

UNITED STATES DEPARTMENT OF THE TREASURY

July 13, 2012

RLJ Western Asset Management, LLC  
3 Bethesda Metro  
Suite 1000  
Bethesda, Maryland 20814

RLJ Western Asset Public/Private Master Fund, L.P.  
c/o RLJ Western Asset Management, LLC  
3 Bethesda Metro  
Suite 1000  
Bethesda, Maryland 20814

Western Asset Management Company  
385 E. Colorado Blvd.  
Pasadena, CA 91101

**Amendment Agreement**

Ladies and Gentlemen:

Reference is made to (i) the Amended and Restated Limited Partnership Agreement of RLJ Western Asset Public/Private Master Fund, L.P., dated as of November 5, 2009 (as the same may be amended, modified or supplemented from time to time, the "Partnership Agreement"), and (ii) the Loan Agreement, dated as of November 5, 2009, by and among RLJ Western Asset Public/Private Master Fund, L.P., as Borrower, The Bank of New York Mellon, as Administrative Agent and Collateral Agent, and The United States Department of the Treasury ("UST"), as Lender (as the same may be amended, modified or supplemented from time to time, the "Loan Agreement"). The parties hereto wish to enter into this Amendment Agreement (this "Agreement") to amend certain provisions of the Partnership Agreement and the Loan Agreement. Capitalized terms used but not defined herein have the meanings set forth in the Partnership Agreement or the Loan Agreement, as applicable.

On June 15, 2012, RLJ Western Asset Management, LLC (the "General Partner") provided written notice to UST and the Office of The Special Inspector General for the Troubled Asset Relief Program that a Key Person Event occurred on June 15, 2012 (such Key Person Event being referred to herein as the "June 15 KPE"). The parties acknowledge that the June 15 KPE is a Default and becomes an Event of Default under Section 8.01(l) of the Loan Agreement if the June 15 KPE is not resolved in a manner satisfactory to the Lender within thirty (30) days or such longer period as the Lender in its sole discretion may permit.

Notwithstanding anything to the contrary in the Partnership Agreement or in the Loan Agreement, the parties hereto agree as follows:

1. Representations and Warranties. Except for the June 15 KPE and other regulatory inquiries that have been disclosed to UST in writing, the General Partner hereby represents and warrants to UST that (i) each of the representations and warranties of the Loan Parties and the General Partner set forth in the Loan Agreement and the other Loan Documents and the Partnership Agreement are true and correct in all material respects on and as of the date hereof, as if made on the date hereof, except for such representations and warranties expressly stated to relate to an earlier date, in which case such representations and warranties are true and correct in all material respects as of such earlier date; provided that any representation and warranty that is qualified by materiality or “Material Adverse Effect” or similar language shall be true and correct in all respects on such respective dates, (ii) no Default or Event of Default has occurred and is continuing, (iii) the Loan Parties are in compliance in all material respects (or, in the case of covenants or other agreements qualified by materiality or material adverse effect, shall be in compliance in all respects) with the covenants and other agreements set forth in the Loan Agreement and the other Loan Documents, and the General Partner is in compliance in all material respects (or, in the case of covenants or other agreements qualified by materiality or material adverse effect, shall be in compliance in all respects) with the covenants and other agreements set forth in the Partnership Agreement, and (iv) there is no action, suit, investigation, litigation or proceeding affecting the Borrower or any of its Subsidiaries pending or, to the knowledge of the Borrower, threatened before any Governmental Authority (A) as to which individually or in the aggregate there is a reasonable likelihood of an adverse decision and that, if adversely determined, could reasonably be expected to have a Material Adverse Effect or (B) which questions the legality, validity or enforceability of any Loan Document or any action to be taken in connection with the transactions contemplated hereby or thereby. The previous disclosure to UST of any regulatory inquiry referred to above shall not have any effect on any representation, warranty or covenant of the General Partner or any Loan Party contained in the Partnership Agreement or the Loan Agreement; nor does such disclosure or this Agreement constitute any waiver of the consequences of any such regulatory inquiry.
2. Resolution of June 15 KPE. Subject to the accuracy of the representations and warranties of the General Partner set forth above, UST hereby confirms that with the execution and delivery of this Agreement, the June 15 KPE has been resolved in a manner satisfactory to it (as Lender) within the time period provided for in Section 8.01(l) of the Loan Agreement and that no Event of Default has occurred solely as a result of the June 15 KPE. Accordingly, any Default arising with respect to Section 8.01(l) of the Loan Agreement that resulted solely from the June 15 KPE has been cured, is waived and is not

continuing. Nothing herein shall be deemed to constitute a waiver of any other term, provision or condition of Loan Agreement or with respect to any other matter or prejudice any right or remedy that UST or any other Person may have or may in the future have under the Loan Agreement or Loan Documents.

3. Definitions of “Key Person” and “Key Person Event”. The definitions of “Key Person” and “Key Person Event” are hereby amended to read in their entirety as set forth in Annex A to this Agreement.
4. Termination of Investment Period and Commitment Period. The parties hereby agree that the Investment Period under the Partnership Agreement and the Commitment Period under the Loan Agreement will terminate effective as of 12:01 AM Eastern Daylight Time on July 15, 2012.
5. Capital Commitments and Additional Partners. Each Limited Partner is hereby released from any future obligation with respect to its Capital Commitment. The General Partner may not admit any additional Limited Partner or permit any existing Partner to increase its Capital Commitment.
6. Disposition of Investments. Following the termination of the Investment Period, the General Partner will cause Western Asset Management Company to begin the process of an orderly disposition of all Investments of the Partnership, which disposition shall occur over time and shall take into account all relevant factors, including applicable market conditions and the goal of maximizing the proceeds upon disposition, and the winding up of the Partnership.
7. No Fault Removal of the General Partner. UST at any time may, effective immediately upon notice to the General Partner, remove RLJ Western Asset Management, LLC as the General Partner of the Partnership (any such removal being considered a “No Fault Vote” as such term is used in the Partnership Agreement) and appoint another Person as general partner or liquidator of the Partnership (which liquidator or general partner, as applicable, shall be approved by UST and a Majority in Interest of the Private Investors).
8. MFN. For the avoidance of doubt, the provisions of Section 11.2 of the Partnership Agreement shall apply with respect to any side letter or other agreement entered into by the General Partner or any of its Affiliates with any Private Vehicle, Feeder Vehicle or Private Investor in connection with any of the matters contemplated herein.

Any breach by the General Partner or the Borrower of this Agreement (or of the Partnership Agreement or the Loan Agreement as hereby amended and supplemented) or the inaccuracy of

any representation and warrant of the General Partner set forth in this Agreement shall constitute an Event of Default under the Loan Agreement if not resolved to the satisfaction of the Lender.

This Agreement constitutes a valid and binding agreement of each party hereto. In the event of any inconsistency between the terms and provisions of this Agreement and the terms and provisions of the Partnership Agreement or the Loan Documents, the terms and provisions of this Agreement shall supersede and control the terms of the Partnership Agreement and the Loan Documents; and the Partnership Agreement and the Loan Agreement are hereby amended as and to the extent provided in this Agreement. Subject to the forgoing, all terms and conditions of the Partnership Agreement and Loan Documents, as amended and supplemented hereby, remain in full force and effect.

This Agreement shall be governed by and construed in accordance with the laws of the State of Delaware (subject to applicable federal law). The parties hereto hereby submit to the nonexclusive jurisdiction of either the federal courts of the State of Delaware, the United States District Court for the Southern District of New York or the U.S. Court of Federal Claims in any action suit or proceeding based on or arising under this Agreement. To the fullest extent permitted by law, the parties hereto hereby waive as a defense that any such action, suit or proceeding brought in such courts has been brought in an inconvenient forum or that the venue thereof may not be appropriate and, furthermore, agree that venue in any such courts for any such action, suit or proceeding is appropriate.

This Agreement may be executed in any number of counterparts, any one of which need not contain the signatures of more than one party, but all of such counterparts together shall constitute one agreement.

*[Remainder of page is intentionally blank.]*

If the foregoing terms and conditions are acceptable to you, please execute and return to us the executed letter.

UNITED STATES DEPARTMENT OF THE TREASURY

By: 

Name: Timothy G. Massad

Title: Assistant Secretary for Financial Stability

ACCEPTED AND AGREED:

RLJ WESTERN ASSET MANAGEMENT, LLC

A large black rectangular redaction box covering the signature and name of the representative for RLJ Western Asset Management, LLC.

WESTERN ASSET MANAGEMENT COMPANY

A large black rectangular redaction box covering the signature and name of the representative for Western Asset Management Company.

RLJ WESTERN ASSET PUBLIC/PRIVATE MASTER FUND, L.P.

A large black rectangular redaction box covering the signature and name of the representative for RLJ Western Asset Public/Private Master Fund, L.P.

ANNEX A

Key Person:



Key Person Event:

