemnifying party shall seek the consent of the indemnified party and use its best efforts in the light of the then-prevailing circumstances (including, without limitation, any express or implied time constraint on any pending settlement offer) to obtain the consent of such indemnified party as to the terms of settlement or compromise. If an indemnified party does not consent to the settlement or compromise within a reasonable time under the circumstances, the indemnifying party shall not thereafter be obligated to indemnify the indemnified party for any amount in excess of such proposed settlement or compromise.

5. No Joint Venture. Nothing contained in this Agreement (i) shall constitute the Collateral Administrator, the Issuer and the Collateral Manager as members of any partnership, joint venture, association, syndicate, unincorporated business or other separate entity, (ii) shall be construed to impose any liability as such on any of them or (iii) shall be deemed to confer on any of them any express, implied or apparent authority to incur any obligation or liability on behalf of the others.

6. Term. This Agreement shall continue in effect so long as the Indenture remains in effect with respect to the Notes, unless this Agreement has been previously terminated in accordance with Section 7 hereof. Notwithstanding the foregoing, the indemnification obligations of all parties under Section 4 hereof shall survive the termination of this Agreement or release of any party hereto with respect to matters occurring prior to such termination or release.

7. Termination; Resignation and Appointment of Successor.

(a) This Agreement may be terminated without cause by any party hereto upon not less than 90 days' prior written notice to each other party hereto.

(b) At the option of the Collateral Manager or the Issuer, this Agreement shall be terminated upon ten days' written notice of termination from the Collateral Manager or the Issuer to the Collateral Administrator if any of the following events shall occur:

(i) The Collateral Administrator shall default in the performance of any of its material duties under this Agreement and shall not cure such default within thirty days (or, if such default cannot be cured in such time, shall not give within thirty days such assurance of cure as shall be reasonably satisfactory to the Collateral Manager or the Issuer);

(ii) The Collateral Administrator shall be dissolved (other than pursuant to a consolidation, amalgamation or merger) or shall have a resolution passed for its winding up, official management or liquidation (other than pursuant to a consolidation, amalgamation or merger);

(iii) A court having jurisdiction in the premises shall enter a decree or order for relief in respect of the Collateral Administrator in any involuntary case under any applicable bankruptcy, insolvency or other similar law now or hereafter in effect, or appoint a receiver, liquidator, assignee, custodian, trustee, sequestrator (or similar official) of the Collateral Administrator or for any substantial part of its property, or order the winding-up or liquidation of its affairs; or

(iv) The Collateral Administrator shall commence a voluntary case under applicable bankruptcy, insolvency or other similar law now or hereafter in effect, or shall consent to the entry of an order for relief in an involuntary case under any such

law, or shall consent to the appointment of or taking possession by a receiver, liquidator, assignee, trustee, custodian, sequestrator (or similar official) of the Collateral Administrator or for any substantial part of its property, or shall make any general assignment for the benefit of creditors, or shall fail generally to pay its debts as they become due.

If any of the events specified in clauses (ii), (iii) or (iv) of this Section 7(b) shall occur, the Collateral Administrator shall give written notice thereof to the Collateral Manager and the Issuer within one Business Day after the happening of such event.

(c) Upon receiving any notice of resignation of the Collateral Administrator or removal by the Issuer, the Issuer shall promptly appoint a successor collateral administrator by written instrument, in duplicate, executed by an Authorized Officer of the Issuer, one copy of which shall be delivered to the Collateral Administrator so resigning or removed and one copy to·the successor collateral administrator. No resignation or removal of the Collateral Administrator shall be effective until a successor collateral administrator shall have been appointed and shall have accepted such appointment hereunder in writing. If the Issuer shall fail to appoint a successor collateral administrator within 30 days after such notice of resignation, then the Collateral Administrator may petition any court of competent jurisdiction for the appointment of a successor collateral administrator. Notwithstanding the foregoing, the Collateral Administrator may resign its duties hereunder without any requirement that a successor collateral administrator be obligated hereunder and without any liability for further performance of any duties hereunder upon at least 90 days' prior written notice to the other parties hereto upon the occurrence of any of the following events and the failure to cure such event within such 90 day notice period: (i) failure of the Issuer to pay any of the amounts specified in Section 3 within 90 days after such amount is due pursuant to Section 3 hereof or (ii) failure of the Collateral Manager or the Issuer to provide any indemnity payment or expense reimbursement to the Collateral Administrator required under Section 4 hereof within 90 days of the receipt by the Collateral Manager or the Issuer of a written request for such payment or reimbursement.

8. Representations and Warranties.

(a) The Issuer hereby represents and warrants to the Collateral Administrator and the Collateral Manager as follows:

(i) The Issuer has been duly incorporated and is validly existing and in good standing under the laws of the State of Delaware and has the full power and authority to execute, deliver and perform this Agreement and all obligations required hereunder and has taken all necessary action to authorize this Agreement on the terms and conditions hereof, the execution, delivery and performance of this Agreement and the performance of all obligations imposed upon it hereunder. No consent of any other person including, without limitation, members, shareholders and creditors of the Issuer, and no license, permit, approval or authorization of, exemption by, notice or report to, or registration, filing or declaration with, any governmental authority is required to be obtained or made by the Issuer in connection with this Agreement or the execution, delivery, performance, validity or enforceability of this Agreement and the obligations

imposed upon it hereunder. This Agreement constitutes, and each instrument or document required hereunder, when executed and delivered by the Issuer hereunder, will constitute, the legally valid and binding obligations of the Issuer enforceable against the Issuer in accordance with their terms subject, as to enforcement, (a) to the effect of bankruptcy, insolvency or similar laws affecting generally the enforcement of creditors' rights as such laws would apply in the event of any bankruptcy, receivership, insolvency or similar event applicable to the Issuer and (b) to general equitable principles (whether enforceability of such principles is considered in a proceeding at law or in equity).

(ii) The execution, delivery and performance by the Issuer of this Agreement, the Issuer's obligations hereunder and the documents and instruments required hereunder will not violate any provision of any existing law or regulation binding on the Issuer, or any order, judgment, award or decree of any court, arbitrator or governmental authority binding on the Issuer, or the governing instruments of, or any securities issued by, the Issuer or of any mortgage, indenture, lease, contract or other agreement, instrument or undertaking to which the Issuer is a party or by which the Issuer or any of its assets may be bound, the violation of which would have a material adverse effect on the business, operations, assets or financial condition of the Issuer and will not result in, or require, the creation or imposition of any lien on any of its property, assets or revenues pursuant to the provisions of any such mortgage, indenture, lease, contract or other agreement, instrument or undertaking.

(b) The Collateral Manager hereby represents and warrants to the Collateral Administrator and the Issuer as follows:

(i) The Collateral Manager has been duly formed and is validly existing and in good standing under the laws of the State of Maryland as a corporation and has the full power and authority to execute, deliver and perform this Agreement and all obligations required hereunder and has taken all necessary action to authorize this Agreement on the terms and conditions hereof, the execution, delivery and performance of this Agreement and the performance of all obligations imposed upon it hereunder. No consent of any other person including, without limitation, shareholders and creditors of the Collateral Manager, and no license, permit, approval or authorization of, exemption by, notice or report to, or registration, filing or declaration with, any governmental authority is required by the Collateral Manager in connection with this Agreement or the execution, delivery, performance, validity or enforceability of this Agreement and the obligations imposed upon it hereunder. This Agreement constitutes, and each instrument or document required hereunder, when executed and delivered by the Collateral Manager hereunder, will constitute, the legally valid and binding obligations of the Collateral Manager enforceable against the Collateral Manager in accordance with their terms subject, as to enforcement, (a) to the effect of bankruptcy, insolvency or similar laws affecting generally the enforcement of creditors' rights as such laws would apply in the event of any bankruptcy, receivership, insolvency or similar event applicable to the Collateral Manager and (b) to general equitable principles (whether enforceability of such principles is considered in a proceeding at law or in equity).

(ii) The execution, delivery and performance of this Agreement, the Collateral Manager's obligations hereunder and the documents and instruments required hereunder will not violate any provision of any existing law or regulation binding on the Collateral Manager, or any order, judgment, award or decree of any court, arbitrator or governmental authority binding on the Collateral Manager, or the governing instruments of, or any securities issued by, the Collateral Manager or of any mortgage, indenture, lease, contract or other agreement, instrument or undertaking to which the Collateral Manager is a party or by which the Collateral Manager or any of its assets may be bound, the violation of which would have a material adverse effect on the business, operations, assets or financial condition of the Collateral Manager and will not result in, or require, the creation or imposition of any lien on any of its property, assets or revenues pursuant to the provisions of any such mortgage, indenture, lease, contract or other agreement, instrument or undertaking.

(c) The Collateral Administrator hereby represents and warrants to the Collateral Manager and the Issuer as follows:

(i) The Collateral Administrator is a limited partnership duly organized and validly existing under the laws of the State of Texas and has full power and authority to execute and deliver this Agreement and perform all obligations required hereunder and has taken all necessary action to authorize this Agreement on the terms and conditions hereof, the execution and delivery of this Agreement and the performance of all obligations required hereunder. No consent of any other person including, without limitation, partners and creditors of the Collateral Administrator, and no license, permit, approval or authorization of, exemption by, notice or report to, or registration, filing or declaration with, any governmental authority is required by the Collateral Administrator in connection with this Agreement or the execution, delivery, performance, validity or enforceability of this Agreement and the obligations imposed upon it hereunder. This Agreement constitutes, and each instrument and document required hereunder, when executed and delivered by the Collateral Administrator hereunder, will constitute, the legally valid and binding obligations of the Collateral Administrator enforceable against the Collateral Administrator in accordance with their terms subject, as to enforcement, (a) to the effect of bankruptcy, insolvency or similar laws affecting generally the enforcement of creditors' rights as such laws would apply in the event of any bankruptcy, receivership, insolvency or similar event applicable to the Collateral Administrator and (b) to general equitable principles (whether enforceability of such principles is considered in a proceeding at law or in equity).

(ii) The execution, delivery and performance of this Agreement, the Collateral Administrator's obligations hereunder and the documents and instruments required hereunder will not violate any provision of any existing law or regulation binding on the Collateral Administrator, or any order, judgment, award or decree of any court, arbitrator or governmental authority binding on the Collateral Administrator, or the organizational documents of the Collateral Administrator or of any mortgage, indenture, lease, contract or other agreement, instrument or undertaking to which the Collateral Administrator is a party or by which the Collateral Administrator or any of its assets may be bound, the violation of which would have a material adverse effect on the business,

operations, assets or financial condition of the Collateral Administrator and will not result in, or require, the creation or imposition of any lien on any of its property, assets or revenues pursuant to the provisions of any such mortgage, indenture, lease, contract or other agreement, instrument or undertaking.

9. Amendments. This Agreement may not be amended, changed, modified or terminated (except as otherwise expressly provided herein) except by the Collateral Manager, the Issuer and the Collateral Administrator in writing.

10. Governing Law. **THIS AGREEMENT SHALL BE CONSTRUED IN ACCORDANCE WITH, AND THIS AGREEMENT AND ANY MATTERS ARISING OUT OF OR RELATING IN ANY WAY WHATSOEVER TO THIS AGREEMENT (WHETHER IN CONTRACT, TORT OR OTHERWISE) SHALL BE GOVERNED BY, THE LAWS OF THE STATE OF NEW YORK.**

11. Notices. All notices, requests, directions and other communications permitted or required hereunder shall be in writing and shall be deemed to have been duly given (i) when delivered personally, (ii) when transmitted by facsimile or other electronic means of communication (it being agreed that such notice shall be effective at the time that a transmission report confirming transmission is generated by the sender's facsimile machine) or (iii) when mailed, first class postage prepaid, or sent by overnight courier service, to the parties at their respective addresses set forth below (or to such other address as a party may have specified by written notice given to the other parties pursuant to this provision.

If to the Collateral Administrator, to:

Virtus Group, LP
5400 Westheimer Court
Suite 760
Houston, Texas 77056
Telecopy: (866) 816-3203

If to the Issuer, to:

c/o FS Investment Corporation
Cira Centre
2929 Arch Street, Suite 675
Philadelphia, Pennsylvania 19104
Facsimile: (215) 222-4649
Attention: Gerald F. Stahlecker

If to the Collateral Manager, to:
FS Investment Corporation
Cira Centre
2929 Arch Street, Suite 675
Philadelphia, Pennsylvania 19104
Facsimile: (215) 222-4649
Attention: Gerald F. Stahlecker

12. Successors and Assigns. This Agreement shall inure to the benefit of, and be binding upon, the successors and assigns of each of the Collateral Manager, the Issuer and the Collateral Administrator (including by merger or consolidation); provided, however, that the Collateral Administrator may not assign its rights and obligations hereunder without the prior written consent of the Collateral Manager and the Issuer, except that the Collateral Administrator may delegate to, employ as agent, or otherwise cause any duty or obligation hereunder to be performed by, any Affiliate of the Collateral Administrator or its successors without the prior written consent of the Collateral Manager and the Issuer, provided that the Collateral Administrator shall remain directly liable to the Issuer for the performance of its duties hereunder.

13. Bankruptcy Non-Petition and Limited Recourse. Notwithstanding any other provision of this Agreement, the Collateral Administrator and the Collateral Manager may not, prior to the date which is one year and one day (or, if longer, the then applicable preference period plus one day) after the payment in full of all the Class A Notes, institute against, or join any other Person in instituting against, the Issuer, any bankruptcy, reorganization, arrangement, insolvency, moratorium or liquidation proceedings, or other proceedings under United States federal or state bankruptcy laws, or any similar laws; provided, however, that nothing in this agreement by the Collateral Manager, the Collateral Administrator or the Issuer (i) shall preclude, or be deemed to estop, the Collateral Manager or the Collateral Administrator (A) from taking any action prior to the expiration of the aforementioned one year plus one day period (or if longer, the applicable preference period plus one day) in (x) any case or proceeding voluntarily filed or commenced by the Issuer or (y) any involuntary insolvency proceeding filed or commenced against the Issuer by a Person other than the Collateral Manager or the Collateral Administrator or any of their respective Affiliates or (B) from commencing against the Issuer or any properties of the Issuer, any legal action which is not a bankruptcy, reorganization, arrangement, insolvency, moratorium or liquidation proceeding. The Issuer's obligations hereunder will be solely the corporate obligations of the Issuer, and the Collateral Administrator and the Collateral Manager will not have any recourse to any of the directors, officers, employees, shareholders, members, governors or Affiliates of the Issuer with respect to any claims, losses, damages, liabilities, indemnities or other obligations in connection with any transactions contemplated hereby. The obligations of the Issuer hereunder shall be limited to the net proceeds of the Assets (if any), payable solely in accordance with the order specified in the Priority of Payments under the Indenture, and following realization of the Assets and the application of their proceeds in accordance with the Priority of Payments under the Indenture, any outstanding obligations of the Issuer hereunder, and any claims in respect thereof, shall be extinguished and shall not thereafter revive. The provisions of this Section 13 shall survive the termination of this Agreement.

14. Counterparts. This Agreement may be executed in any number of counterparts, including by facsimile or other electronic means of communication, each of which shall be deemed to be an original, but all of which together shall constitute but one and the same instrument. Delivery of an executed counterpart of this Agreement by e-mail (PDF) or telecopy shall be as effective as delivery of a manually executed counterpart of this Agreement.

15. Conflict with the Indenture. If this Agreement shall require that any action be taken with respect to any matter and the Indenture shall require that, a different action be taken with respect to such matter, and such actions shall be mutually exclusive, or if this Agreement should otherwise conflict with the Indenture, the Indenture shall govern.

16. Assignment of Issuer's Rights. The parties hereto hereby acknowledge the Issuer's Grant pursuant to the Indenture of its right, title and interest in, to and under this Agreement.

17. Jurisdiction. The parties hereto hereby irrevocably submit to the non-exclusive jurisdiction of any New York State or Federal court sitting in the Borough of Manhattan in The City of New York in any action or proceeding arising out of or relating to this Agreement, and the parties hereto hereby irrevocably agree that all claims in respect of such action or proceeding may be heard and determined in such New York State or Federal court. The parties hereto hereby irrevocably waive, to the fullest extent that they may legally do so, the defense of an inconvenient forum to the maintenance of such action or proceeding. The parties hereto hereby agree that a final judgment in any such action or proceeding shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law.

18. Waiver of Jury Trial Right. EACH PARTY HEREBY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY AND ALL RIGHT THAT IT MAY HAVE TO A TRIAL BY JURY (BUT NO OTHER JUDICIAL REMEDIES) IN RESPECT OF ANY PROCEEDING ARISING OUT OF OR RELATING TO THIS AGREEMENT AND THE TRANSACTIONS CONTEMPLATED HEREBY. Each party hereby (i) certifies that no representative, agent or attorney of the other has represented, expressly or otherwise, that the other would not, in the event of such proceedings, seek to enforce the foregoing waiver and (ii) acknowledges that it has been induced to enter into this Agreement by, among other things, the mutual waivers and certifications in this Section 18.

IN WITNESS WHEREOF, the parties hereto have caused this Amended and Restated Collateral Administration Agreement to be executed effective as of the day first above written.

LOCUST STREET FUNDING LLC
the Issuer

By: /s/ Gerald F. Stahlecker
Name: Gerald F. Stahlecker
Title: Executive Vice President

FS INVESTMENT CORPORATION
the Collateral Manager

By: /s/ Gerald F. Stahlecker
Name: Gerald F. Stahlecker
Title: Executive Vice President

VIRTUS GROUP, LP
the Collateral Administrator

By: /s/ Terence Botha
Name: Terence Botha
Title: Director

Exhibit 10.9

RACE STREET FUNDING LLC
as Company

and

FS INVESTMENT CORPORATION
as Collateral Manager

COLLATERAL MANAGEMENT AGREEMENT

Dated as of September 26, 2012

COLLATERAL MANAGEMENT AGREEMENT, dated as of September 26, 2012 (this "Agreement"), between RACE STREET FUNDING LLC, a Delaware limited liability company (the "Company"), and FS INVESTMENT CORPORATION, a Maryland corporation (in such capacity, the "Collateral Manager").

WHEREAS, the Company desires to engage the Collateral Manager to provide the services described herein, and the Collateral Manager desires to provide such services; and

WHEREAS, capitalized terms used herein that are not otherwise defined herein shall have the respective meanings ascribed thereto in the TBMA/ISMA Amended and Restated Global Master Repurchase Agreement dated as of September 26, 2012, as amended from time to time (together with any agreements referred to therein, the "Global Master Repurchase Agreement"), between the Company and JPMorgan Chase Bank, N.A., London Branch, as counterparty (in such capacity, together with its successors in such capacity, the "Counterparty").

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein, the parties hereto hereby agree as follows:

1. Management Services.

The Company hereby appoints FS Investment Corporation as Collateral Manager pursuant to the terms and conditions of this Agreement and with the authority to service, administer and exercise rights and remedies, on behalf of the Company, in respect of the Collateral Assets. FS Investment Corporation hereby accepts such appointment and agrees to perform the duties and responsibilities of the Collateral Manager pursuant to the terms hereof. The Collateral Manager will provide the Company with the following services (in accordance with and subject to the applicable requirements of, and the restrictions and limitations set forth in, the Global Master Repurchase Agreement and the Company's amended and restated limited liability company agreement (the "LLC Agreement")):

(a) determining the specific Collateral Assets or other assets to be purchased, otherwise acquired or sold by the Company;

(b) effecting the purchase, other acquisition and sale of Collateral Assets and all other assets of the Company;

(c) negotiating with Obligors as to proposed amendments and modifications (including, but not limited to, extensions or releases of collateral) of the documentation evidencing and governing the Collateral Assets;

(d) making determinations with respect to the Company's exercise (including but not limited to any waiver, modification or variation) of any rights (including but not limited to voting rights and rights arising in connection with the bankruptcy or insolvency of an Obligor or the consensual or non-judicial restructuring of the debt or equity of an Obligor) or remedies in connection with the Collateral Assets and participating in the committees (official or otherwise) or other groups formed by creditors of an Obligor;

(e) determining compliance with the Adjusted Net Worth Test;

(f) determining whether any Collateral Asset is a Performing Common Equity, Preferred Stock, a Structured Finance Obligation, a Participation, a Finance Lease, a Uncovered Revolving or Delayed-Draw Asset, Non-Performing Common Equity, a Derivatives Transaction, debt or equity of affiliates of Counterparty and a Bank Loan;

(g) determining whether any payment will be made, and the amount thereof, pursuant to Section 6(o) of Annex I to the Global Master Repurchase Agreement;

(h) managing the Company's investments within the parameters set forth in the Global Master Repurchase Agreement; and

(i) promptly providing the Counterparty and the Company in writing any notices required to be delivered under Section 6(c) of Annex I to the Global Master Repurchase Agreement to the extent the Collateral Manager has actual knowledge of the occurrence thereof.

The Company agrees for the benefit of the Collateral Manager and the Counterparty to follow the lawful instructions and directions of the Collateral Manager in connection with the Collateral Manager's services hereunder.

The Collateral Manager shall use reasonable care in rendering its services hereunder, using a degree of skill and attention no less than that which the Collateral Manager exercises with respect to comparable assets that it manages for itself and for others in accordance with its existing practices and procedures which the Collateral Manager reasonably believes to be consistent with those followed by institutional managers of national standing relating to assets of the nature and character of Collateral Assets, except as expressly provided otherwise in this Agreement. The Collateral Manager shall comply with and perform all the duties and functions that have been specifically delegated to it under this Agreement. The Collateral Manager shall not be bound to follow any amendment to the Global Master Repurchase Agreement, however, until it has received a copy of the amendment from the Company or the Counterparty and, in addition, the Collateral Manager shall not be bound by any amendment to the Global Master Repurchase Agreement which adversely affects in any material respects the obligations of the Collateral Manager unless the Collateral Manager shall have consented thereto in writing. The Company agrees that it will not permit any amendment to the Global Master Repurchase Agreement that adversely affects the duties or liabilities of the Collateral Manager to become effective unless the Collateral Manager has been given prior written notice of such amendment and consented thereto in writing.

To the extent necessary or appropriate to perform all of the duties to be performed by it hereunder, the Collateral Manager shall have the power to negotiate, execute and deliver all necessary documents and instruments on behalf of the Company with respect to any Collateral Asset or other asset of the Company and with respect to the rights and obligations of the Company under the Global Master Repurchase Agreement.

The Collateral Manager shall have no obligation to perform any duties other than those specified herein.

2. Brokerage.

The Collateral Manager shall use reasonable efforts to obtain the best prices and execution for all orders placed with respect to the Collateral Assets, and other assets of the Company, considering all circumstances. Subject to the objective of obtaining best prices and execution, the Collateral Manager may take into consideration research and other brokerage services furnished to the Collateral Manager or its affiliates by brokers and dealers which are not affiliates of the Collateral Manager. Such services may be used by the Collateral Manager or its affiliates in connection with its other advisory activities or investment operations. The Collateral Manager may aggregate sales and purchase orders of securities placed with respect to the Collateral Assets, and other assets of the Company, with similar orders being made simultaneously for other accounts managed by the Collateral Manager or with accounts of the affiliates of the Collateral Manager, if in the Collateral Manager's sole judgment such aggregation shall result in an overall economic benefit to the Company taking into consideration the selling or purchase price, brokerage commission and other expenses. In accounting for such aggregated order price, commission and other expenses shall be averaged on a per position basis.

The Company acknowledges that the determination of any such economic benefit by the Collateral Manager is subjective and represents the Collateral Manager's evaluation at the time that the Company will be benefited by better purchase or sales prices, lower commission expenses and beneficial timing of transactions or a combination of these and other factors. When any aggregate sales or purchase orders occur, the objective of the Collateral Manager (and any of its affiliates involved in such transactions) shall be to allocate the executions among the accounts in an equitable manner.

Subject to the Collateral Manager's execution obligations described herein, the Collateral Manager is hereby authorized to effect client cross-transactions where the Collateral Manager causes a transaction to be effected between the Company and another account advised by it or any of its affiliates; provided that, if and to the extent required by the Investment Advisers Act, such authorization is terminable at the Company's option without penalty, effective upon receipt by the Collateral Manager of written notice from the Company. The terms and conditions of any transaction between the Company and the Collateral Manager pursuant to this Agreement shall be conducted and executed in accordance with applicable law and under terms and at a price that would be applicable in a materially identical transaction conducted on an arms-length basis. In addition, the Company hereby consents to, and authorizes the Collateral Manager to enter into, agency cross-transactions where it or any of its affiliates acts as broker for the Company and for the other party to the transaction, to the extent permitted under applicable law; provided that the Company shall have the right to revoke such consent at any time by written notice to the Collateral Manager.

3. The Representations and Warranties of the Company.

The Company represents and warrants to the Collateral Manager that:

(a) the Company has been duly organized and is validly existing under the laws of Delaware, has the full power and authority to own its assets and the obligations proposed to be owned by it and to transact the business in which it is presently engaged

and is duly qualified under the laws of each jurisdiction where its ownership or lease of property or the conduct of its business requires, or the performance of its obligations under this Agreement and the Global Master Repurchase Agreement would require, such qualification, except for failures to be so qualified, authorized or licensed that would not in the aggregate have a material adverse effect on the business, operations, assets or financial condition of the Company;

(b) the Company has full power and authority to execute, deliver and perform this Agreement, the Global Master Repurchase Agreement and all obligations required hereunder and under the Global Master Repurchase Agreement, and the performance of all obligations imposed upon it hereunder and thereunder;

(c) this Agreement has been duly authorized, executed and delivered by it and constitutes its valid and binding obligation, enforceable in accordance with its terms except that the enforceability thereof may be subject to (i) bankruptcy, insolvency, reorganization, moratorium, receivership, conservatorship or other similar laws now or hereafter in effect relating to creditors' rights and (ii) general principles of equity (regardless of whether such enforcement is considered in a proceeding in equity or at law);

(d) no consent, approval, authorization or order of or declaration or filing with any government, governmental instrumentality or court or other person is required for the performance by the Company of its duties hereunder, except such as have been duly made or obtained;

(e) neither the execution and delivery of this Agreement nor the fulfillment of the terms hereof conflicts with or results in a material breach or violation of any of the material terms or provisions of or constitutes a material default under (i) the Company's certificate of formation, operating agreement or other constituent documents, (ii) the terms of any material indenture, contract, lease, mortgage, deed of trust, note, agreement or other evidence of indebtedness or other material agreement, obligation, condition, covenant or instrument to which the Company is a party or is bound, (iii) any statute applicable to the Company or (iv) any law, decree, order, rule or regulation applicable to the Company of any court or regulatory, administrative or governmental agency, body or authority or arbitrator having or asserting jurisdiction over the Company or its properties, and which would have a material adverse effect upon the performance by the Company of its duties under this Agreement;

(f) neither the Company nor any of its affiliates are in violation of any U.S. federal or state securities law or regulation promulgated thereunder and there is no charge, investigation, action, suit or proceeding before or by any court or regulatory agency pending or, to the best knowledge of the Company, threatened that would have a material adverse effect upon the performance by the Company of its duties under this Agreement;

(g) the Company has not engaged in any transaction that would result in the violation of, or require registration as an investment company under, the Investment Company Act;

(h) the Company is not required to register as an "investment company" under the Investment Company Act; and

(i) there is no charge, investigation, action, suit or proceeding before or by any court pending or, to the best knowledge of the Company, threatened that, if determined adversely to the Company, would have a material adverse effect upon the performance by the Company of its duties under, or on the validity or enforceability of, this Agreement or the provisions of the Global Master Repurchase Agreement applicable to the Company thereunder.

4. Representations and Warranties of the Collateral Manager.

The Collateral Manager represents and warrants to the Company that:

(a) the Collateral Manager is duly organized and validly existing under the laws of Maryland and has the full power and authority to transact the business in which it is presently engaged and is duly qualified under the laws of each jurisdiction where the conduct of its business requires, or the performance of its obligations under this Agreement and the provisions of the Global Master Repurchase Agreement applicable to the Collateral Manager would require, such qualification, except for failures to be so qualified, authorized or licensed which would not in the aggregate have a material adverse effect on the business, operations, assets or financial condition of the Collateral Manager, or on the ability of the Collateral Manager to perform its obligations under, or on the validity or enforceability of, this Agreement and the applicable provisions of the Global Master Repurchase Agreement;

(b) the Collateral Manager has full power and authority to execute and deliver this Agreement and to perform all of its obligations hereunder and under the Global Master Repurchase Agreement;

(c) this Agreement has been duly authorized, executed and delivered by the Collateral Manager and constitutes a valid and binding agreement of the Collateral Manager, enforceable against it in accordance with its terms, except that the enforceability thereof may be subject to (i) bankruptcy, insolvency, reorganization, moratorium or other similar laws now or hereafter in effect relating to creditors' rights and (ii) general principles of equity (regardless of whether such enforcement is considered in a proceeding in equity or at law);

(d) neither the Collateral Manager nor any of its affiliates is in violation of any federal or state securities law or regulation promulgated thereunder or any material listing requirements of any exchange on which it is listed and there is no charge, investigation, action, suit or proceeding before or by any court, exchange or regulatory agency pending or, to the best knowledge of the Collateral Manager, threatened, that in either case would have a material adverse effect upon the performance by the Collateral Manager of its duties under this Agreement;

(e) neither the execution and delivery of this Agreement, nor the performance of the terms hereof or the provisions of the Global Master Repurchase Agreement applicable to the Collateral Manager, conflicts with or results in a material breach or violation of any of the material terms or provisions of, or constitutes a material default under, (i) its articles of organization, bylaws or other constituent document, (ii) the terms of any material indenture, contract, lease, mortgage, deed of trust, note agreement or other evidence of indebtedness or other material agreement, obligation, condition, covenant or instrument to which the Collateral Manager is a party or is bound, (iii) any statute applicable to the Collateral Manager or (iv) any law, decree, order, rule or regulation applicable to the Collateral Manager of any court or regulatory, administrative or governmental agency, body or authority or arbitrator having or asserting jurisdiction over the Collateral Manager or its properties, and which would have, in the case of any of clauses (ii) through (iv) of this paragraph (e), a material adverse effect upon the performance by the Collateral Manager of its duties under this Agreement or the provisions of the Global Master Repurchase Agreement applicable to the Collateral Manager; and

(f) no consent, approval, authorization or order of or declaration or filing with any government, governmental instrumentality or court or other person is required for the performance by it of its duties hereunder, except such as have been duly made or obtained.

5. Expenses.

The Collateral Manager shall pay all reasonable expenses and costs (including salaries, rent and other overhead) incurred by it in connection with its services under this Agreement; *provided* that the Collateral Manager shall not be liable for and the Company shall be responsible for the payment of (i) expenses and costs of legal advisers (including reasonable expenses and costs associated with the use of internal legal counsel of the Collateral Manager), consultants and other professionals retained by the Company or by the Collateral Manager, on behalf of the Company, in connection with the services provided by the Collateral Manager pursuant to this Agreement and the Global Master Repurchase Agreement, (ii) the reasonable cost of asset pricing and asset rating services, and accounting, programming and data entry services that are retained in connection with services of the Collateral Manager under this Agreement, (iii) travel expenses (airfare, meals, lodging and other transportation) incurred by the Collateral Manager as is reasonably necessary in connection with the selection of Collateral Assets and the negotiation, documentation, default or restructuring of any Collateral Asset, and (iv) any extraordinary costs and expenses incurred by the Collateral Manager in the performance of its obligations under this Agreement. To the extent that such expenses are incurred in connection with obligations that are also held by the Collateral Manager, the Collateral Manager shall allocate the expenses among the accounts in a fair and equitable manner. Any amounts payable pursuant to this Section 5 shall be reimbursed by the Company to the extent funds are available therefor.

6. Fees.

(a) The Company shall pay to the Collateral Manager, for services rendered and performance of its obligations under this Agreement fees which are payable in arrears on each Repurchase Date in an amount equal to 0.35% per annum of the aggregate par amount of all Collateral Assets measured as of each Repurchase Date (the "Management Fee"). The Management Fee will be calculated on the basis of a calendar year consisting of 360 days and the actual number of days elapsed.

(b) The Collateral Manager may, in its sole discretion, (i) waive all or any portion of the Management Fee or (ii) defer all or any portion of the Management Fee. Such deferred amounts will become payable on the next Repurchase Date in the same manner and priority as their original characterization would have required unless deferred again.

(c) If this Agreement is terminated pursuant to Section 11 hereof or otherwise, the Management Fee calculated as provided in Section 6(a) hereof shall be prorated for any partial periods between Repurchase Dates during which this Agreement was in effect and shall be due and payable, along with any deferred Management Fee, concurrently with such termination.

(d) The Management Fee will be payable from the Company's assets. If on any Repurchase Date there are insufficient funds to pay the Management Fee then due in full, the amount not so paid shall be deferred without interest and shall be payable on the next Repurchase Date if any on which any funds are available therefor, as provided in the Global Master Repurchase Agreement.

7. Non-Exclusivity.

The services of the Collateral Manager to the Company are not to be deemed exclusive, and the Collateral Manager shall be free to render asset management or management services to other persons (including affiliates, other investment companies, and clients having objectives similar to those of the Company). It is understood and agreed that the officers and directors of the Collateral Manager may engage in any other business activity or render services to any other person or serve as partners, officers or directors of any other firm or corporation. Notwithstanding the foregoing, it is understood and agreed that the Collateral Manager will at no time render any services to, or in any way participate in the organization or operation of, any investment company or other entity if such actions would require the Company to register as an "investment company" under the Investment Company Act. Subject to Section 9 hereof, it is understood and agreed that information or advice received by the Collateral Manager and officers or directors of the Collateral Manager hereunder shall be used by such organization or such persons to the extent permitted by applicable law.

8. Conflicts of Interest.

The Collateral Manager may, subject to applicable legal requirements, direct the Company (i) to acquire (whether by purchase, contribution or otherwise) any Collateral Assets for the Company from the Collateral Manager or any of its affiliates as principal or (ii) to sell or distribute any Collateral Assets for the Company to the Collateral Manager or any of its affiliates as principal.

Notwithstanding the provisions of the preceding paragraph, various potential and actual conflicts of interest may arise from the overall investment activity of the Collateral Manager and its affiliates. The Collateral Manager, its affiliates and their respective clients may invest in obligations that would be appropriate for inclusion in the Company's assets. Such investments may be different from those made on behalf of the Company. The Collateral Manager and its affiliates may have ongoing relationships with Obligors and may own equity or Collateral Assets issued by Obligors. The Collateral Manager and its affiliates and the clients of the Collateral Manager or its affiliates may invest in obligations that are senior to, or have interests different from or adverse to, the Collateral Assets of the Company. The Collateral Manager may serve as Collateral Manager for, invest in, or be affiliated with, other entities organized to issue collateralized Collateral Assets secured by loans, high-yield debt securities, or other Collateral Assets. The Collateral Manager may at certain times be simultaneously seeking to purchase or sell investments for other entities for which it serves as Collateral Manager, or for its clients and affiliates, and selecting such investments as Collateral Assets for the Company. Furthermore, the Collateral Manager and/or its affiliates may make an investment on their behalf or on behalf of any account that they manage or advise without offering the investment opportunity to the Company or making an investment on behalf of the Company.

The Company hereby acknowledges the various potential and actual conflicts of interest that may exist with respect to the Collateral Manager; *provided* that nothing in this Section 8 shall be construed as altering the duties of the Collateral Manager as set forth in this Agreement or the requirements of any law, rule, or regulation applicable to the Collateral Manager.

9. Records; Confidentiality.

The Collateral Manager shall maintain appropriate books of account and records relating to services performed hereunder, and such books of account and records shall be accessible for inspection by a representative of the Company, the Counterparty, and independent accountants appointed by the Company at a mutually agreed time during normal business hours and upon not less than three (3) Business Days' prior notice.

At no time will the Collateral Manager make a public announcement concerning the Global Master Repurchase Agreement, the Collateral Manager's role hereunder or any other aspect of the transactions contemplated by this Agreement and the Global Master Repurchase Agreement absent the written consent of the Company.

The Collateral Manager shall, and shall cause its affiliates to, keep confidential any and all information obtained in connection with the services rendered hereunder and shall not disclose any such information to non-affiliated third parties except (i) with the prior written consent of the Company, (ii) as required by law, regulation, court order or the rules or regulations of any self regulating organization, body or official having jurisdiction over the Collateral Manager, (iii) to its professional advisers, (iv) such information as shall have been publicly disclosed other than in violation of this Agreement, (v) the identification of the

Company as a client of the Collateral Manager, (vi) information related to the performance of the Collateral Manager, (vii) information furnished in connection with any successor collateral manager or assignee, or any agent that has been assigned duties in accordance with this Agreement, or (viii) such information that was or is obtained by the Collateral Manager on a non-confidential basis; *provided* that the Collateral Manager does not know or have reason to know, after due inquiry, of any breach by such source of any confidentiality obligations with respect thereto. For purposes of this Section 9, the Counterparty shall in no event be considered a "non-affiliated third party," and the Collateral Manager may disclose any of the aforementioned information to the Counterparty insofar as such information relates to the Company's performance of its obligations under the Global Master Repurchase Agreement.

10. Term.

This Agreement shall become effective on the date hereof and shall continue unless terminated as hereinafter provided.

11. Termination.

(a) This Agreement may be terminated, and the Collateral Manager may be removed, without payment to the Collateral Manager of any penalty, for cause upon prior written notice by the Company; *provided* that such notice may be waived by the Collateral Manager. For this purpose, "cause" will mean the occurrence of any of the following events or circumstances:

(i) the Collateral Manager's breach, in any respect, of any provision of this Agreement and the Collateral Manager's failure to cure such breach within 30 days of its becoming aware of, or receiving notice of, the occurrence of such breach;

(ii) the Collateral Manager's willful breach of any provision of this Agreement;

(iii) the failure of any representation, warranty, certification or statement made or delivered by the Collateral Manager in or pursuant to this Agreement to be correct in any material respect when made, which failure (a) could reasonably be expected to have a material adverse effect on the Company and (b) is not corrected by the Collateral Manager within 30 days of its receipt of notice from the Company of such failure, unless, if such failure is not capable of being cured in 30 days but is curable within 60 days, the Collateral Manager has taken action that the Collateral Manager in good faith believes will remedy, and does in fact remedy, such failure within 60 days after notice of such failure being given to the Collateral Manager;

(iv) the Collateral Manager (1) is dissolved (other than pursuant to a consolidation, amalgamation or merger), (2) files, or consents by answer or otherwise to the filing against it of, a petition for relief or reorganization or arrangement or any other petition in bankruptcy, for liquidation or to take advantage of any bankruptcy, insolvency, reorganization, moratorium or other

similar law of any jurisdiction, (3) becomes insolvent or is unable to pay its debts or fails or admits in writing its inability generally to pay its debts as they become due, (4) makes a general assignment, arrangement or composition with or for the benefit of its creditors, (5) consents to the appointment of a custodian, receiver, trustee or other officer with similar powers with respect to it or with respect to any substantial part of its property or (6) is adjudicated as insolvent or bankrupt, or a petition seeking reorganization, arrangement, adjustment or composition of or in respect of the Collateral Manager, or appointing a receiver, liquidator, assignee, or sequestrator (or other similar official) of the Collateral Manager or of any substantial part of its property, and the continuance of any such decree or order unstayed and in effect for a period of 60 consecutive days; or

(v) the occurrence of an act by the Collateral Manager that constitutes fraud or criminal activity in the performance of its obligations under this Agreement, or the Collateral Manager being indicted for a criminal offense materially related to its business of providing asset management services.

If any such event occurs, the Collateral Manager shall give prompt written notice thereof to the Company and the Counterparty promptly upon the Collateral Manager becoming aware of the occurrence of such event.

(b) The Collateral Manager shall have the right to terminate this Agreement only upon 90 days prior written notice to the Company and the Counterparty, and this Agreement shall terminate automatically in the event of its assignment by the Collateral Manager which is not made in accordance with Sections 13 and 17 of this Agreement.

(c) This Agreement shall be automatically terminated in the event that the Company determines in good faith that the Company or the Company's asset portfolio has become required to be registered under the provisions of the Investment Company Act.

(d) Within 30 days of the resignation or removal of the Collateral Manager, the Company may appoint a successor Collateral Manager upon approval of the Counterparty.

12. Action Upon Termination.

(a) Upon the effective termination of this Agreement, the Collateral Manager shall as soon as practicable deliver to the Company all property and documents of the Company or otherwise relating to the Company's assets then in the custody of the Collateral Manager.

Notwithstanding such termination, the Collateral Manager shall remain liable to the extent set forth herein (but subject to Section 13 hereof) for its acts or omissions hereunder arising prior to termination and for any expenses, losses, damages, liabilities, demands, charges and claims (including reasonable attorney's fees) in respect of or arising out of a breach of the representations and warranties made by the Collateral Manager in Section 4 hereof or from any failure of the Collateral Manager to comply with the provisions of this Section 12.

(b) The Collateral Manager agrees that, notwithstanding any termination, it shall reasonably cooperate in any suit, action or proceeding relating to this Agreement (each, a "Proceeding") arising in connection with this Agreement or any of the Company's assets (excluding any such Proceeding in which claims are asserted against the Collateral Manager or any affiliate of the Collateral Manager) so long as the Collateral Manager shall have been offered reasonable security, indemnity or other provisions against the cost, expenses and liabilities that might be incurred in connection therewith and a reasonable per diem fee.

13. Liability of Collateral Manager; Delegation.

(a) The Collateral Manager assumes no responsibility under this Agreement other than to render the services called for hereunder. The Collateral Manager shall not be responsible for any action of the Company in declining to follow any advice, recommendation or direction of the Collateral Manager. The Collateral Manager shall have no liability to the Counterparty or other creditors of the Company, for any error of judgment, mistake of law, or for any loss arising out of any investment, or for any other act or omission in the performance of its obligations to the Company except for liability to which it would be subject by reason of willful misfeasance, bad faith, gross negligence in performance, or reckless disregard of its obligations hereunder. The Collateral Manager may delegate to an agent selected with reasonable care, which shall include any person that is party to a sub-advisory agreement with the Collateral Manager or any of its affiliates as of the date hereof, any or all duties (other than its asset selection or trade execution duties) assigned to the Collateral Manager hereunder; *provided* that no such delegation by the Collateral Manager of any of its duties hereunder shall relieve the Collateral Manager of any of its duties hereunder nor relieve the Collateral Manager of any liability with respect to the performance of such duties. For the avoidance of doubt, asset selection and trade execution duties shall include the services described in Section 1(a) hereof.

Notwithstanding the above and Section 17, the Collateral Manager shall, upon notice to the Counterparty, be permitted to assign any or all of its rights and delegate any or all of its obligations to an affiliate that (i) will professionally and competently perform duties similar to those imposed upon the Collateral Manager under this Agreement and (ii) is legally qualified and has the capacity to act as the Collateral Manager under this Agreement. The Collateral Manager shall not be liable for any consequential damages hereunder.

(b) The Company shall reimburse, indemnify and hold harmless the Collateral Manager, its directors, officers, agents and employees and any of its affiliates from any and all expenses, losses, damages, liabilities, demands, charges and claims of any nature whatsoever (including reasonable attorneys' fees and expenses), as are incurred in investigating, preparing, pursuing or defending any claim, action, proceeding or investigation with respect to any pending or threatened litigation caused by, or arising out of or in connection with, any acts or omissions of the Collateral Manager, its directors,

officers, stockholders, agents and employees made in good faith and in the performance of the Collateral Manager's duties under this Agreement except to the extent resulting from such person's bad faith, willful misfeasance, gross negligence or reckless disregard of its duties hereunder or thereunder. The Collateral Manager, its directors, officers, stockholders, agents and employees may consult with counsel and accountants with respect to the affairs of the Company and shall be fully protected and justified, to the extent allowed by law, in acting, or failing to act, if such action or failure to act is taken or made in good faith and is in accordance with the advice or opinion of such counsel or accountants. Notwithstanding anything contained herein to the contrary, the obligations of the Company under this Section 13(b) shall be payable from the Company's assets and are subject to the availability of funds.

(c) The Collateral Manager shall reimburse, indemnify and hold harmless the Company, its members, manager, officers, agents and employees from any and all expenses, losses, damages, liabilities, demands, charges and claims of any nature whatsoever (including reasonable attorneys' fees and expenses), as are incurred in investigating, preparing, pursuing or defending any claim, action, proceeding or investigation with respect o any pending or threatened litigation caused by, or arising out of or in connection with, (i) any acts or omissions of the Collateral Manager constituting bad faith, willful misconduct, gross negligence or reckless disregard of its duties under this Agreement and (ii) any breach of the representations and warranties made by the Investment Manger in Section 4 hereof.

14. Obligations of Collateral Manager.

Unless otherwise required by this Agreement or by applicable law, the Collateral Manager shall not intentionally take any action, which it knows or should know would (a) materially adversely affect the Company for purposes of United States federal or state law or any other law known to the Collateral Manager to be applicable to the Company, (b) require registration of the Company or the Company's assets as an "investment company" under the Investment Company Act, (c) not be permitted under the Company's operating agreement or certificate of formation (including, but not limited to, Section 9 of the Company's operating agreement), (d) cause the Company to violate the terms of the Global Master Repurchase Agreement, or (e) subject the Company to federal, state or other income taxation; it being understood that in connection with the foregoing the Collateral Manager will not be required to make any independent investigation of any facts or laws not otherwise known to it in connection with its obligations under this Agreement or the conduct of its business generally. The Collateral Manager covenants that it shall comply in all material respects with all laws and regulations applicable to it in connection with the performance of its duties under this Agreement. Notwithstanding anything in this Agreement, the Collateral Manager shall not take any discretionary action that would reasonably be expected to cause an Event of Default under the Global Master Repurchase Agreement. The Collateral Manager covenants that it shall not fail to correct any known misunderstandings regarding the separate identity of the Company and shall not identify itself as a division or department of the Company.

15. No Partnership or Joint Venture.

The Company and the Collateral Manager are not partners or joint venturers with each other and nothing herein shall be construed to make them such partners or joint venturers or impose any liability as such on either of them. The Collateral Manager's relation to the Company shall be deemed to be that of an independent contractor.

16. Notices.

Any notice under this Agreement shall be in writing and sent by facsimile, confirmed by telephonic communication, or addressed and delivered or mailed postage paid to the other party at such address as such other party may designate for the receipt of such notice. Until further notice to the other party it is agreed that the address of the Company and the address of the Collateral Manager for this purpose shall be:

Company:	Race Street Funding LLC Cira Centre 2929 Arch Street, Suite 675 Philadelphia, Pennsylvania 19104 Attention: Gerald F. Stahlecker Telephone: (215) 495-1169 Facsimile: (215) 222-4649 Electronic Mail: jerry.stahlecker@franklinsquare.com
Collateral Manager:	FS Investment Corporation Cira Centre 2929 Arch Street, Suite 675 Philadelphia, Pennsylvania 19104 Attention: Gerald F. Stahlecker Telephone: (215) 495-1169 Facsimile: (215) 222-4649 Electronic Mail: jerry.stahlecker@franklinsquare.com

17. Succession/Assignment.

This Agreement shall inure to the benefit of and be binding upon the successors to the parties hereto. No assignment of this Agreement by the Collateral Manager (including, without limitation, a change in control or management of the Collateral Manager which would be deemed an "assignment" under the Investment Advisers Act) shall be made without the consent of the Company and the Counterparty.

18. Miscellaneous.

(a) This Agreement shall be governed by and construed in accordance with the laws of the State of New York without regard to conflicts of laws principles. With respect to any Proceeding, each party irrevocably (i) submits to the non-exclusive jurisdiction of the courts of the State of New York and the United States District Court

located in the Borough of Manhattan in New York City and (ii) waives any objection which it may have at any time to the laying of venue of any Proceedings brought in any such court, waives any claim that such Proceedings have been brought in an inconvenient forum and further waives the right to object, with respect to such Proceedings, that such court does not have any jurisdiction over such party. Nothing in this Agreement precludes either party from bringing Proceedings in any other jurisdiction, nor will the bringing of Proceedings in any one or more jurisdictions preclude the bringing of Proceedings in any other jurisdiction.

(b) **THE PARTIES HERETO IRREVOCABLY CONSENT TO THE SERVICE OF ANY AND ALL PROCESS IN ANY ACTION OR PROCEEDING BY THE MAILING OR DELIVERY OF COPIES OF SUCH PROCESS TO EACH SUCH PARTY AT THE ADDRESS SPECIFIED IN SECTION 16 HEREOF. THE PARTIES HERETO AGREE THAT A FINAL JUDGMENT IN ANY SUCH ACTION OR PROCEEDING SHALL BE CONCLUSIVE AND MAY BE ENFORCED IN OTHER JURISDICTIONS BY SUIT ON THE JUDGMENT OR IN ANY OTHER MANNER PROVIDED BY LAW**.

(c) EACH PARTY HERETO HEREBY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY LAW, ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY PROCEEDING ARISING OUT OF OR RELATING TO THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY.

(d) No failure on the part of either party hereto to exercise and no delay in exercising, and no course of dealing with respect to, any right, remedy, power or privilege under this Agreement shall operate as a waiver thereof nor shall any single or partial exercise of any right, remedy, power or privilege under this Agreement preclude any other or further exercise thereof or the exercise of any other right, remedy, power or privilege, nor shall any waiver of any right, remedy, power or privilege with respect to any occurrence be construed as a waiver of such right, remedy, power or privilege with respect to any other occurrence. No waiver shall be effective unless it is in writing and is signed by the party asserted to have granted such waiver.

(e) The captions in this Agreement are included for convenience only and in no way define or limit any of the provisions hereof or otherwise affect their construction or effect.

(f) In the event any provision of this Agreement shall be held invalid or unenforceable, by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provisions hereof.

(g) This Agreement may not be amended or modified or any provision thereof waived except by an instrument in writing signed by the parties hereto.

(h) This Agreement contains the entire understanding and agreement between the parties and supersedes all other prior understandings and agreements, whether written or oral, between the parties concerning this subject matter. The express terms of this Agreement control and supersede any course of performance and/or usage of the trade inconsistent with any of the terms hereof.

(i) This Agreement may be executed in any number of counterparts, each of which so executed shall be deemed an original, but all such counterparts shall together constitute but one and the same instrument. This Agreement shall become binding when one or more counterparts hereof, individually or taken together, shall bear the signatures of all of the parties reflected hereon as the signatories.

(j) Each representation and warranty made or deemed to be made herein or pursuant hereto, and each indemnity provided for hereby, shall survive the execution and delivery and any termination or assignment of this Agreement or resignation or removal of the Collateral Manager.

(k) The Company hereby acknowledges and accepts all actions that were taken by the Collateral Manager and/or recommended to the Company by the Collateral Manager prior to the Closing Date, including all actions and recommendations that were related to the anticipated purchase or receipt of assets by the Company that were otherwise consistent with the services to be provided by the Collateral Manager to the Company pursuant to Section 1 of this Agreement prior to the Closing Date, in each case, as if this Agreement had been in effect at the time that such actions were taken or such recommendations were made.

19. Non-Payment.

The Collateral Manager shall continue to serve as Collateral Manager under this Agreement notwithstanding that the Collateral Manager shall not have received amounts due to it under this Agreement because sufficient funds were not then available hereunder to pay such amounts.

20. No Recourse.

The Collateral Manager hereby acknowledges and agrees that the Company's obligations hereunder will be solely the corporate obligations of the Company, and the Collateral Manager will not have any recourse to any of the directors, managers, officers, employees or holders of the membership interest of Company with respect to any claims, losses, damages, liabilities, indemnities or other obligations in connection with any transactions contemplated hereby. Recourse in respect of any obligations of the Company hereunder will be limited to the Company's assets and, on the exhaustion thereof, all claims against the Company arising from this Agreement or any transactions contemplated hereby shall be extinguished. The provisions of this Section 20 shall survive the termination of this Agreement for any reason whatsoever.

[signature page follows]

IN WITNESS WHEREOF, the parties hereto have caused this COLLATERAL MANAGEMENT AGREEMENT to be executed by their respective authorized representatives on the day and year first above written.

RACE STREET FUNDING LLC

By: /s/ Gerald F. Stahlecker
Name: Gerald F. Stahlecker
Title: Executive Vice President

FS INVESTMENT CORPORATION

By: /s/ Gerald F. Stahlecker
Name: Gerald F. Stahlecker
Title: Executive Vice President

[Signature Page to Race Street Collateral Management Agreement]