EXECUTION COPY

**CONFIRMATION** 662634

DATE: June 22, 2005

TO: Goldman Sachs International

FROM: AIG Financial Products Corp.

SUBJECT: Credit Derivative Transaction; Class A-1 Notes

REF. NUMBER: NUUQ506BO42

The purpose of this letter agreement is to confirm the terms and conditions of the Credit Derivative Transaction entered into on the Trade Date specified below (the "Transaction") between AIG Financial Products Corp. ("AIG-FP") and Goldman Sachs International ("Counterparty"). The time at which this Transaction was entered into is available on request. If you have any questions regarding this Transaction please contact Jake Sun, Counsel, AIG Financial Products Corp. This letter agreement constitutes a "Confirmation" as referred to in the Agreement specified below.

This Confirmation is subject to and incorporates the 2003 ISDA Credit Derivatives Definitions, as supplemented by the May 2003 Supplement to such Definitions (as so supplemented, the "Credit Derivatives Definitions"), as published by the International Swaps and Derivatives Association, Inc. ("ISDA").

This Confirmation supplements, forms part of, and is subject to, the ISDA Master Agreement dated as of August 19, 2003 (including the Schedule and Credit Support Annex thereto), as amended and supplemented from time to time (the "Agreement"), between you and us. Capitalized terms used but not defined in this Confirmation or in the Agreement have the meanings ascribed to them in the Indenture.

The terms of the particular Transaction to which this Confirmation relates are as follows:

1. **General Terms:**

| | |
|---|---|
| Trade Date: | June 22, 2005. |
| Effective Date: | June 22, 2005 |
| Scheduled Termination Date: | (i) July 9, 2040, or (ii) the date on which the Notional Amount has amortized to zero due to repayments of principal on the Reference Obligation, subject, in each case, to the Following Business Day Convention. For the avoidance of doubt, no termination payments shall be due by either party in connection with a termination of this Transaction pursuant to the preceding sentence or the Optional Termination Date. |
| Floating Rate Payer: | AIG-FP (the "Seller"). |

| | |
|---|---|
| Fixed Rate Payer: | Counterparty (the "Buyer"). |
| Calculation Agent: | Buyer and Seller, acting jointly. |
| Calculation Agent City: | New York. |
| Business Day(s): | New York, London and the city in which the Corporate Trust Office (as defined in the Indenture) is located, as notified by Buyer; provided that (i) for the purpose of determining the Physical Settlement Date, such date must also be a Business Day in any jurisdiction on which financial institutions must be open in order to effect Settlement of the Deliverable Obligation being Delivered and (ii) for the purpose of determining Fixed Rate Payer Payment Dates for each Transaction, Business Days shall be New York only. As of the Effective Date, the Corporate Trust Office is located in Chicago, Illinois. |
| Business Day Convention: | Following (which, subject to Section 1.4 and 1.6 of the Credit Derivatives Definitions, shall apply to any date referred to in this Confirmation, that falls on a day that is not a Business Day). |
| Reference Entity: | Coolidge Funding, Ltd. |
| Reference Obligation: | Primary Obligor: Coolidge Funding, Ltd.<br>Class: Class A-1 Notes<br>Maturity: July 9, 2040<br>Coupon: LIBOR (as defined in the Indenture) + 0.30%.<br>CUSIP/ISIN: 216444AA7 / US216444AA79<br><br>Original Issue Amount: USD 274,700,000 |
| Reference Price: | 100% plus accrued interest (expressed as a percentage) |
| All Guarantees: | Not Applicable. |
| Notional Amount: | On any date, the aggregate unpaid principal amount of the Reference Obligation outstanding on such date, after giving effect to any prepayments by the Reference Entity in respect of the Reference Obligation on and prior to such date; provided, that, the Notional Amount shall not exceed USD 274,700,000 (minus any payment of principal) unless agreed in writing by AIG-FP. For the avoidance of doubt, on the Effective Date the Notional Amount is equal to USD 274,700,000. |

2. **Fixed Payments:**

| | |
|---|---|
| Fixed Rate Payer Calculation Amount: | The average of the Notional Amounts outstanding on each day during the related Fixed Rate Payer Calculation Period. |
| Fixed Rate Payer Payment Date: | The 9th day of each January, April, July and October of each year, commencing on October 10, 2005 up to and including the Termination Date, subject to adjustment in accordance with the Following Business Day Convention. |
| Fixed Rate: | 0.10% |
| Fixed Rate Day Count Fraction: | Actual/360 |

3. **Makewhole to Seller:** Upon the termination of the Transaction for any reason, whether on or prior to the Scheduled Termination Date Counterparty shall pay to AIG-FP a single payment representing the minimum aggregate Fixed Amounts for the Transaction (the "Makewhole to Seller") equal to the positive difference if any between (i) the product of (x) the maximum principal balance of the Reference Obligation outstanding as of any date during the period commencing on and including the Effective Date and ending on but excluding the Termination Date, without regard to any amounts paid in respect of principal on the Reference Obligation after the Effective Date (whether as prepayment, redemption or amortization) and (y) 0.30% and (ii) the sum of all amounts paid to AIG-FP as Fixed Payments pursuant to Section 2 of the Transaction. The parties agree that the Makewhole to Seller shall be treated as Unpaid Amounts.

4. **Floating Payments**:

| | |
|---|---|
| Floating Rate Payer Calculation Amount: | As of the Physical Settlement Date, an amount equal to the Notional Amount, on such date. |
| Conditions to Settlement: | Credit Event Notice<br>Notifying Party: Buyer or Seller<br><br>Notice of Physical Settlement<br><br>Notice of Publicly Available Information: Applicable, except as hereinafter provided.<br><br>Public Source(s): As per Section 3.7 of the |

Credit Derivatives Definitions

Specified Number: Two

Notwithstanding anything herein to the contrary, a Trustee Report relating to the Reference Obligation delivered to Seller shall constitute satisfactory notice of the occurrence of a Credit Event. Accordingly, delivery of such a report shall obviate any and all requirements hereunder relating to Publicly Available Information.

Credit Events:

The following Credit Event shall apply to the Transaction:

Failure to Pay; provided, that the occurrence of such a Failure to Pay shall be determined without regard to the effect of any provisions in the Reference Obligation that permit the limitation of due payments or distributions of funds in accordance with the terms of such Reference Obligation or, that provide for the extinguishing or reduction of such payments or distributions.

Grace Period Extension: Not Applicable

Payment Requirement: USD 10,000.

Obligation:

| | |
|---|---|
| Obligation Category: | Reference Obligation only. |
| Obligation Characteristics: | Not Applicable. |
| Excluded Obligations: | Not Applicable. |

5. **Settlement Terms**:

| | |
|---|---|
| Settlement Method: | Physical Settlement |
| Settlement Currency: | USD. |
| Physical Settlement Period: | As per Section 8.6 of the Credit Derivatives Definitions, provided that such period shall not exceed 30 Business Days. |
| Deliverable Obligations: | Include Accrued Interest |
| Deliverable Obligation Category: | Reference Obligations only. |
| Deliverable Obligation Characteristics: | Not Applicable. |

Excluded Deliverable Obligations: Not Applicable.

Amended RO Provisions:

Subject to the last sentence of paragraph (B) under "Optional Termination Date" herein, for purposes hereof, an Amended Reference Obligation will not constitute a Deliverable Obligation under this Transaction, unless (i) holders of at least an amount of Reference Obligations equal to the Notional Amount exercised the action or inaction in a manner consistent with the preference of Seller as notified to Buyer with respect to the required consent, agreement, vote or approval and (ii) Buyer has provided Seller reasonably acceptable evidence in respect thereof. The Seller's failure to provide to Buyer notice of its preference to a proposed action or inaction which may result in a Material Change (as defined in Amended Reference Obligation below) within 5 Business Days of notice by Buyer to Seller of such proposed action or inaction shall render this paragraph void for purposes of such action or inaction and any Amended Reference Obligation resulting from such action or inaction would also constitute a Deliverable Obligation; provided that such notice by Buyer to Seller is deemed effective on any date which is prior to the later of (A) the date which is 6 Business Days prior to the last date available to a holder of the Reference Obligation for exercise of the action or inaction under the terms of the Reference Obligation and (B) one Business Day after the date on which holders of the Reference Obligation received notice of such proposed action or inaction under the terms of the Reference Obligation. For the avoidance of doubt, each notice hereunder will be deemed effective pursuant to Section 12(a) of the Agreement.

"Amended Reference Obligation" shall mean the Reference Obligation following any amendment, or modification of, variation to, or waiver or consent under, the Reference Obligation with the required consent, agreement, vote or approval of the Buyer or its transferee(s) of all or any portion of the Notional Amount of the Reference Obligation (each, a "Reference Holder") pursuant to Section 8.2 of the Indenture (each a "Material Change"), in each case, to the extent such amendment, modification, variation, waiver or consent is approved or otherwise caused to be effected in contravention of the preference of Seller as notified to Buyer.

Partial Cash Settlement of Consent Required Loans: Not Applicable.

Partial Cash Settlement of Assignable Loans: Not Applicable.

Partial Cash Settlement of Participations: Not Applicable.

Escrow: Not Applicable.

6. **Collateral Terms:**

Notwithstanding anything to the contrary in the Credit Support Annex, the definition of "Exposure" for purposes of the Credit Support Annex solely in respect of this Transaction shall be determined in accordance with the following formula:

Exposure = OPB * Max [0, [100% – MV] – T]

Where:

OPB = the outstanding principal balance of the Reference Obligation on the relevant Valuation Date (as defined in the Credit Support Annex).

MV = the market value of the Reference Obligation on the relevant Valuation Date (expressed as a percentage of par) as determined by the Calculation Agent; provided that if the parties acting as joint Calculation Agent cannot agree on the market value, market value will be determined based on the average of mid-market quotations from five dealers chosen by the Calculation Agent disregarding the highest and lowest quotations.

T = the "Threshold Amount Percentage", as set forth in the table below based on the Seller Rating on the relevant Valuation Date.

| | Seller Rating[1] | | | | |
|---|---|---|---|---|---|
| | Aaa/AAA[2] | Aa1/AA+ | Aa2/AA | Aa3/AA- | A1/A+ or below |
| Threshold Amount Percentage | 6% | 4% | 4% | 4% | 0% |

1. The lower of the S&P Rating and the Moody's Rating.
2. The ratings category of Moody's and S&P, respectively.

"Moody's Rating": with respect to Seller, the rating then assigned by Moody's to the long-term unsecured and unsubordinated debt obligations of the Credit Support Provider of Seller.

"S&P Rating": with respect to Seller, the rating then assigned by S&P to the long-term unsecured and unsubordinated debt obligations of the Credit Support Provider of Seller.

7. **Notice and Account Details:**

Contact Details for Notices:

| | | |
|---|---|---|
| Address: | AIG Financial Products Corp.<br>50 Danbury Road<br>Wilton, CT 06897-4444 | |
| Attention: | Chief Financial Officer<br>(with a copy to the General Counsel<br>at the above address) | |
| Facsimile No.: | (203) 222-4780 | Telephone No.: (203) 222-4700 |

Counterparty: Goldman Sachs International
Peterborough Court, 133 Fleet Street
London EC4 2BB
Attention: Credit Derivative Operations
Telephone No.: 212-357-2610
Fax No.: 212-428-9189

with a copy to:

Goldman Sachs & Co.
Legal Dept. (Credit Derivatives)
One New York Plaza
New York, NY 10004
Fax No.: 212-428-3697

(All correspondence to include the GS Reference Number specified on the first page of this Confirmation)

Account Details:

AIG-FP: The Bank of New York, New York
CHIPS ABA 001
ABA#: 021000018
SWIFT IRVTUS3N
A/C: AIG Financial Products
A/C #: 8900416084
UID 298453

Counterparty: Goldman Sachs International
Name of Bank: Citibank. N.A. New York
Account No:40616408
Fed ABA No.021000089

AIGFP Settlements:

Carmine Paradiso/Joanne Dulka
Wilton, Connecticut
Tel: 203-221-4805
Fax: 203-222-4780

Counterparty Settlements: Inquiries regarding payments and/or rate resetting only:

Goldman Sachs International
Peterborough Court, 133 Fleet Street
London EC4 2BB
Attention: Credit Derivative Operations
Telephone No.: 212-357-2610
Fax No.: 212-428-9189

8. **Additional Provisions:**

| | |
|---|---|
| Governing Law: | New York. |
| Termination Currency: | USD |
| Documentation: | The Agreement. |
| Credit Support Documents: | The Guarantee of the Credit Support Provider of AIG-FP. |
| Additional Representations: | Each of the parties hereto represents and warrants to the other that (i) it is acting for its own account, and it has made its own independent decisions to enter into this Transaction and as to whether this Transaction is appropriate or proper for it based upon its own judgment and upon advice from such advisers as it has deemed necessary, (ii) it is not relying on any communication (written or oral) of the other party as investment advice or as a recommendation to enter into this Transaction, it being understood that information and explanations related to the terms and conditions of this Transaction shall not be considered investment advice or a recommendation to enter into this Transaction, (iii) no communication (written or oral) received from the other party shall be deemed to be an assurance or guarantee as to the expected results of this Transaction, (iv) it is capable of assessing the merits of and understanding (on its own behalf or through independent professional advice), and understands and accepts the terms, conditions and risks of the Transaction and it is also capable of assuming, and assumes, the risks of this Transaction, and (v) the other party is not acting as a fiduciary for, or an adviser to, it in respect of this Transaction.<br><br>Seller acknowledges and agrees that (i) Buyer does not make or will not make any representation, recommendation or warranty, express or implied, regarding the accuracy, adequacy, reasonableness or completeness of the information provided by Buyer to Seller hereunder with respect to the Reference Obligation and in any further information, notice or other document relating to the Reference Obligation which may at any time be supplied in connection with this Transaction and accepts no responsibility or liability therefor and (ii) any and all information provided by Buyer to Seller hereunder with respect to the Reference Obligation is not being furnished by Buyer in the capacity of an underwriter or dealer of the Reference Obligation and Buyer accepts no responsibility or liability therefor. |

Optional Termination Date: The earlier to occur of (A) or (B):

(A) Any date falling on or after the occurrence of an Adverse RO Event and irrevocably designated by Seller to Buyer by not less than 10 Business Days' prior written notice (which may be by facsimile) as an Optional Termination Date. On or after an Optional Termination Date designated pursuant to this clause (A), Seller and Buyer shall have no further payment or delivery obligations in respect of this Transaction (under Section 6(e) of the Agreement or otherwise) other than in respect of the Makewhole to Buyer payable by Seller to Buyer.

(B) Any date which is (i) after the date on which an Amended Reference Obligation no longer constitutes a Deliverable Obligation pursuant to the Amended RO Provisions set forth in Deliverable Obligations above (such date, an "Amended RO Date"), and (ii) prior to the date which is 15 Business Days after such Amended RO Date and (iii) irrevocably designated by Seller to Buyer by not less than 2 Business Days' prior written notice (which may be by facsimile) as an Optional Termination Date. On or after an Optional Termination Date designated pursuant to this clause (B), Seller and Buyer shall have no further payment or delivery obligations in respect of this Transaction (under Section 6(e) of the Agreement or otherwise). To the extent the Seller has the right to designate an Optional Termination Date pursuant to this clause (B) but does not exercise such right prior to the date which is 15 Business Days after the relevant Amended RO Date, the Amended Reference Obligation related to such Amended RO Date shall no longer be deemed to be an Amended Reference Obligation and shall thereon constitute a Reference Obligation which is a Deliverable Obligation.

"Adverse RO Event" means that notwithstanding Reference Holders exercising the action or inaction in a manner consistent with the preferences of Seller as notified to Buyer with respect to any required consent, agreement, vote or approval of the Reference Holder (such action or inaction as agreed by Seller, the "Seller Response"), the action or inaction actually taken by the Trustee (as defined in the Offering Circular with respect to the Reference Obligation) acting pursuant to the terms of the indenture thereof is inconsistent with the Seller Response.

Makewhole to Buyer: On the Optional Termination Date, Seller shall pay to

Buyer an amount (the "Makewhole to Buyer") equal to the sum of the Reference Obligation Payment and the Present Value Payment.

"Reference Obligation Payment" means an amount (which may be a positive or negative number) equal to the Notional Amount minus the market value of Reference Obligations having a principal amount equal to the Notional Amount, as reasonably determined by the Buyer; to the extent Seller disputes Buyer's determination then such market value will be determined by Buyer using the highest firm bid price procured by Buyer through an auction of three dealers of the Reference Obligation or two dealers if three are not available. If only one dealer is available, the firm bid price of such dealer shall be used. If no dealer is available, the market value of the Reference Obligations shall be deemed to be zero.

"Present Value Payment" means an amount equal to the present value, reasonably determined by Buyer as of the Optional Termination Date, of 20 basis points payable on the Notional Amount on each Fixed Rate Payer Payment Date (the "Calculation Amount") occurring after the Optional Termination Date (for the avoidance of doubt, assuming the Termination Date would occur on the Payment Date in July 2015), such Notional Amount for the purpose of such calculation equal to (x) the applicable amortization percentage for such Optional Termination Date set forth in the amortization schedule attached as Annex A multiplied by (y) the outstanding principal amount of the Reference Obligations, and discounting each such Calculation Amount from the corresponding Fixed Rate Payer Payment Date to the Optional Termination Date at a rate equal to LIBOR plus zero spread.

Please confirm that the foregoing correctly sets forth the terms of our agreement with respect to the Transactions by signing in the space provided below and returning a copy of the executed Confirmation to us by facsimile transmission on 203-222-4780, Attention: Carmine Paradiso or Joanne Dulka; telephone: 203-221-4805.

It has been a pleasure working with you on this Transaction, and we look forward to working with you again in the future.

Yours sincerely,
AIG FINANCIAL PRODUCTS CORP.

By:_____
Name: Alan Frost
Title: Managing Director

Agreed and Accepted:
GOLDMAN SACHS INTERNATIONAL

By:_____
Name:
Title:

Please confirm that the foregoing correctly sets forth the terms of our agreement with respect to the Transactions by signing in the space provided below and returning a copy of the executed Confirmation to us by facsimile transmission on 203-222-4780, Attention: Carmine Paradiso or Joanne Dulka; telephone: 203-221-4805.

It has been a pleasure working with you on this Transaction, and we look forward to working with you again in the future.

Yours sincerely,
AIG FINANCIAL PRODUCTS CORP.

By:_____
Name:
Title:

Agreed and Accepted:
GOLDMAN SACHS INTERNATIONAL

By: Bill Spec
Name:
Title:

[Coolidge CDS Confirmation]

NYLIB5 839430.6

## Annex A

| Period Commencing | Applicable Amortization Percentage |
|---|---|
| June 22, 2005 | 100.00% |
| October 9, 2005 | 99.36% |
| January 9, 2006 | 98.72% |
| April 9, 2006 | 98.10% |
| July 9, 2006 | 97.51% |
| October 9, 2006 | 96.55% |
| January 9, 2007 | 95.15% |
| April 9, 2007 | 94.16% |
| July 9, 2007 | 92.85% |
| October 9, 2007 | 89.55% |
| January 9, 2008 | 82.70% |
| April 9, 2008 | 78.01% |
| July 9, 2008 | 74.20% |
| October 9, 2008 | 71.28% |
| January 9, 2009 | 68.59% |
| April 9, 2009 | 65.43% |
| July 9, 2009 | 63.11% |
| October 9, 2009 | 60.96% |
| January 9, 2010 | 57.75% |
| April 9, 2010 | 55.92% |
| July 9, 2010 | 53.68% |
| October 9, 2010 | 52.06% |
| January 9, 2011 | 49.44% |
| April 9, 2011 | 44.33% |
| July 9, 2011 | 42.40% |
| October 9, 2011 | 40.54% |
| January 9, 2012 | 38.85% |
| April 9, 2012 | 37.32% |
| July 9, 2012 | 35.93% |
| October 9, 2012 | 34.51% |
| January 9, 2013 | 32.94% |
| April 9, 2013 | 29.83% |
| July 9, 2013 | 27.64% |
| October 9, 2013 | 23.42% |
| January 9, 2014 | 18.49% |
| April 9, 2014 | 14.66% |
| July 9, 2014 | 12.52% |
| October 9, 2014 | 4.37% |
| January 9, 2015 | 1.47% |
| April 9, 2015 | 0.00% |
| July 9, 2015 and thereafter | 0.00% |

**Execution Copy**

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COOLIDGE FUNDING, LTD.
Issuer

AND

COOLIDGE FUNDING (DELAWARE) CORP.
Co-Issuer

AND

LASALLE BANK NATIONAL ASSOCIATION
Trustee and Securities Intermediary

# INDENTURE

Dated as of June 22, 2005

COLLATERALIZED DEBT OBLIGATIONS

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INDENTURE, dated as of June 22, 2005, among COOLIDGE FUNDING, LTD., an exempted company incorporated with limited liability under the laws of the Cayman Islands (the "Issuer"), COOLIDGE FUNDING (DELAWARE) CORP., a corporation organized and existing under the laws of the State of Delaware (the "Co-Issuer" and together with the Issuer, the "Co-Issuers" or the "Issuers"), and LASALLE BANK NATIONAL ASSOCIATION, a national banking association, as trustee (herein, together with its permitted successors in the trusts hereunder, called the "Trustee") and as Securities Intermediary.

## PRELIMINARY STATEMENT

The Co-Issuers are duly authorized to execute and deliver this Indenture to provide for the Notes issuable as provided in this Indenture. The Co-Issuers will issue the Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes hereunder and the Issuer will issue the Class E Notes hereunder. All covenants and agreements made by the Co-Issuers herein are for the benefit and security of the Secured Parties. The Co-Issuers are 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 Co-Issuers in accordance with the agreement's terms have been done.

## GRANTING CLAUSES

The Issuer hereby Grants to the Trustee, for the benefit and security of the Secured Parties (subject to any limitations indicated below as to any Secured Party), all of its right, title and interest, whether now owned or hereafter acquired, in, to and under the following: (a) the Collateral Assets (listed in Schedule A to this Indenture) and all payments thereon or with respect thereto and all Collateral Assets which may be delivered to the Trustee in the future and all payments thereon or with respect thereto, (b) the Collateral Account and all investment property, money, instruments, and other property credited to or carried in such account including, without limitation, the Eligible Investments, (c) the Payment Account and all investment property, money, instruments and other property credited to or carried in such account including, without limitation, the Eligible Investments, (d) the Collection Account and all investment property, money, instruments and other property credited to or carried in such account including, without limitation, the Eligible Investments, (e) the Issuer's rights, remedies, powers, privileges and claims under or with respect to any Hedge Agreements (including any collateral pledged for the benefit of the Issuer thereunder) as set forth in Article 16 hereof and the Hedge Termination Receipts Account and the Hedge Replacement Account (subject to the rights of the Hedge Counterparty) and the Hedge Collateral Account and all investment property, money, instruments and other property credited to or carried in such accounts including, without limitation, the Eligible Investments, (f) the Expense Reserve Account and all money, instruments, investment property and other property credited to or carried in such account including, without limitation, the Eligible Investments, (g) the Default Swap Collateral Account (subject to the rights of the Synthetic Security Counterparties) and all money, instruments, investment property and other property credited to or carried in such account including, without limitation, the Eligible Investments, (h) the Synthetic Security Collateral Account and all money, instruments, investment property and other property credited to or carried in such account

"Internal Rate of Return": With respect to the Preferred Shares and each Payment Date, the rate of return that would result in a net present value of zero, assuming (i) an aggregate purchase price of U.S.$1,000 for each Preferred Share as the initial negative cash flow on the Closing Date and all deposits to the Preferred Share Payment Account in respect of payments to the Preferred Shares on such Payment Date and each preceding Payment Date as positive cash flows, (ii) the initial date of the calculation is the Closing Date and (iii) the number of days to each subsequent Payment Date from the Closing Date being calculated on a corporate bond equivalent basis.

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

"Investor Representation Letter": A certificate delivered by a prospective transferee of a Note in the form of Exhibit H hereto.

"Issuer": Coolidge Funding, Ltd., a company incorporated under the laws of the Cayman Islands, 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 Administrator": Maples Finance Limited, a licensed trust company incorporated in the Cayman Islands.

"Issuer Order" and "Issuer Request": A written order or request (which may be in the form of a standing order or request) dated and signed in the name of the Issuer by an Authorized Officer of the Issuer or the Co-Issuer, or by an Authorized Officer of the Surveillance Agent where permitted pursuant to the Surveillance Agent Agreement, as the context may require or permit.

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

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

"Liquidation Proceeds": With respect to any Optional Redemption, Tax Redemption or the Final Payment Date, including, without duplication, (i) all Sale Proceeds from Collateral Assets sold in connection with such redemption, (ii) the aggregate amount received by the Issuer net of any amount required to be paid by the Issuer on or prior to the Business Day immediately preceding the relevant Payment Date from the termination of any Hedge Agreement in connection with such redemption, and (iii) cash and Eligible Investments on deposit in the Accounts, to the extent available therefor, including any amounts designated by the Surveillance Agent as retained for reinvestment in Eligible Investments (and also including any payments received under any Hedge Agreements on or prior to the day preceding such Payment Date, but only to the extent that such payments are required to be paid as a result of an Optional Redemption or Tax Redemption), in each case as determined by the Surveillance Agent.

"Listing and Paying Agent": For so long as any Class of Notes or the Preferred Shares are listed on any stock exchange and the rules of such stock exchange so require, a listing agent and paying agent appointed by the Issuer and complying with any such requirements.

SCHEDULE B

## LIBOR FORMULA

The London interbank offered rate ("LIBOR") shall be determined by the Calculation Agent in accordance with the following provisions:

(i) On the second Business Day prior to the commencement of an Interest Accrual Period (each such day, a "LIBOR Determination Date"), LIBOR shall equal the rate, as obtained by the Note Calculation Agent, for Eurodollar deposits for the three month period (or, in the case of the first Interest Accrual Period, the interpolated rate for the three month and four month period) which appears on Bridge Telerate Page 3750 (as Telerate is defined in the International Swaps and Derivatives Association, Inc. Annex to the 2000 ISDA Definitions (June 2000 version)), or such page as may replace Bridge Telerate Page 3750, as of 11:00 a.m. (London time) on such LIBOR Determination Date.

(ii) If, on any LIBOR Determination Date, such rate does not appear on Bridge Telerate Page 3750, or such page as may replace Bridge Telerate Page 3750, the Note Calculation Agent shall determine the arithmetic mean of the offered quotations of the Reference Banks to leading banks in the London interbank market for Eurodollar deposits for the three month period (or, in the case of the First Interest Accrual Period, the interpolated rate for the three month and four month period) in an amount determined by the Note Calculation Agent by reference to requests for quotations as of approximately 11:00 a.m. (London time) on the LIBOR Determination Date made by the Note Calculation Agent to the Reference Banks. If, on any LIBOR Determination Date, at least two of the Reference Banks provide such quotations, LIBOR shall equal such arithmetic mean of such quotations. If, on any LIBOR Determination Date, only one or none of the Reference Banks provide such quotations, LIBOR shall be deemed to be the arithmetic mean of the offered quotations that leading banks in the City of New York selected by the Note Calculation Agent (after consultation with the Issuer or the Surveillance Agent on behalf of the Issuer) are quoting on the relevant LIBOR Determination Date for Eurodollar deposits for the applicable period in an amount determined by the Note Calculation Agent (after consultation with the Issuer or the Surveillance Agent on behalf of the Issuer) by reference to the principal London offices of leading banks in the London interbank market; provided, however, that if the Note Calculation Agent is required but is unable to determine a rate in accordance with at least one of the procedures provided above, LIBOR shall be LIBOR as determined on the most recent date LIBOR was available. As used herein, "Reference Banks" means four major banks in the London interbank market selected by the Note Calculation Agent (after consultation with the Issuer or the Surveillance Agent on behalf of the Issuer).