As filed with the Securities and Exchange Commission on February 13, 2007

Securities Act File No. 333-138418

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM N-2

REGISTRATION STATEMENT
UNDER
THE SECURITIES ACT OF 1933

Pre-Effective Amendment No. 4
Post-Effective Amendment No.

Triangle Capital Corporation

(Exact name of registrant as specified in charter)

FORM N-5
REGISTRATION STATEMENT OF SMALL BUSINESS INVESTMENT COMPANY

UNDER
THE SECURITIES ACT OF 1933
AND
THE INVESTMENT COMPANY ACT OF 1940

Amendment No. 2

Triangle Mezzanine Fund LLLP

(Exact Name of Registrant as Specified in Charter)

3600 Glenwood Avenue, Suite 104
Raleigh, NC 27612
(919) 719-4770
(Address and telephone number, including area code, of principal executive offices)

Garland S. Tucker III
President and Chief Executive Officer
3600 Glenwood Avenue, Suite 104
Raleigh, NC 27612
(Name and address of agent for service)

COPIES TO:

John A. Good, Esq.
Bass, Berry & Sims PLC
100 Peabody Place, Suite 900
Memphis, Tennessee 38103-3672
Tel: (901) 543-5901
Fax: (888) 543-4644

Robert H. Rosenblum, Esq.
Kirkpatrick & Lockhart Preston Gates Ellis LLP
1601 K Street NW
Washington, D.C. 20006
Tel: (202) 778-9464
Fax: (202) 778-9100

Approximate date of proposed public offering: As soon as practicable after the effective date of this Registration Statement.

If any securities being registered on this form will be offered on a delayed or continuous basis in reliance on Rule 415 under the Securities Act of 1933, other than securities offered in connection with a dividend reinvestment plan, check the following box. ☐

It is proposed that this filing will become effective (check appropriate box):

☐ when declared effective pursuant to section 8(c).

CALCULATION OF REGISTRATION FEE

Title of Securities Being Registered	Proposed Maximum Aggregate Offering Price (1)	Amount of Registration Fee
Common Stock, $0.001 par value per share of Triangle Capital Corporation	$60,375,000	$6,152.50 (3)
Partnership interests of Triangle Mezzanine Fund LLLP (2)		

(1) Estimated pursuant to Rule 457 solely for the purpose if determining the registration fee.

(2) Pursuant to Rule 140 under the Securities Act of 1933, Triangle Capital Corporation is deemed to be an issuer of the partnership interests for consideration equal to the proposed maximum aggregate offering price of its common stock sold in this offering. No additional offering price will result from such deemed issuance; accordingly no additional registration fee is owed on account of this deemed offering.

(3) Previously paid.

The Registrant hereby amends this Registration Statement on such date or dates as may be necessary to delay its effective date until the Registrant shall file a further amendment which specifically states that this Registration Statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act of 1933 or until the Registration Statement shall become effective on such date as the Securities and Exchange Commission, acting pursuant to said Section 8(a), may determine.

PART C

Other Information

Item 25 Financial Statements And Exhibits

(1) *Financial Statements*

The following financial statements of Triangle Mezzanine Fund LLLP are included in Part A of this Registration Statement:

(2) *Exhibits*

(a)(1)	Articles of Incorporation of the Registrant*
(a)(2)	Articles of Amendment to the Registrant's Articles of Incorporation*
(a)(3)	Form of Articles of Amendment and Restatement of the Registrant*
(a)(4)	Certificate of Limited Partnership of Triangle Mezzanine Fund LLLP
(b)	Amended and Restated Bylaws of the Registrant*
(c)	Not Applicable
(d)	Form of Common Stock Certificate*
(e)	Form of Dividend Reinvestment Plan*
(f)	Not Applicable
(g)	Not Applicable
(h)	Form of Underwriting Agreement**
(i)	Equity Incentive Plan
(j)	Form of Custodian Agreement
(k)(1)	Form of Stock Transfer Agency Agreement
(k)(2)	Form of Employment Agreement between the Registrant and Garland S. Tucker, III*
(k)(3)	Form of Employment Agreement between the Registrant and Brent P.W. Burgess*
(k)(4)	Form of Employment Agreement between the Registrant and Steven C. Lilly*
(k)(5)	Form of Employment Agreement between the Registrant and Tarlton H. Long*
(k)(6)	Form of Employment Agreement between the Registrant and David F. Parker*
(k)(7)	Agreement and Plan of Merger, dated as of November 2, 2006, by and among Triangle Capital Corporation, New Triangle GP, LLC, and Triangle Mezzanine LLC*
(k)(8)	Agreement and Plan of Merger, dated as of November 2, 2006, by and among Triangle Capital Corporation, TCC Merger Sub, LLC and Triangle Mezzanine Fund LLLP*
(k)(9)	Amended and Restated Agreement of Limited Partnership of Triangle Mezzanine Fund LLLP
(l)(1)	Opinion and Consent of Counsel*

(l)(2)	Opinion and Consent of Counsel for Triangle Mezzanine Fund LLLP
(m)	Not Applicable
(n)(1)	Consent of Ernst & Young LLP, the independent registered public accounting firm for Registrant*
(n)(2)	Report of Ernst & Young LLP regarding the senior security table contained herein*
(n)(3)	Letter from the SBA approving Triangle Mezzanine Fund LLLP's application to operate as an SBIC
(o)	Not Applicable
(p)	Subscription and Investment Letter Agreement between the Registrant and Garland S. Tucker III*
(q)	Not Applicable
(r)	Code of Ethics*

* Previously filed

** To be filed by amendment.

Item 26. Marketing Arrangements

The information contained under the heading "Underwriting" in this Registration Statement is incorporated herein by reference.

Item 27. Other Expenses Of Issuance And Distribution

SEC registration fee	$	6,460
Nasdaq Global Market listing fee	$	5,000
NASD filing fee	$	6,250
Accounting fees and expenses	$	500,000(1)
Legal fees and expenses	$	800,000(1)
Printing and engraving	$	175,000(1)
Miscellaneous fees and expenses	$	7,290(1)
Total	$	1,500,000(1)

(1) These amounts are estimates.

All of the expenses set forth above shall be borne by the Registrant.

Item 28. Persons Controlled By Or Under Common Control

Triangle Mezzanine Fund LLLP, a North Carolina limited liability limited partnership, is controlled by its general partner, Triangle Mezzanine LLC, a North Carolina limited liability company, which is controlled by our executive officers and interested directors. Prior to this offering, Triangle Capital Partners, LLC, a North Carolina limited liability company, has acted as Triangle Mezzanine Fund LLLP's registered investment adviser and is controlled by certain members of our senior management team. As of December 31, 2006, Garland S. Tucker III, our Chairman, Chief Executive Officer and President owned 100 shares of common stock of the Registrant, representing 100% of the common stock outstanding.

Item 29. Number Of Holders Of Securities

The following table sets forth the number of record holders of the Registrant's capital stock at December 31, 2006.

Title of Class	Number of Record Holders
Common stock, $0.001 par value	1

Item 30. Indemnification

Maryland law permits a Maryland corporation to include in its articles of incorporation a provision limiting the liability of its directors and officers to the corporation and its stockholders for money damages except for liability resulting from (a) actual receipt of an improper benefit or profit in money, property or services or (b) active and deliberate dishonesty established by a final judgment as being material to the cause of action. Our articles of incorporation contain such a provision that eliminates directors' and officers' liability to the maximum extent permitted by Maryland law, subject to the requirements of the 1940 Act.

Our articles of incorporation authorize us, to the maximum extent permitted by Maryland law and subject to the requirements of the 1940 Act, to indemnify any present or former director or officer or any individual who, while a director or officer and at our request, serves or has served another corporation, real estate investment trust, partnership, joint venture, trust, employee benefit plan or other enterprise as a director, officer, partner or trustee, from and against any claim or liability to which such person may become subject or which such person may incur by reason of his or her service in any such capacity.

Our bylaws obligate us, to the maximum extent permitted by Maryland law and subject to the requirements of the 1940 Act, to indemnify any present or former director or officer or any individual who, while a director or officer and at our request, serves or has served another corporation, real estate investment trust, partnership, joint venture, trust, employee benefit plan or other enterprise as a director, officer, partner or trustee and who is made, or threatened to be made, a party to the proceeding by reason of his or her service in any such capacity from and against any claim or liability to which that person may become subject or which that person may incur by reason of his or her service in any such capacity. Our bylaws also provide that, to the maximum extent permitted by Maryland law, with the approval of our board of directors and provided that certain conditions described in our bylaws are met, we may pay certain expenses incurred by any such indemnified person in advance of the final disposition of a proceeding upon receipt of an undertaking by or on behalf of such indemnified person to repay amounts we have so paid if it is ultimately determined that indemnification of such expenses is not authorized under our bylaws.

Maryland law requires a corporation (unless its articles of incorporation provide otherwise, which our articles of incorporation do not) to indemnify a director or officer who has been successful in the defense of any proceeding to which he or she is made, or threatened to be made, a party by reason of his or her service in that capacity. Maryland law permits a corporation to indemnify its present and former directors and officers, among others, against judgments, penalties, fines, settlements and reasonable expenses actually incurred by them in connection with any proceeding to which they may be made, or threatened to be made, a party by reason of their service in those or other capacities unless it is established that (a) the act or omission of the director or officer was material to the matter giving rise to the proceeding and (1) was committed in bad faith or (2) was the result of active and deliberate dishonesty, (b) the director or officer actually received an improper personal benefit in money, property or services or (c) in the case of any criminal proceeding, the director or officer had reasonable cause to believe that the act or omission was unlawful. However, under Maryland law, a Maryland corporation may not indemnify for an adverse judgment in a suit by or in the right of the corporation or for a judgment of liability on the basis that a personal benefit was improperly received, unless in either case a court orders indemnification, and then only for expenses. In addition, Maryland law permits a corporation to advance reasonable expenses to a director or officer upon the corporation's receipt of (a) a written affirmation by the director or officer of his or her good faith belief that he or she has met the standard of conduct necessary for indemnification by the corporation and (b) a written undertaking by him or her or on his or her behalf to repay the amount paid or reimbursed by the corporation if it is ultimately determined that the standard of conduct was not met.

As of the date of the completion of this offering, the Registrant will have obtained primary and excess insurance policies insuring our directors and officers against some liabilities they may incur in their capacity as directors and officers. Under such policies, the insurer, on the Registrant's behalf, may also pay amounts for which the Registrant has granted indemnification to the directors or officers.

The Registrant has agreed to indemnify the several underwriters against specific liabilities, including liabilities under the Securities Act of 1933.

Item 31. Business And Other Connections Of Investment Adviser

Not Applicable

Item 32. Location Of Accounts And Records

All accounts, books and other documents required to be maintained by Section 31(a) of the Investment Company Act of 1940, and the rules thereunder are maintained at the Registrant's offices at 3600 Glenwood Avenue, Suite 104, Raleigh, North Carolina 27612.

Item 33. Management Services

Not Applicable

Item 34. Undertakings

1. We hereby undertake to suspend the offering of shares until the prospectus is amended if subsequent to the effective date of this registration statement, our net asset value declines more than ten percent from our net asset value as of the effective date of this registration statement.

2. We hereby undertake that for the purpose of determining liability of the Registrant under the Securities Act to any purchaser in the initial distribution of securities:

The undersigned Registrant undertakes that in a primary offering of securities of the undersigned Registrant pursuant to this registration statement, regardless of the underwriting method used to sell the securities to the purchaser, if the securities are offered or sold to such purchaser by means of any of the following communications, the undersigned Registrant will be a seller to the purchaser and will be considered to offer or sell such securities to the purchaser:

(a) any preliminary prospectus or prospectus of the undersigned Registrant relating to the offering required to be filed pursuant to Rule 497 under the Securities Act;

(b) the portion of any advertisement pursuant to Rule 482 under the Securities Act relating to the offering containing material information about the undersigned Registrant or its securities provided by or on behalf of the undersigned Registrant; and

(c) any other communication that is an offer in the offering made by the undersigned Registrant to the purchaser.

3. We hereby undertake that:

(a) for the purpose of determining any liability under the Securities Act, the information omitted from the form of prospectus filed as part of this registration statement in reliance upon Rule 430A and contained in a form of prospectus filed by us under Rule 497(h) under the Securities Act shall be deemed to be part of this registration statement as of the time it was declared effective; and

(b) for the purpose of determining any liability under the Securities Act, each post-effective amendment that contains a form of prospectus shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of the securities at that time shall be deemed to be the initial bona fide offering thereof.

4. Subject to the terms and conditions of Section 15(d) of the Securities and Exchange Act of 1934, the undersigned registrant hereby undertakes to file with the Securities and Exchange Commission such supplementary and periodic information, documents and reports as may be prescribed by any rule or regulation of the Commission heretofore or hereafter duly adopted pursuant to authority conferred in that section.

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933 and/or the Investment Company Act of 1940, the Registrant has duly caused this Pre-Effective Amendment No. 4 to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Raleigh, State of North Carolina, on February 13, 2007.

TRIANGLE CAPITAL CORPORATION

/s/ Garland S. Tucker, III
By: Garland S. Tucker, III
President, Chief Executive Officer & Chairman of the Board of Directors

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS, each person whose signature appears below hereby constitutes and appoints Garland S. Tucker, III and Steven C. Lilly his true and lawful attorneys-in-fact and agents, with full power of substitution and resubstitution, for him and in his name, place and stead, in any and all capacities, to sign any and all amendments to this Registration Statement and any registration statement filed pursuant to Rule 462(b) under the Securities Act of 1933, as amended, and to file the same, with the Securities and Exchange Commission, granting unto said attorney-in-fact and agents full power and authority to do and perform each and every act and thing requisite and necessary to be done in and about the premises, as fully to all intents and purposes as he might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents, or their substitute or substitutes, may lawfully do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Act of 1933, this Registration Statement on Form N-2 has been signed below by the following persons in the capacities and on the dates indicated:

Signature	Title	Date
/s/ Garland S. Tucker, III Garland S. Tucker, III	President, Chief Executive Officer and Chairman of the Board (Principal Executive Officer)	February 13, 2007
* Steven C. Lilly	Chief Financial Officer, Treasurer, Secretary and Director (Principal Financial Officer and Principal Accounting Officer)	February 13, 2007
* Brent P. W. Burgess	Chief Investment Officer and Director	February 13, 2007
* W. McComb Dunwoody	Director	February 13, 2007
* Thomas M. Garrott, III	Director	February 13, 2007

Signature	Title	Date
*	Director	February 13, 2007
Benjamin S. Goldstein		
*	Director	February 13, 2007
Simon B. Rich, Jr.		
*	Director	February 13, 2007
Sherwood H. Smith, Jr.		

*By: /s/ Garland S. Tucker, III
Garland S. Tucker, III, Attorney-in-Fact

PART III OF FORM N-5
INFORMATION NOT REQUIRED IN PROSPECTUS

Item 29. Marketing Arrangements.

The information contained under the heading "Underwriting" in this Registration Statement is incorporated herein by reference.

Item 30. Other Expenses of Issuance and Distribution.

Incorporated by reference from Part C, Item 27 of Triangle Capital Corporation's Registration Statement on Form N-2 (No. 333-138418).

Item 31. Relationship with Registrant of Experts Named in Registration Statement.

Not Applicable.

Item 32. Recent Sales of Unregistered Securities.

Not Applicable.

Item 33. Treatment of Proceeds from Stock Being Registered.

Not Applicable.

Item 34. Undertaking.

Subject to the terms and conditions of section 15(d) of the Securities Exchange Act of 1934, the undersigned registrant hereby undertakes to file with the Securities and Exchange Commission such supplementary and periodic information, documents and reports as may be prescribed by any rule or regulation of the Commission heretofore or hereafter duly adopted pursuant to authority conferred in that section.

Item 35. Financial Statements and Exhibits.

(a) Financial Statements

The following financial statements of Triangle Mezzanine Fund LLLP are included in Part I of this Registration Statement:

(b) Exhibits

(1) Certificate of Limited Partnership of Triangle Mezzanine Fund, LLLP (Incorporated by reference to Exhibit (a)(4) of Triangle Capital Corporation's Registration Statement on Form N-2, file no. 333-138418)

(2) Not applicable.

(3) Amended and Restated Agreement of Limited Partnership of Triangle Mezzanine Fund, LLLP (Incorporated by reference to Exhibit (k)(9) of Triangle Capital Corporation's Registration Statement on Form N-2, File No. 333-138418).

(4) Custodian Agreement (Incorporated by reference to Exhibit (j) of Triangle Capital Corporation's Registration Statement on Form N-2, File No. 333-138418).

(5) Not applicable.

(6) Not applicable.

(7) Triangle Capital Corporation Equity Incentive Plan (Incorporated by reference to Exhibit (i)(1) to Triangle Capital Corporation's Registration Statement on Form N-2, File No. 333-138418).

(8) License from the Small Business Administration (Incorporated by reference to Exhibit (n)(3) of Triangle Capital Corporation's Form N-2, File No. 333-138418).

(9) Material Contracts —

(a) Form of Employment Agreement between the Registrant and Garland S. Tucker, III (Incorporated by reference to Exhibit (k)(2) of Registration Statement No. 333-138418).*

(b) Form of Employment Agreement between the Registrant and Brent P.W. Burgess (Incorporated by reference to Exhibit (k)(3) Triangle Capital Corporation's Registration Statement on Form N-2, File No. 333-138418).*

(c) Form of Employment Agreement between the Registrant and Steven C. Lilly (Incorporated by reference to Exhibit (k)(4) of Triangle Capital Corporation's Registration Statement on Form N-2, File No. 333-138418).*

(d) Form of Employment Agreement between the Registrant and Tarlton H. Long (Incorporated by reference to Exhibit (k)(5) of Triangle Capital Corporation's Registration Statement on Form N-2, File No. 333-138418).*

(e) Form of Employment Agreement between the Registrant and David F. Parker (Incorporated by reference to Exhibit (k)(6) of Triangle Capital Corporation's Registration Statement on Form N-2, File No. 333-138418).*

(f) Agreement and Plan of Merger, dated as of November 2, 2006, by and among Triangle Capital Corporation, New Triangle GP, LLC, and Triangle Mezzanine LLC (Incorporated by reference to Exhibit (k)(7) of Triangle Capital Corporation's Registration Statement on Form N-2, File No. 333-138418).*

(g) Agreement and Plan of Merger, dated as of November 2, 2006, by and among Triangle Capital Corporation, TCC Merger Sub, LLC and Triangle Mezzanine Fund LLLP (Incorporated by reference to Exhibit (k)(8) of Triangle Capital Corporation's Registration Statement on Form N-2, File No. 333-138418).*

(10) Underwriting Agreement (Incorporated by reference to Exhibit (h) of Triangle Capital Corporation's Registration Statement on Form N-2, File No. 333-138418).

(11) Opinion of Counsel under the Securities Act. Incorporated by reference to Exhibit (1)(2) of Triangle Capital Corporation's Registration Statement on Form N-2, File No. 333-138418).

(12) Not Applicable.

(13) Code of Ethics (Incorporated by reference to Exhibit (r) of Triangle Capital Corporation's Registration Statement on Form N-2, File No. 333-138418).*

* Previously filed

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933 and/or the Investment Company Act of 1940, the Registrant has duly caused this Amendment No. 2 to this registration statement on Form N-5 to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Raleigh, and the State of North Carolina, on February 13, 2007.

TRIANGLE MEZZANINE FUND LLLP

By: TRIANGLE MEZZANINE LLC, its General Partner

By: /s/ Garland S. Tucker, III
Name: Garland S. Tucker, III
Title: Manager

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS, each person whose signature appears below hereby constitutes and appoints Garland S. Tucker, III and/or Steven C. Lilly his true and lawful attorneys-in-fact and agents, with full power of substitution and resubstitution, for him and in his name, place and stead, in any and all capacities, to sign any and all amendments to this Registration Statement and any registration statement filed pursuant to Rule 462(b) under the Securities Act of 1933, as amended, and to file the same, with the Securities and Exchange Commission, granting unto said attorney-in-fact and agents full power and authority to do and perform each and every act and thing requisite and necessary to be done in and about the premises, as fully to all intents and purposes as he might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents, or their substitute or substitutes, may lawfully do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Act of 1933, this registration statement on Form N-5 has been signed by the following persons in the capacities and on the dates indicated.

Signature	Title	Date
/s/ Garland S. Tucker, III Garland S. Tucker, III	Manager (Principal Executive Officer) of the General Partner	February 13, 2007
/s/ Steven C. Lilly Steven C. Lilly	Manager (Principal Financial Officer and Principal Accounting Officer) of the General Partner	February 13, 2007

Exhibit (a)(4)

CERTIFICATE OF DOMESTIC LIMITED PARTNERSHIP
(INCLUDING APPLICATION FOR REGISTRATION
AS LIMITED LIABILITY LIMITED PARTNERSHIP)

Pursuant to §59-201 and 59-210 of the General Statutes of North Carolina, the undersigned hereby submits this Certificate of Domestic Limited Partnership and applies for registration of the limited partnership as a limited liability limited partnership.

1. Name. The name of the partnership is:

TRIANGLE MEZZANINE FUND LLLP

2. Registered Agent. Name of registered agent: **Garland S. Tucker, III**

3. Registered Office. Address of registered office and place where records referred to in G.S. 59-106 are kept:

Number and Street: **3600 Glenwood Avenue, Suite 104**
City, State, Zip Code: **Raleigh, NC 27612** County: **Wake**

4. General Partner. The name, and address, including county and city or town, and street and number, if any, of the general partner are as follows:

Triangle Mezzanine LLC
3600 Glenwood Avenue, Suite 104
Raleigh, NC 27612
Wake County

5. Principal Office. The street and mailing address of the partnership's principal office, and the county in which it is located, are as follows:

3600 Glenwood Avenue, Suite 104
Raleigh, NC 27612
Wake County

6. Fiscal Year. The fiscal year end of the partnership is December 31.

7. Purpose. The partnership is being organized to operate as a mezzanine investment company. The partnership will apply to be licensed as a small business investment company under the Small Business Investment Act of 1958, as amended (which, together with the regulations issued by the United States Small Business Administration ("SBA") thereunder, are herein referred to as the "SBIC Act"). If the partnership is licensed as a small business investment company by the SBA, then the partnership's sole purpose will be to operate as a small business investment company under the SBIC Act, and shall have the powers and responsibilities, and be subject to the limitations, provided in the SBIC Act. Until such license is granted, the partnership may engage in any lawful activity for which a limited partnership may be organized under the North Carolina Revised Uniform Limited Partnership Act.

8. Approval of General Partner. So long as the partnership is a licensed small business investment company, no person may serve as a general partner of the partnership without SBA approval.

9. Provisions Required by the SBA for Issuers of Debentures.

(a) This Section 9 shall be in effect at any time that the partnership has outstanding Debentures (as defined in the SBIC Act) and shall not be in effect at any time that the partnership does not have outstanding Debentures.

(b) The provisions of 13 C.F.R. Section 107.1810 are hereby incorporated by reference in the Certificate of Domestic Limited Partnership as if fully set forth herein and shall be deemed to apply to the partnership.

(c) The partnership hereby consents to the exercise by the SBA of all of the rights of the SBA under 13 C.F.R. Section 107.1810(i), and agrees to take all actions which the SBA may require in accordance with 13 C.F.R. Section 107.1810(i); SBA's rights of removal shall be deemed to apply to any manger, member of the management board, or partner of the partnership.

(d) Nothing in Section 9 shall be construed to limit the ability or authority of the SBA to exercise its regulatory authority over the partnership as a licensed small business investment company under the SBIC Act.

10. Additional SBA Provisions. This Section 10 shall be in effect at any time that the partnership is a licensed small business investment company under the SBIC Act.

(a) The SBA shall be deemed an express third party beneficiary of the provisions of this Certificate of Domestic Limited Partnership to the extent of the rights of the SBA hereunder and under the Act, and the SBA shall be entitled to enforce such provisions for its benefit.

(b) The partnership is subject to the examination and reporting requirements under Section 310(b) of the Small Business Investment Act of 1958, as amended, and to the restrictions and obligations imposed under 13 C.F.R. §107.160 and 13 C.F.R. §107.400 through §107.475 as in effect from time to time.

11. Effective Date. This Certificate of Domestic Limited Partnership shall become effective on August 15, 2002.

12. Affirmation. The following signature of the only general partner constitutes an affirmation under the penalty of perjury that the facts herein are true.

TRIANGLE MEZZANINE LLC, General Partner

By: /s/ Garland S. Tucker
Garland S. Tucker, III
Manager

August 14, 2002

Exhibit (i)

TRIANGLE CAPITAL CORPORATION

2007 EQUITY INCENTIVE PLAN

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TRIANGLE CAPITAL CORPORATION
2007 EQUITY INCENTIVE PLAN

Section 1. Purpose.

This plan shall be known as the "Triangle Capital Corporation 2007 Equity Incentive Plan" (the "Plan"). The purpose of the Plan is to promote the interests of Triangle Capital Corporation, a Maryland corporation (the "Company"), its Subsidiaries and its stockholders by (i) attracting and retaining key officers, employees, and directors of, and consultants to, the Company and its Subsidiaries and Affiliates; (ii) motivating such individuals by means of performance-related incentives to achieve long-range performance goals; (iii) enabling such individuals to participate in the long-term growth and financial success of the Company; (iv) encouraging ownership of stock in the Company by such individuals; and (v) linking their compensation to the long-term interests of the Company and its stockholders. With respect to any awards granted under the Plan that are intended to comply with the requirements of "performance-based compensation" under Section 162(m) of the Code, the Plan shall be interpreted in a manner consistent with such requirements.

Section 2. Definitions.

As used in the Plan, the following terms shall have the meanings set forth below:

(a) "1940 Act" means the Investment Company Act of 1940, as amended.

(b) "Affiliate" shall mean (i) any entity that, directly or indirectly, is controlled by the Company, (ii) any entity in which the Company has a significant equity interest, (iii) an affiliate of the Company, as defined in Rule 12b-2 promulgated under Section 12 of the Exchange Act, and (iv) any entity in which the Company has at least twenty percent (20%) of the combined voting power of the entity's outstanding voting securities, in each case as designated by the Board as being a participating employer in the Plan.

(c) "Award" shall mean any Option, Stock Appreciation Right, Restricted Share Award, Restricted Share Unit, Performance Award, Other Stock-Based Award or other award granted under the Plan, whether singly, in combination or in tandem, to a Participant by the Committee (or the Board) pursuant to such terms, conditions, restrictions and/or limitations, if any, as the Committee (or the Board) may establish or which are required by applicable legal requirements.

(d) "Award Agreement" shall mean any written agreement, contract or other instrument or document evidencing any Award, which may, but need not, be executed or acknowledged by a Participant.

(e) "Board" shall mean the Board of Directors of the Company.

(f) "Cause" shall mean, unless otherwise defined in the applicable Award Agreement, (i) the engaging by the Participant in willful misconduct that is injurious to the Company or its Subsidiaries or Affiliates, or (ii) the embezzlement or misappropriation of funds or property of the Company or its Subsidiaries or Affiliates by the Participant. For purposes of this paragraph, no act, or failure to act, on the Participant's part shall be considered "willful" unless done, or omitted to be done, by the Participant not in good faith and without reasonable belief that the Participant's action or omission was in the best interest of the Company. Any determination of Cause for purposes of the Plan or any Award shall be

made by the Committee in its sole discretion. Any such determination shall be final and binding on a Participant.

(g) "Change in Control" shall mean, unless otherwise defined in the applicable Award Agreement, any of the following events:

(i) any person or entity, including a "group" as defined in Section 13(d)(3) of the Exchange Act, other than the Company or a wholly-owned subsidiary thereof or any employee benefit plan of the Company or any of its Subsidiaries, becomes the beneficial owner of the Company's securities having 35% or more of the combined voting power of the then outstanding securities of the Company that may be cast for the election of directors of the Company (other than as a result of an issuance of securities initiated by the Company in the ordinary course of business);

(ii) as the result of, or in connection with, any cash tender or exchange offer, merger or other business combination or contested election, or any combination of the foregoing transactions, less than a majority of the combined voting power of the then outstanding securities of the Company or any successor company or entity entitled to vote generally in the election of the directors of the Company or such other corporation or entity after such transaction are held in the aggregate by the holders of the Company's securities entitled to vote generally in the election of directors of the Company immediately prior to such transaction;

(iii) during any period of two (2) consecutive years, individuals who at the beginning of any such period constitute the Board cease for any reason to constitute at least a majority thereof, unless the election, or the nomination for election by the Company's shareholders, of each Director of the Company first elected during such period was approved by a vote of at least two-thirds (2/3rds) of the Directors of the Company then still in office who were (i) Directors of the Company at the beginning of any such period, and (ii) not initially (a) appointed or elected to office as result of either an actual or threatened election and/or proxy contest by or on behalf of a Person other than the Board, or (b) designated by a Person who has entered into an agreement with the Company to effect a transaction described in (i) or (ii) above or (iv) or (v) below;

(iv) a complete liquidation or dissolution of the Company; or

(v) the sale or other disposition of all or substantially all of the assets of the Company to any Person (other than a transfer to a Subsidiary).

(h) "Code" shall mean the Internal Revenue Code of 1986, as amended from time to time.

(i) "Committee" shall mean the Board, and following an initial public offering by the Company, shall mean a committee of the Board composed of not less than two Non-Employee Directors, at least two of whom shall be (i) a "non-employee director" for purposes of Exchange Act Section 16 and Rule 16b-3 thereunder, (ii) an "outside director" for purposes of Section 162(m) and the regulations promulgated under the Code, and each of whom shall be, subject to any applicable transitional rules for newly public issuers, "independent" within the meaning of the listing standards of the Nasdaq stock market. To the extent that compensation realized in respect of Awards is intended to be "performance based" under Section 162(m) of the Code and the Committee is not comprised solely of individuals who are "outside directors" within the meaning of Section 162(m) of the Code, the Committee may from time to time delegate some or all of its functions under the Plan to a committee or subcommittee composed of members that meet the relevant requirements.

(j) "Consultant" shall mean any consultant to the Company or its Subsidiaries or Affiliates.

(k) "Covered Officer" shall mean at any date (i) any individual who, with respect to the previous taxable year of the Company, was a "covered employee" of the Company within the meaning of Section 162(m); provided, however, that the term "Covered Officer" shall not include any such individual who is designated by the Committee, in its discretion, at the time of any Award or at any subsequent time, as reasonably expected not to be such a "covered employee" with respect to the current taxable year of the Company and (ii) any individual who is designated by the Committee, in its discretion, at the time of any Award or at any subsequent time, as reasonably expected to be such a "covered employee" with respect to the current taxable year of the Company or with respect to the taxable year of the Company in which any applicable Award will be paid or vested.

(l) "Director" shall mean a member of the Board.

(m) "Disability" shall mean, unless otherwise defined in the applicable Award Agreement, a disability that would qualify as a total and permanent disability under the Company's then current long-term disability plan.

(n) "Employee" shall mean a current or prospective officer or employee of the Company or of any Subsidiary or Affiliate.

(o) "Exchange Act" shall mean the Securities Exchange Act of 1934, as amended from time to time.

(p) "Fair Market Value" with respect to the Shares, shall mean, for purposes of a grant of an Award as of any date, (i) the closing sales price of the Shares on the Nasdaq stock market, or any other such exchange on which the shares are traded, on such date, or in the absence of reported sales on such date, the closing sales price on the immediately preceding date on which sales were reported or (ii) in the event there is no public market for the Shares on such date, the fair market value as determined, in good faith, by the Board or Committee in its sole discretion (which, for purposes of Section 6.2, will in no event will be less than the net asset value of such Shares on such date, as determined in accordance with the 1940 Act and the rules thereunder), and for purposes of a sale of a Share as of any date, the actual sales price on that date.

(q) "Incentive Stock Option" shall mean an option to purchase Shares from the Company that is granted under Section 6 of the Plan and that is intended to meet the requirements of Section 422 of the Code or any successor provision thereto.

(r) "Non-Qualified Stock Option" shall mean an option to purchase Shares from the Company that is granted under Sections 6 or 10 of the Plan and is not intended to be an Incentive Stock Option.

(s) "Non-Employee Director" shall mean a member of the Board who is not an officer or employee of the Company or any Subsidiary or Affiliate.

(t) "Option" shall mean an Incentive Stock Option or a Non-Qualified Stock Option.

(u) "Option Price" shall mean the purchase price payable to purchase one Share upon the exercise of an Option.

(v) "Other Stock-Based Award" shall mean any Award granted under Sections 9 or 10 of the Plan.

(w) "Participant" shall mean any Employee, Director, Consultant or other person who receives an Award under the Plan.

(x) "Performance Award" shall mean any Award granted under Section 8 of the Plan.

(y) "Person" shall mean any individual, corporation, partnership, limited liability company, association, joint-stock company, trust, unincorporated organization, government or political subdivision thereof or other entity.

(z) "Restricted Share" shall mean any Share granted under Sections 7 or 10 of the Plan.

(aa) "Restricted Share Unit" shall mean any unit granted under Sections 7 or 10 of the Plan.

(bb) "Retirement" shall mean, unless otherwise defined in the applicable Award Agreement, retirement of a Participant from the employ or service of the Company or any of its Subsidiaries or Affiliates in accordance with the terms of the applicable Company retirement plan or, if a Participant is not covered by any such plan, retirement on or after such Participant's 65th birthday.

(cc) "SEC" shall mean the Securities and Exchange Commission or any successor thereto.

(dd) "Section 16" shall mean Section 16 of the Exchange Act and the rules promulgated thereunder and any successor provision thereto as in effect from time to time.

(ee) "Section 162(m)" shall mean Section 162(m) of the Code and the regulations promulgated thereunder and any successor provision thereto as in effect from time to time.

(ff) "Shares" shall mean shares of the common stock, $0.01 par value, of the Company.

(gg) "Stock Appreciation Right" or **"SAR"** shall mean a stock appreciation right granted under Sections 6 or 10 of the Plan that entitles the holder to receive, with respect to each Share encompassed by the exercise of such SAR, the amount determined by the Committee and specified in an Award Agreement. In the absence of such a determination, the holder shall be entitled to receive, with respect to each Share encompassed by the exercise of such SAR, the excess of the Fair Market Value on the date of exercise over the Fair Market Value on the date of grant.

(hh) "Subsidiary" shall mean any Person (other than the Company) of which a majority of its voting power or its equity securities or equity interest is owned directly or indirectly by the Company.

(ii) "Substitute Awards" shall mean Awards granted solely in assumption of, or in substitution for, outstanding awards previously granted by a company acquired by the Company or with which the Company combines.

Section 3. Administration.

3.1 *Authority of Committee.* The Plan shall be administered by the Committee, which shall be appointed by and serve at the pleasure of the Board; provided, however, with respect to Awards to

Non-Employee Directors, all references in the Plan to the Committee shall be deemed to be references to the Board. Subject to the terms of the Plan and applicable law, and in addition to other express powers and authorizations conferred on the Committee by the Plan, the Committee shall have full power and authority in its discretion to: (i) designate Participants; (ii) determine the type or types of Awards to be granted to a Participant; (iii) determine the number of Shares to be covered by, or with respect to which payments, rights or other matters are to be calculated in connection with Awards; (iv) determine the timing, terms, and conditions of any Award; (v) accelerate the time at which all or any part of an Award may be settled or exercised; (vi) determine whether, to what extent, and under what circumstances, Awards may be settled or exercised in cash, Shares, other securities, other Awards or other property, or canceled, forfeited or suspended and the method or methods by which Awards may be settled, exercised, canceled, forfeited or suspended; (vii) determine whether, to what extent, and under what circumstances cash, Shares, other securities, other Awards, other property, and other amounts payable with respect to an Award shall be deferred either automatically or at the election of the holder thereof or of the Committee; (viii) interpret and administer the Plan and any instrument or agreement relating to, or Award made under, the Plan; (ix) except to the extent prohibited by Section 6.2, amend or modify the terms of any Award at or after grant with the consent of the holder of the Award; (x) establish, amend, suspend or waive such rules and regulations and appoint such agents as it shall deem appropriate for the proper administration of the Plan; and (xi) make any other determination and take any other action that the Committee deems necessary or desirable for the administration of the Plan, subject to the exclusive authority of the Board under Section 14 hereunder to amend or terminate the Plan. The exercise of an Option or receipt of an Award shall be effective only if an Award Agreement shall have been duly executed and delivered on behalf of the Company following the grant of the Option or other Award.

3.2 *Committee Discretion Binding.* Unless otherwise expressly provided in the Plan, all designations, determinations, interpretations, and other decisions under or with respect to the Plan or any Award shall be within the sole discretion of the Committee, may be made at any time and shall be final, conclusive, and binding upon all Persons, including the Company, any Subsidiary or Affiliate, any Participant and any holder or beneficiary of any Award.

3.3 *Delegation.* Subject to the terms of the Plan, the Committee's charter and applicable law, the Committee may delegate to one or more officers or managers of the Company or of any Subsidiary or Affiliate, or to a Committee of such officers or managers, the authority, subject to such terms and limitations as the Committee shall determine, to grant Awards to or to cancel, modify or waive rights with respect to, or to alter, discontinue, suspend or terminate Awards held by Participants who are not officers or directors of the Company for purposes of Section 16 or who are otherwise not subject to such Section.

Section 4. Shares Available For Awards.

4.1 *Shares Available.* Subject to the provisions of Section 4.2 hereof, the stock to be subject to Awards under the Plan shall be the Shares of the Company and the maximum number of Shares with respect to which Awards may be granted under the Plan shall be 900,000. If, after the effective date of the Plan, any Shares covered by an Award granted under this Plan, or to which such an Award relates, are forfeited, or if such an Award is settled for cash or otherwise terminates, expires unexercised or is canceled or settled without the delivery of Shares or with the delivery of a reduced number of Shares, then the Shares covered by such Award, or to which such Award relates, or the number of Shares otherwise counted against the aggregate number of Shares with respect to which Awards may be granted, to the extent of any such settlement, reduction, forfeiture, termination, expiration or cancellation, shall again become Shares with respect to which Awards may be granted. In the event that any Option or other Award granted hereunder is exercised through the delivery of Shares or in the event that withholding tax liabilities arising from such Award are satisfied by the withholding of Shares by the Company, the number of Shares available for Awards under the Plan shall be increased by the number of Shares so surrendered or withheld.

Notwithstanding the foregoing and subject to adjustment as provided in Section 4.2 hereof, no Participant may receive Options or SARs under the Plan in any calendar year that, taken together, relate to more than 100,000 Shares.

4.2 *Adjustments.* In the event that any dividend or other distribution (whether in the form of cash, Shares, other securities or other property), recapitalization, stock split, reverse stock split, reorganization, merger, consolidation, split-up, spin-off, combination, repurchase or exchange of Shares or other securities of the Company, issuance of warrants or other rights to purchase Shares or other securities of the Company, or other similar corporate transaction or event affects the Shares, then the Committee shall in an equitable and proportionate manner (and, as applicable, in such manner as is consistent with Sections 422 and 409A of the Code and the regulations thereunder and with Section 162(m)) either: (i) adjust any or all of (1) the aggregate number of Shares or other securities of the Company (or number and kind of other securities or property) with respect to which Awards may be granted under the Plan; (2) the number of Shares or other securities of the Company (or number and kind of other securities or property) subject to outstanding Awards under the Plan, provided that the number of shares subject to any Award shall always be a whole number; (3) the grant or exercise price with respect to any Award under the Plan; and (4) the limits on the number of Shares that may be granted to Participants under the Plan in any calendar year; (ii) provide for an equivalent award in respect of securities of the surviving entity of any merger, consolidation or other transaction or event having a similar effect; or (iii) make provision for a cash payment to the holder of an outstanding Award.

4.3 *Substitute Awards.* Any Shares issued by the Company as Substitute Awards in connection with the assumption or substitution of outstanding grants from any acquired corporation shall not reduce the Shares available for Awards under the Plan.

4.4 *Sources of Shares Deliverable Under Awards.* Any Shares delivered pursuant to an Award may consist, in whole or in part, of authorized and unissued Shares or of issued Shares which have been reacquired by the Company.

4.5 *No Grants in Contravention of 1940 Act.* No Award may be granted under the Plan if the grant of such Award would cause the Company to violate Section 61(a)(3) of the Act, and, if otherwise approved for grant, shall be void and of no effect.

Section 5. Eligibility.

Any Employee, Director or Consultant shall be eligible to be designated a Participant; provided, however, that Non-Employee Directors shall only be eligible to receive Awards granted consistent with Section 10.

Section 6. Stock Options And Stock Appreciation Rights.

6.1 *Grant.* Subject to the provisions of the Plan including, without limitation, Section 3.3 above and other applicable legal requirements, the Committee shall have sole and complete authority to determine the Participants to whom Options and SARs shall be granted, the number of Shares subject to each Award, the exercise price and the conditions and limitations applicable to the exercise of each Option and SAR. An Option may be granted with or without a related SAR. A SAR may be granted with or without a related Option. The Committee shall have the authority to grant Incentive Stock Options, and to grant Non-Qualified Stock Options. In the case of Incentive Stock Options, the terms and conditions of such grants shall be subject to and comply with Section 422 of the Code, as from time to time amended, and any regulations implementing such statute. A person who has been granted an Option or SAR under this Plan may be granted additional Options or SARs under the Plan if the Committee shall so determine; provided,

however, that to the extent the aggregate Fair Market Value (determined at the time the Incentive Stock Option is granted) of the Shares with respect to which all Incentive Stock Options are exercisable for the first time by an Employee during any calendar year (under all plans described in of Section 422(d) of the Code of the Employee's employer corporation and its parent and Subsidiaries) exceeds $100,000, such Options shall be treated as Non-Qualified Stock Options.

6.2 *Price.* The Committee in its sole discretion shall establish the Option Price at the time each Option is granted. Except in the case of Substitute Awards, the Option Price of an Option may not be less than one hundred percent (100%) of the Fair Market Value of the Shares with respect to which the Option is granted on the date of grant of such Option. Notwithstanding the foregoing and except as permitted by the provisions of Section 4.2 and Section 14 hereof, the Committee shall not have the power to (i) amend the terms of previously granted Options to reduce the Option Price of such Options, or (ii) cancel such Options and grant substitute Options with a lower Option Price than the cancelled Options. Except with respect to Substitute Awards, SARs may not be granted at a price less than the Fair Market Value of a Share on the date of grant.

6.3 *Term.* Subject to the Committee's authority under Section 3.1 and the provisions of Section 6.6, each Option and SAR and all rights and obligations thereunder shall expire on the date determined by the Committee and specified in the Award Agreement. The Committee shall be under no duty to provide terms of like duration for Options or SARs granted under the Plan. Notwithstanding the foregoing, no Option or SAR shall be exercisable after the expiration of ten (10) years from the date such Option or SAR was granted.

6.4 *Exercise.*

(a) Each Option and SAR shall be exercisable at such times and subject to such terms and conditions as the Committee may, in its sole discretion, specify in the applicable Award Agreement or thereafter. The Committee shall have full and complete authority to determine, subject to Section 6.6 herein, whether an Option or SAR will be exercisable in full at any time or from time to time during the term of the Option or SAR, or to provide for the exercise thereof in such installments, upon the occurrence of such events and at such times during the term of the Option or SAR as the Committee may determine.

(b) The Committee may impose such conditions with respect to the exercise of Options, including without limitation, any relating to the application of federal, state or foreign securities laws or the Code, as it may deem necessary or advisable. The exercise of any Option granted hereunder shall be effective only at such time as the sale of Shares pursuant to such exercise will not violate any state or federal securities or other laws.

(c) An Option or SAR may be exercised in whole or in part at any time, with respect to whole Shares only, within the period permitted thereunder for the exercise thereof, and shall be exercised by written notice of intent to exercise the Option or SAR, delivered to the Company at its principal office, and payment in full to the Company at the direction of the Committee of the amount of the Option Price for the number of Shares with respect to which the Option is then being exercised.

(d) Payment of the Option Price shall be made in cash or cash equivalents, or, at the discretion of the Committee, (i) by transfer, either actually or by attestation, to the Company of Shares that have been held by the Participant for at least six (6) months (or such lesser period as may be permitted by the Committee), valued at the Fair Market Value of such Shares on the date of exercise (or next succeeding trading date, if the date of exercise is not a trading date), together with

any applicable withholding taxes, such transfer to be upon such terms and conditions as determined by the Committee, or (ii) by a combination of such cash (or cash equivalents) and such Shares; provided, however, that the optionee shall not be entitled to tender Shares pursuant to successive, substantially simultaneous exercises of an Option or any other stock option of the Company. Subject to applicable securities laws, an Option may also be exercised by delivering a notice of exercise of the Option and simultaneously selling the Shares thereby acquired, pursuant to a brokerage or similar agreement approved in advance by proper officers of the Company, using the proceeds of such sale as payment of the Option Price, together with any applicable withholding taxes. Until the optionee has been issued the Shares subject to such exercise, he or she shall possess no rights as a stockholder with respect to such Shares.

(e) At the Committee's discretion, the amount payable as a result of the exercise of an SAR may be settled in cash, Shares or a combination of cash and Shares. A fractional Share shall not be deliverable upon the exercise of a SAR but a cash payment will be made in lieu thereof.

6.6 *Ten Percent Stock Rule.* Notwithstanding any other provisions in the Plan, if at the time an Option is otherwise to be granted pursuant to the Plan, the optionee or rights holder owns directly or indirectly (within the meaning of Section 424(d) of the Code) Shares of the Company possessing more than ten percent (10%) of the total combined voting power of all classes of Stock of the Company or its parent or Subsidiary or Affiliate corporations (within the meaning of Section 422(b)(6) of the Code), then any Incentive Stock Option to be granted to such optionee or rights holder pursuant to the Plan shall satisfy the requirement of Section 422(c)(5) of the Code, and the Option Price shall be not less than one hundred ten percent (110%) of the Fair Market Value of the Shares of the Company, and such Option by its terms shall not be exercisable after the expiration of five (5) years from the date such Option is granted.

Section 7. Restricted Shares And Restricted Share Units.

7.1 *Grant.*

(a) Subject to the provisions of the Plan and other applicable legal requirements, the Committee shall have sole and complete authority to determine the Participants to whom Restricted Shares and Restricted Share Units shall be granted, the number of Restricted Shares and/or the number of Restricted Share Units to be granted to each Participant, the duration of the period during which, and the conditions under which, the Restricted Shares and Restricted Share Units may be forfeited to the Company, and the other terms and conditions of such Awards. The Restricted Share and Restricted Share Unit Awards shall be evidenced by Award Agreements in such form as the Committee shall from time to time approve, which agreements shall comply with and be subject to the terms and conditions provided hereunder and any additional terms and conditions established by the Committee that are consistent with the terms of the Plan.

(b) Each Restricted Share and Restricted Share Unit Award made under the Plan shall be for such number of Shares as shall be determined by the Committee and set forth in the Award Agreement containing the terms of such Restricted Share or Restricted Share Unit Award. Such agreement shall set forth a period of time during which the grantee must remain in the continuous employment of the Company in order for the forfeiture and transfer restrictions to lapse. If the Committee so determines, the restrictions may lapse during such restricted period in installments with respect to specified portions of the Shares covered by the Restricted Share or Restricted Share Unit Award. The Award Agreement may also, in the discretion of the Committee, set forth performance or other conditions that will subject the Shares to forfeiture and transfer restrictions. The Committee may, at its discretion, waive all or any part of the restrictions applicable to any or all outstanding Restricted Share and Restricted Share Unit Awards.

7.2 *Delivery of Shares and Transfer Restrictions.* At the time of a Restricted Share Award, a certificate representing the number of Shares awarded thereunder shall be registered in the name of the grantee. Such certificate shall be held by the Company or any custodian appointed by the Company for the account of the grantee subject to the terms and conditions of the Plan, and shall bear such a legend setting forth the restrictions imposed thereon as the Committee, in its discretion, may determine. The applicable Award Agreement will specify whether a grantee has the right to receive dividends with respect to the Restricted Shares prior to the lapsing of transfer restrictions. Unless otherwise provided in the applicable Award Agreement, the grantee shall have all other rights of a stockholder with respect to the Restricted Shares, including the right to vote such Shares, subject to the following restrictions: (i) the grantee shall not be entitled to delivery of the stock certificate until the expiration of the restricted period and the fulfillment of any other restrictive conditions set forth in the Award Agreement with respect to such Shares; (ii) none of the Shares may be sold, assigned, transferred, pledged, hypothecated or otherwise encumbered or disposed of during such restricted period or until after the fulfillment of any such other restrictive conditions; and (iii) except as otherwise determined by the Committee at or after grant, all of the Shares shall be forfeited and all rights of the grantee to such Shares shall terminate, without further obligation on the part of the Company, unless the grantee remains in the continuous employment of the Company for the entire restricted period in relation to which such Shares were granted and unless any other restrictive conditions relating to the Restricted Share Award are met. Unless otherwise provided in the applicable Award Agreement, any Shares, any other securities of the Company and any other property (except for cash dividends) distributed with respect to the Shares subject to Restricted Share Awards shall be subject to the same restrictions, terms and conditions as such restricted Shares.

7.3 *Termination of Restrictions.* At the end of the restricted period and provided that any other restrictive conditions of the Restricted Share Award are met, or at such earlier time as otherwise determined by the Committee, all restrictions set forth in the Award Agreement relating to the Restricted Share Award or in the Plan shall lapse as to the restricted Shares subject thereto, and a stock certificate for the appropriate number of Shares, free of the restrictions and restricted stock legend, shall be delivered to the Participant or the Participant's beneficiary or estate, as the case may be.

7.4 *Payment of Restricted Share Units.* Each Restricted Share Unit shall have a value equal to the Fair Market Value of a Share. Restricted Share Units shall be paid in cash, Shares, other securities or other property, as determined in the sole discretion of the Committee, upon the lapse of the restrictions applicable thereto, or otherwise in accordance with the applicable Award Agreement. The applicable Award Agreement will specify whether a Participant will be entitled to receive dividend rights in respect of Restricted Stock Units at the time of any payment of dividends to stockholders on Shares. If the applicable Award Agreement specifies that a Participant will be entitled to receive dividend rights, (i) the amount of any such dividend right shall equal the amount that would be payable to the Participant as a stockholder in respect of a number of Shares equal to the number of Restricted Stock Units then credited to the Participant, (ii) any such dividend right shall be paid in accordance with the Company's payment practices as may be established from time to time and as of the date on which such dividend would have been payable in respect of outstanding Shares, and (iii) the applicable Award Agreement will specify whether dividend equivalents shall be paid in respect of Restricted Share Units that are not yet vested. Except as otherwise determined by the Committee at or after grant, Restricted Share Units may not be sold, assigned, transferred, pledged, hypothecated or otherwise encumbered or disposed of, and all Restricted Share Units and all rights of the grantee to such Restricted Share Units shall terminate, without further obligation on the part of the Company, unless the grantee remains in continuous employment of the Company for the entire restricted period in relation to which such Restricted Share Units were granted and unless any other restrictive conditions relating to the Restricted Share Unit Award are met.

Section 8. Performance Awards.

8.1 *Grant.* The Committee shall have sole and complete authority to determine the Participants who shall receive a Performance Award, which shall consist of a right that is (i) denominated in cash or Shares (including but not limited to Restricted Shares and Restricted Share Units), (ii) valued, as determined by the Committee, in accordance with the achievement of such performance goals during such performance periods as the Committee shall establish, and (iii) payable at such time and in such form as the Committee shall determine.

8.2 *Terms and Conditions.* Subject to the terms of the Plan and any applicable Award Agreement, the Committee shall determine the performance goals to be achieved during any performance period, the length of any performance period, the amount of any Performance Award and the amount and kind of any payment or transfer to be made pursuant to any Performance Award, and may amend specific provisions of the Performance Award; provided, however, that such amendment may not adversely affect existing Performance Awards made within a performance period commencing prior to implementation of the amendment.

8.3 *Payment of Performance Awards.* Performance Awards may be paid in a lump sum or in installments following the close of the performance period or, in accordance with the procedures established by the Committee, on a deferred basis. Termination of employment prior to the end of any performance period, other than for reasons of death or Disability, will result in the forfeiture of the Performance Award, and no payments will be made. A Participant's rights to any Performance Award may not be sold, assigned, transferred, pledged, hypothecated or otherwise encumbered or disposed of in any manner, except by will or the laws of descent and distribution, and/or except as the Committee may determine at or after grant.

Section 9. Other Stock-Based Awards.

The Committee shall have the authority to determine the Participants who shall receive an Other Stock-Based Award, which shall consist of any right that is (i) not an Award described in Sections 6 or 7 above and (ii) an Award of Shares or an Award denominated or payable in, valued in whole or in part by reference to, or otherwise based on or related to, Shares (including, without limitation, securities convertible into Shares), as deemed by the Committee to be consistent with the purposes of the Plan. Subject to the terms of the Plan and any applicable Award Agreement, the Committee shall determine the terms and conditions of any such Other Stock-Based Award.

Section 10. Non-Employee Director Awards.

10.1 The Board may provide that all or a portion of a Non-Employee Director's annual retainer, meeting fees and/or other awards or compensation as determined by the Board, be payable (either automatically or at the election of a Non-Employee Director) in the form of Non-Qualified Stock Options, Restricted Shares, Restricted Share Units and/or Other Stock-Based Awards, including unrestricted Shares; provided, however, that grants of Awards to Non-Employee Directors must be approved by order of the SEC as provided in Section 61(a)(3)(B)(i)(II) of the 1940 Act. The Board shall determine the terms and conditions of any such Awards, including the terms and conditions which shall apply upon a termination of the Non-Employee Director's service as a member of the Board, and shall have full power and authority in its discretion to administer such Awards, subject to the terms of the Plan and applicable law.

10.2 Subject to applicable legal requirements, the Board may also grant Awards to Non-Employee Directors pursuant to the terms of the Plan, including any Award described in Sections 6, 7 or 9 above.

Section 11. Provisions Applicable To Covered Officers And Performance Awards.

11.1 Notwithstanding anything in the Plan to the contrary, unless the Committee determines that a Performance Award to be granted to a Covered Officer should not qualify as "performance-based compensation" for purposes of Section 162(m), Performance Awards granted to Covered Officers shall be subject to the terms and provisions of this Section 11. Accordingly, unless otherwise determined by the Committee, if any provision of the Plan or any Award Agreement relating to such an Award does not comply or is inconsistent with Section 162(m), such provision shall be construed or deemed amended to the extent necessary to conform to such requirements, and no provision shall be deemed to confer upon the Committee discretion to increase the amount of compensation otherwise payable to a Covered Officer in connection with any such Award upon the attainment of the performance criteria established by the Committee.

11.2 The Committee may grant Performance Awards to Covered Officers based solely upon the attainment of performance targets related to one or more performance goals selected by the Committee from among the goals specified below. For the purposes of this Section 11, performance goals shall be limited to one or more of the following Company, Subsidiary, operating unit, business segment or division financial performance measures:

(a) earnings before interest, taxes, depreciation and/or amortization;

(b) operating income or profit;

(c) operating efficiencies;

(d) return on equity, assets, capital, capital employed or investment;

(e) net income;

(f) earnings per share;

(g) utilization;

(h) net investment income;

(i) gross profit;

(j) loan loss ratios;

(k) stock price or total stockholder return;

(l) net asset growth;

(m) debt reduction;

(n) strategic business objectives, consisting of one or more objectives based on meeting specified cost targets, business expansion goals and goals relating to acquisitions or divestitures; or

(o) any combination thereof.

Each goal may be expressed on an absolute and/or relative basis, may be based on or otherwise employ comparisons based on internal targets, the past performance of the Company or any Subsidiary, operating unit, business segment or division of the Company and/or the past or current performance of other companies, and in the case of earnings-based measures, may use or employ comparisons relating to capital, stockholders' equity and/or Shares outstanding, or to assets or net assets. The Committee may appropriately adjust any evaluation of performance under criteria set forth in this Section 11.2 to exclude any of the following events that occurs during a performance period: (i) asset write-downs, (ii) litigation or claim judgments or settlements, (iii) the effect of changes in tax law, accounting principles or other such laws or provisions affecting reported results, (iv) accruals for reorganization and restructuring programs and (v) any extraordinary non-recurring items as described in Accounting Principles Board Opinion No. 30 and/or in management's discussion and analysis of financial condition and results of operations appearing in the Company's annual report to stockholders for the applicable year.

11.3 With respect to any Covered Officer, the maximum annual number of Shares in respect of which all Performance Awards may be granted under Section 8 of the Plan is 100,000 and the maximum amount of all Performance Awards that are settled in cash and that may be granted under Section 8 of the Plan in any year is $1,000,000.

11.4 To the extent necessary to comply with Section 162(m), with respect to grants of Performance Awards, no later than 90 days following the commencement of each performance period (or such other time as may be required or permitted by Section 162(m) of the Code), the Committee shall, in writing, (1) select the performance goal or goals applicable to the performance period, (2) establish the various targets and bonus amounts which may be earned for such performance period, and (3) specify the relationship between performance goals and targets and the amounts to be earned by each Covered Officer for such performance period. Following the completion of each performance period, the Committee shall certify in writing whether the applicable performance targets have been achieved and the amounts, if any, payable to Covered Officers for such performance period. In determining the amount earned by a Covered Officer for a given performance period, subject to any applicable Award Agreement, the Committee shall have the right to reduce (but not increase) the amount payable at a given level of performance to take into account additional factors that the Committee may deem relevant in its sole discretion to the assessment of individual or corporate performance for the performance period.

Section 12. Termination Of Employment.

The Committee shall have the full power and authority to determine the terms and conditions that shall apply to any Award upon a termination of employment with the Company, its Subsidiaries and Affiliates, including a termination by the Company with or without Cause, by a Participant voluntarily, or by reason of death, Disability or Retirement, and may provide such terms and conditions in the Award Agreement or in such rules and regulations as it may prescribe.

Section 13. Change In Control.

The Committee may specify in the applicable Award Agreement at or after grant, or otherwise by resolution prior to a Change in Control, that all or a portion of the outstanding Awards shall vest, become immediately exercisable or payable and have all restrictions lifted upon a Change in Control.

Section 14. Amendment And Termination.

14.1 *Amendments to the Plan.* The Board may amend, alter, suspend, discontinue or terminate the Plan or any portion thereof at any time; provided that no such amendment, alteration, suspension, discontinuation or termination shall be made without stockholder approval if such approval is necessary to

comply with any tax or regulatory requirement for which or with which the Board deems it necessary or desirable to comply.

14.2 *Amendments to Awards.* Subject to the restrictions of Section 6.2, the Committee may waive any conditions or rights under, amend any terms of or alter, suspend, discontinue, cancel or terminate, any Award theretofore granted, prospectively or retroactively; provided that any such waiver, amendment, alteration, suspension, discontinuance, cancellation or termination that would materially and adversely affect the rights of any Participant or any holder or beneficiary of any Award theretofore granted shall not to that extent be effective without the consent of the affected Participant, holder or beneficiary.

14.3 *Adjustments of Awards Upon the Occurrence of Certain Unusual or Nonrecurring Events.* The Committee is hereby authorized to make equitable and proportionate adjustments in the terms and conditions of, and the criteria included in, Awards in recognition of unusual or nonrecurring events (and shall make such adjustments for events described in Section 4.2 hereof) affecting the Company, any Subsidiary or Affiliate, or the financial statements of the Company or any Subsidiary or Affiliate, or of changes in applicable laws, regulations or accounting principles.

14.4 *Section 409A Compliance*. No Award (or modification thereof) shall provide for deferral of compensation that does not comply with Section 409A of the Code unless the Committee, at the time of grant, specifically provides that the Award is not intended to comply with Section 409A of the Code. Notwithstanding any provision of this Plan to the contrary, if one or more of the payments or benefits received or to be received by a Participant pursuant to an Award would cause the Participant to incur any additional tax or interest under Section 409A of the Code, the Committee may reform such provision to maintain to the maximum extent practicable the original intent of the applicable provision without violating the provisions of Section 409A of the Code.

Section 15. General Provisions.

15.1 *Limited Transferability of Awards.* Except as otherwise provided in the Plan, no Award shall be assigned, alienated, pledged, attached, sold or otherwise transferred or encumbered by a Participant, except by will or the laws of descent and distribution. No transfer of an Award by will or by laws of descent and distribution shall be effective to bind the Company unless the Company shall have been furnished with written notice thereof and an authenticated copy of the will and/or such other evidence as the Committee may deem necessary or appropriate to establish the validity of the transfer.

15.2 *Dividend Equivalents.* In the sole and complete discretion of the Committee, an Award may provide the Participant with dividends or dividend equivalents, payable in cash, Shares, other securities or other property on a current or deferred basis. All dividend or dividend equivalents which are not paid currently may, at the Committee's discretion, accrue interest, be reinvested into additional Shares, or, in the case of dividends or dividend equivalents credited in connection with Performance Awards, be credited as additional Performance Awards and paid to the Participant if and when, and to the extent that, payment is made pursuant to such Award. The total number of Shares available for grant under Section 4 shall not be reduced to reflect any dividends or dividend equivalents that are reinvested into additional Shares or credited as Performance Awards.

15.3 *No Rights to Awards.* No Person shall have any claim to be granted any Award, and there is no obligation for uniformity of treatment of Participants or holders or beneficiaries of Awards. The terms and conditions of Awards need not be the same with respect to each Participant.

15.4 *Share Certificates.* All certificates for Shares or other securities of the Company or any Subsidiary or Affiliate delivered under the Plan pursuant to any Award or the exercise thereof shall be subject to such stop transfer orders and other restrictions as the Committee may deem advisable under the Plan or the rules, regulations and other requirements of the SEC or any state securities commission or regulatory authority, any stock exchange or other market upon which such Shares or other securities are then listed, and any applicable Federal or state laws, and the Committee may cause a legend or legends to be put on any such certificates to make appropriate reference to such restrictions.

15.5 *Withholding.* A Participant may be required to pay to the Company or any Subsidiary or Affiliate and the Company or any Subsidiary or Affiliate shall have the right and is hereby authorized to withhold from any Award, from any payment due or transfer made under any Award or under the Plan, or from any compensation or other amount owing to a Participant the amount (in cash, Shares, other securities, other Awards or other property) of any applicable withholding or other tax-related obligations in respect of an Award, its exercise or any other transaction involving an Award, or any payment or transfer under an Award or under the Plan and to take such other action as may be necessary in the opinion of the Company to satisfy all obligations for the payment of such taxes. The Committee may provide for additional cash payments to holders of Options to defray or offset any tax arising from the grant, vesting, exercise or payment of any Award.

15.6 *Award Agreements.* Each Award hereunder shall be evidenced by an Award Agreement that shall be delivered to the Participant and may specify the terms and conditions of the Award and any rules applicable thereto. In the event of a conflict between the terms of the Plan and any Award Agreement, the terms of the Plan shall prevail. The Committee shall, subject to applicable law, determine the date an Award is deemed to be granted. The Committee or, except to the extent prohibited under applicable law, its delegate(s) may establish the terms of agreements or other documents evidencing Awards under this Plan and may, but need not, require as a condition to any such agreement's or document's effectiveness that such agreement or document be executed by the Participant, including by electronic signature or other electronic indication of acceptance, and that such Participant agree to such further terms and conditions as specified in such agreement or document. The grant of an Award under this Plan shall not confer any rights upon the Participant holding such Award other than such terms, and subject to such conditions, as are specified in this Plan as being applicable to such type of Award (or to all Awards) or as are expressly set forth in the agreement or other document evidencing such Award.

15.7 *No Limit on Other Compensation Arrangements.* Nothing contained in the Plan shall prevent the Company or any Subsidiary or Affiliate from adopting or continuing in effect other compensation arrangements, which may, but need not, provide for the grant of Options, Restricted Shares, Restricted Share Units, Other Stock-Based Awards or other types of Awards provided for hereunder.

15.8 *No Right to Employment.* The grant of an Award shall not be construed as giving a Participant the right to be retained in the employ of the Company or any Subsidiary or Affiliate. Further, the Company or a Subsidiary or Affiliate may at any time dismiss a Participant from employment, free from any liability or any claim under the Plan, unless otherwise expressly provided in an Award Agreement.

15.9 *No Rights as Stockholder.* Subject to the provisions of the Plan and the applicable Award Agreement, no Participant or holder or beneficiary of any Award shall have any rights as a stockholder with respect to any Shares to be distributed under the Plan until such person has become a holder of such Shares. Notwithstanding the foregoing, in connection with each grant of Restricted Shares hereunder, the applicable Award Agreement shall specify if and to what extent the Participant shall not be entitled to the rights of a stockholder in respect of such Restricted Shares.

15.10 *Governing Law.* The validity, construction and effect of the Plan and any rules and regulations relating to the Plan and any Award Agreement shall be determined in accordance with the laws of the State of Maryland without giving effect to conflicts of laws principles.

15.11 *Severability.* If any provision of the Plan or any Award is, or becomes, or is deemed to be invalid, illegal or unenforceable in any jurisdiction or as to any Person or Award, or would disqualify the Plan or any Award under any law deemed applicable by the Committee, such provision shall be construed or deemed amended to conform to the applicable laws, or if it cannot be construed or deemed amended without, in the determination of the Committee, materially altering the intent of the Plan or the Award, such provision shall be stricken as to such jurisdiction, Person or Award and the remainder of the Plan and any such Award shall remain in full force and effect.

15.12 *Other Laws.* The Committee may refuse to issue or transfer any Shares or other consideration under an Award if, acting in its sole discretion, it determines that the issuance or transfer of such Shares or such other consideration might violate any applicable law or regulation (including applicable non-U.S. laws or regulations) or entitle the Company to recover the same under Exchange Act Section 16(b), and any payment tendered to the Company by a Participant, other holder or beneficiary in connection with the exercise of such Award shall be promptly refunded to the relevant Participant, holder or beneficiary.

15.13 *No Trust or Fund Created.* Neither the Plan nor any Award shall create or be construed to create a trust or separate fund of any kind or a fiduciary relationship between the Company or any Subsidiary or Affiliate and a Participant or any other Person. To the extent that any Person acquires a right to receive payments from the Company or any Subsidiary or Affiliate pursuant to an Award, such right shall be no greater than the right of any unsecured general creditor of the Company or any Subsidiary or Affiliate.

15.14 *No Fractional Shares.* No fractional Shares shall be issued or delivered pursuant to the Plan or any Award, and the Committee shall determine whether cash, other securities or other property shall be paid or transferred in lieu of any fractional Shares or whether such fractional Shares or any rights thereto shall be canceled, terminated or otherwise eliminated.

15.15 *Headings.* Headings are given to the sections and subsections of the Plan solely as a convenience to facilitate reference. Such headings shall not be deemed in any way material or relevant to the construction or interpretation of the Plan or any provision thereof.

15.16 *1940 Act.* No provision of this Plan shall contravene any portion of the 1940 Act, and in the event of any conflict between the provisions of the Plan or any Award and the 1940 Act, the applicable section of the 1940 Act shall control and all Awards under the Plan shall be so modified. All participants holding such modified Awards shall be notified of the changes to their Awards and such change shall be binding on such participant.

Section 16. Term Of The Plan.

16.1 *Effective Date.* The Plan shall be effective as of February 13, 2007, provided it has been approved by the Board and by the Company's stockholders.

16.2 *Expiration Date.* No new Awards shall be granted under the Plan after the tenth anniversary of the Effective Date. Unless otherwise expressly provided in the Plan or in an applicable Award Agreement, any Award granted hereunder may, and the authority of the Board or the Committee to amend, alter, adjust, suspend, discontinue or terminate any such Award or to waive any conditions or rights under any such Award shall, continue after the tenth anniversary of the Effective Date.

Exhibit (j)

CUSTODY AGREEMENT

AGREEMENT, dated as of February [___], 2007 between TRIANGLE CAPITAL CORPORATION, a corporation organized and existing under the laws of the State of Maryland, and Triangle Mezzanine Fund LLLP, a limited liability limited partnership formed under the laws of the state of North Carolina, each having its principal office and place of business at 3600 Glenwood Avenue, Suite 104, Raleigh NC 27612 (collectively the "Fund") and THE BANK OF NEW YORK, a New York corporation authorized to do a banking business having its principal office and place of business at One Wall Street, New York, New York 10286 ("Custodian").

W I T N E S S E T H:

That for and in consideration of the mutual promises hereinafter set forth the Fund and Custodian agree as follows:

ARTICLE I
DEFINITIONS

Whenever used in this Agreement, the following words shall have the meanings set forth below:

1. **"Authorized Person"** shall be any person, whether or not an officer or employee of the Fund, duly authorized by the Fund's board to execute any Certificate or to give any Oral Instruction with respect to one or more Accounts, such persons to be designated in a Certificate annexed hereto as Schedule I hereto or such other Certificate as may be received by Custodian from time to time.

2. **"BNY Affiliate"** shall mean any office, branch or subsidiary of The Bank of New York Company, Inc.

3. **"Book-Entry System"** shall mean the Federal Reserve/Treasury book-entry system for receiving and delivering securities, its successors and nominees.

4. **"Business Day"** shall mean any day on which Custodian and relevant Depositories are open for business.

5. **"Certificate"** shall mean any notice, instruction, or other instrument in writing, authorized or required by this Agreement to be given to Custodian, which is actually received by Custodian by letter or facsimile transmission and signed on behalf of the Fund by an Authorized Person or a person reasonably believed by Custodian to be an Authorized Person.

6. **"Composite Currency Unit"** shall mean the Euro or any other composite currency unit consisting of the aggregate of specified amounts of specified currencies, as such unit may be constituted from time to time.

7. **"Depository"** shall include (a) the Book-Entry System, (b) the Depository Trust Company, (c) any other clearing agency or securities depository registered with the Securities and Exchange Commission identified to the Fund from time to time, and (d) the respective successors and nominees of the foregoing.

8. **"Foreign Depository"** shall mean (a) Euroclear, (b) Clearstream Banking, societe anonyme, (c) each Eligible Securities Depository as defined in Rule 17f-7 under the Investment Company Act of 1940, as amended, identified to the Fund from time to time, and (d) the respective successors and nominees of the foregoing.

9. **"Instructions"** shall mean communications actually received by Custodian by S.W.I.F.T., tested telex, letter, facsimile transmission, or other method or system specified by Custodian as available for use in connection with the services hereunder.

10. **"Oral Instructions"** shall mean verbal instructions received by Custodian from an Authorized Person or from a person reasonably believed by Custodian to be an Authorized Person.

11. **"Series"** shall mean the various portfolios, if any, of the Fund listed on Schedule II hereto, and if none are listed references to Series shall be references to the Fund.

12. **"Securities"** shall include, without limitation, any common stock and other equity securities, bonds, debentures and other debt securities, notes, mortgages or other obligations, and any instruments representing rights to receive, purchase, or subscribe for the same, or representing any other rights or interests therein (whether represented by a certificate or held in a Depository or by a Subcustodian).

13. **"Subcustodian"** shall mean a bank (including any branch thereof) or other financial institution (other than a Foreign Depository) located outside the U.S. which is utilized by Custodian in connection with the purchase, sale or custody of Securities hereunder and identified to the Fund from time to time, and their respective successors and nominees.

ARTICLE II
APPOINTMENT OF CUSTODIAN; ACCOUNTS; REPRESENTATIONS, WARRANTIES, AND COVENANTS

1. (a) The Fund hereby appoints Custodian as custodian of all Securities and cash at any time delivered to Custodian during the term of this Agreement, and authorizes Custodian to hold Securities in registered form in its name or the name of its nominees. Custodian hereby accepts such appointment and agrees to establish and maintain one or more securities accounts and cash accounts for each Series in which Custodian will hold Securities and cash as provided herein. Custodian shall maintain books and records segregating the assets of each Series from the assets of any other Series. Such accounts (each, an "Account"; collectively, the "Accounts") shall be in the name of the Fund.

(b) Custodian may from time to time establish on its books and records such sub-accounts within each Account as the Fund and Custodian may agree upon (each a "Special

Account"), and Custodian shall reflect therein such assets as the Fund may specify in a Certificate or Instructions.

(c) Custodian may from time to time establish pursuant to a written agreement with and for the benefit of a broker, dealer, future commission merchant or other third party identified in a Certificate or Instructions such accounts on such terms and conditions as the Fund and Custodian shall agree, and Custodian shall transfer to such account such Securities and money as the Fund may specify in a Certificate or Instructions.

2. The Fund hereby represents and warrants, which representations and warranties shall be continuing and shall be deemed to be reaffirmed upon each delivery of a Certificate or each giving of Oral Instructions or Instructions by the Fund, that:

(a) It is duly organized and existing under the laws of the jurisdiction of its organization, with full power to carry on its business as now conducted, to enter into this Agreement, and to perform its obligations hereunder;

(b) This Agreement has been duly authorized, executed and delivered by the Fund, approved by a resolution of its board, constitutes a valid and legally binding obligation of the Fund, enforceable in accordance with its terms, and there is no statute, regulation, rule, order or judgment binding on it, and no provision of its charter or by-laws, nor of any mortgage, indenture, credit agreement or other contract binding on it or affecting its property, which would prohibit its execution or performance of this Agreement;

(c) It is conducting its business in substantial compliance with all applicable laws and requirements, both state and federal, and has obtained all regulatory licenses, approvals and consents necessary to carry on its business as now conducted;

(d) It will not use the services provided by Custodian hereunder in any manner that is, or will result in, a violation of any law, rule or regulation applicable to the Fund;

(e) To the extent applicable, its board or its foreign custody manager, as defined in Rule 17f-5 under the Investment Company Act of 1940, as amended (the "40 Act"), has determined that use of each Subcustodian (including any Replacement Custodian) which Custodian is authorized to utilize in accordance with Section 1(a) of Article III hereof satisfies the applicable requirements of the '40 Act and Rule 17f-5 thereunder;

(f) To the extent applicable, the Fund or its investment adviser has determined that the custody arrangements of each Foreign Depository provide reasonable safeguards against the custody risks associated with maintaining assets with such Foreign Depository within the meaning of Rule 17f-7 under the 40 Act;

(g) It is fully informed of the protections and risks associated with various methods of transmitting Instructions and Oral Instructions and delivering Certificates to Custodian, shall, and shall cause each Authorized Person, to safeguard and treat with extreme care any user and authorization codes, passwords and/or authentication keys, understands that there may be more secure methods of transmitting or delivering the same than the methods

selected by it, agrees that the security procedures (if any) to be followed in connection therewith provide a commercially reasonable degree of protection in light of its particular needs and circumstances, and acknowledges and agrees that Instructions need not be reviewed by Custodian, may conclusively be presumed by Custodian to have been given by person(s) duly authorized, and may be acted upon as given;

(h) It shall manage its borrowings, including, without limitation, any advance or overdraft (including any day-light overdraft) in the Accounts, so that the aggregate of its total borrowings for each Series does not exceed the amount such Series is permitted to borrow under the 40 Act;

(i) Its transmission or giving of, and Custodian acting upon and in reliance on, Certificates, Instructions, or Oral Instructions pursuant to this Agreement shall at all times comply with the 40 Act;

(j) It shall impose and maintain restrictions on the destinations to which cash may be disbursed by Instructions to ensure that each disbursement is for a proper purpose; and

(k) It has the right to make the pledge and grant the security interest and security entitlement to Custodian contained in Section 1 of Article V hereof, free of any right of redemption or prior claim of any other person or entity, such pledge and such grants shall have a first priority subject to no setoffs, counterclaims, or other liens or grants prior to or on a parity therewith, and it shall take such additional steps as Custodian may require to assure such priority.

3. The Fund hereby covenants that it shall from time to time complete and execute and deliver to Custodian upon Custodian's request a Form FR U-1 (or successor form) whenever the Fund borrows from Custodian any money to be used for the purchase or carrying of margin stock as defined in Federal Reserve Regulation U.

ARTICLE III
CUSTODY AND RELATED SERVICES

1. (a) Subject to the terms hereof, the Fund hereby authorizes Custodian to hold any Securities received by it from time to time for the Fund's account. Custodian shall be entitled to utilize, subject to subsection (c) of this Section 1, Depositories, Subcustodians, and, subject to subsection (d) of this Section 1, Foreign Depositories, to the extent possible in connection with its performance hereunder. Securities and cash held in a Depository or Foreign Depository will be held subject to the rules, terms and conditions of such entity. Securities and cash held through Subcustodians shall be held subject to the terms and conditions of Custodian's agreements with such Subcustodians. Subcustodians may be authorized to hold Securities in Foreign Depositories in which such Subcustodians participate. Unless otherwise required by local law or practice or a particular subcustodian agreement, Securities deposited with a Subcustodian, a Depositary or a Foreign Depository will be held in a commingled account, in the name of Custodian, holding only Securities held by Custodian as custodian for its customers. Custodian shall identify on its books and records the Securities and cash belonging to the Fund, whether held directly or indirectly through Depositories, Foreign Depositories, or Subcustodians.

Custodian shall, directly or indirectly through Subcustodians, Depositories, or Foreign Depositories, endeavor, to the extent feasible, to hold Securities in the country or other jurisdiction in which the principal trading market for such Securities is located, where such Securities are to be presented for cancellation and/or payment and/or registration, or where such Securities are acquired. Custodian at any time may cease utilizing any Subcustodian and/or may replace a Subcustodian with a different Subcustodian (the "Replacement Subcustodian"). In the event Custodian selects a Replacement Subcustodian, Custodian shall not utilize such Replacement Subcustodian until after the Fund's board or foreign custody manager has determined that utilization of such Replacement Subcustodian satisfies the requirements of the 40 Act and Rule 17f-5 thereunder.

(b) Unless Custodian has received a Certificate or Instructions to the contrary, Custodian shall hold Securities indirectly through a Subcustodian only if (i) the Securities are not subject to any right, charge, security interest, lien or claim of any kind in favor of such Subcustodian or its creditors or operators, including a receiver or trustee in bankruptcy or similar authority, except for a claim of payment for the safe custody or administration of Securities on behalf of the Fund by such Subcustodian, and (ii) beneficial ownership of the Securities is freely transferable without the payment of money or value other than for safe custody or administration.

(c) With respect to each Depository, Custodian (i) shall exercise due care in accordance with reasonable commercial standards in discharging its duties as a securities intermediary to obtain and thereafter maintain Securities or financial assets deposited or held in such Depository, and (ii) will provide, promptly upon request by the Fund, such reports as are available concerning the internal accounting controls and financial strength of Custodian.

(d) With respect to each Foreign Depository, Custodian shall exercise reasonable care, prudence, and diligence (i) to provide the Fund with an analysis of the custody risks associated with maintaining assets with the Foreign Depository, and (ii) to monitor such custody risks on a continuing basis and promptly notify the Fund of any material change in such risks. The Fund acknowledges and agrees that such analysis and monitoring shall be made on the basis of, and limited by, information gathered from Subcustodians or through publicly available information otherwise obtained by Custodian, and shall not include any evaluation of Country Risks. As used herein the term "Country Risks" shall mean with respect to any Foreign Depository: (a) the financial infrastructure of the country in which it is organized, (b) such country's prevailing custody and settlement practices, (c) nationalization, expropriation or other governmental actions, (d) such country's regulation of the banking or securities industry, (e) currency controls, restrictions, devaluations or fluctuations, and (f) market conditions which affect the order execution of securities transactions or affect the value of securities.

2. Custodian shall furnish the Fund with an advice of daily transactions (including a confirmation of each transfer of Securities) and a monthly summary of all transfers to or from the Accounts.

3. With respect to all Securities held hereunder, Custodian shall, unless otherwise instructed to the contrary:

(a) Receive all income and other payments and advise the Fund as promptly as practicable of any such amounts due but not paid;

(b) Present for payment and receive the amount paid upon all Securities which may mature and advise the Fund as promptly as practicable of any such amounts due but not paid;

(c) Forward to the Fund copies of all information or documents that it may actually receive from an issuer of Securities which, in the opinion of Custodian, are intended for the beneficial owner of Securities;

(d) Execute, as custodian, any certificates of ownership, affidavits, declarations or other certificates under any tax laws now or hereafter in effect in connection with the collection of bond and note coupons;

(e) Hold directly or through a Depository, a Foreign Depository, or a Subcustodian all rights and similar Securities issued with respect to any Securities credited to an Account hereunder; and

(f) Endorse for collection checks, drafts or other negotiable instruments.

4. (a) Custodian shall notify the Fund of rights or discretionary actions with respect to Securities held hereunder, and of the date or dates by when such rights must be exercised or such action must be taken, provided that Custodian has actually received, from the issuer or the relevant Depository (with respect to Securities issued in the United States) or from the relevant Subcustodian, Foreign Depository, or a nationally or internationally recognized bond or corporate action service to which Custodian subscribes, timely notice of such rights or discretionary corporate action or of the date or dates such rights must be exercised or such action must be taken. Absent actual receipt of such notice, Custodian shall have no liability for failing to so notify the Fund.

(b) Whenever Securities (including, but not limited to, warrants, options, tenders, options to tender or non-mandatory puts or calls) confer discretionary rights on the Fund or provide for discretionary action or alternative courses of action by the Fund, the Fund shall be responsible for making any decisions relating thereto and for directing Custodian to act. In order for Custodian to act, it must receive the Fund's Certificate or Instructions at Custodian's offices, addressed as Custodian may from time to time request, not later than noon (New York time) at least two (2) Business Days prior to the last scheduled date to act with respect to such Securities (or such earlier date or time as Custodian may specify to the Fund). Absent Custodian's timely receipt of such Certificate or Instructions, Custodian shall not be liable for failure to take any action relating to or to exercise any rights conferred by such Securities.

5. All voting rights with respect to Securities, however registered, shall be exercised by the Fund or its designee. Custodian will make available to the Fund proxy voting services upon the request of, and for the jurisdictions selected by, the Fund in accordance with terms and conditions to be mutually agreed upon by Custodian and the Fund.

6. Custodian shall promptly advise the Fund upon Custodian's actual receipt of notification of the partial redemption, partial payment or other action affecting less than all Securities of the relevant class. If Custodian, any Subcustodian, any Depository, or any Foreign Depository holds any Securities in which the Fund has an interest as part of a fungible mass, Custodian, such Subcustodian, Depository, or Foreign Depository may select the Securities to participate in such partial redemption, partial payment or other action in any non-discriminatory manner that it customarily uses to make such selection.

7. Custodian shall not under any circumstances accept bearer interest coupons which have been stripped from United States federal, state or local government or agency securities unless explicitly agreed to by Custodian in writing.

8. The Fund shall be liable for all taxes, assessments, duties and other governmental charges, including any interest or penalty with respect thereto ("Taxes"), with respect to any cash or Securities held on behalf of the Fund or any transaction related thereto. The Fund shall indemnify Custodian and each Subcustodian for the amount of any Tax that Custodian, any such Subcustodian or any other withholding agent is required under applicable laws (whether by assessment or otherwise) to pay on behalf of, or in respect of income earned by or payments or distributions made to or for the account of the Fund (including any payment of Tax required by reason of an earlier failure to withhold). Custodian shall, or shall instruct the applicable Subcustodian or other withholding agent to, withhold the amount of any Tax which is required to be withheld under applicable law upon collection of any dividend, interest or other distribution made with respect to any Security and any proceeds or income from the sale, loan or other transfer of any Security. In the event that Custodian or any Subcustodian is required under applicable law to pay any Tax on behalf of the Fund, Custodian is hereby authorized to withdraw cash from any cash account in the amount required to pay such Tax and to use such cash, or to remit such cash to the appropriate Subcustodian or other withholding agent, for the timely payment of such Tax in the manner required by applicable law. If the aggregate amount of cash in all cash accounts is not sufficient to pay such Tax, Custodian shall promptly notify the Fund of the additional amount of cash (in the appropriate currency) required, and the Fund shall directly deposit such additional amount in the appropriate cash account promptly after receipt of such notice, for use by Custodian as specified herein. In the event that Custodian reasonably believes that Fund is eligible, pursuant to applicable law or to the provisions of any tax treaty, for a reduced rate of, or exemption from, any Tax which is otherwise required to be withheld or paid on behalf of the Fund under any applicable law, Custodian shall, or shall instruct the applicable Subcustodian or withholding agent to, either withhold or pay such Tax at such reduced rate or refrain from withholding or paying such Tax, as appropriate; provided that Custodian shall have received from the Fund all documentary evidence of residence or other qualification for such reduced rate or exemption required to be received under such applicable law or treaty. In the event that Custodian reasonably believes that a reduced rate of, or exemption from, any Tax is obtainable only by means of an application for refund, Custodian and the applicable Subcustodian shall have no responsibility for the accuracy or validity of any forms or documentation provided by the Fund to Custodian hereunder. The Fund hereby agrees to indemnify and hold harmless Custodian and each Subcustodian in respect of any liability arising from any underwithholding or underpayment of any Tax which results from the inaccuracy or invalidity of any such forms or other documentation, and such obligation to

indemnify shall be a continuing obligation of the Fund, its successors and assigns notwithstanding the termination of this Agreement.

9. (a) For the purpose of settling Securities and foreign exchange transactions, the Fund shall provide Custodian with sufficient immediately available funds for all transactions by such time and date as conditions in the relevant market dictate. As used herein, "sufficient immediately available funds" shall mean either (i) sufficient cash denominated in U.S. dollars to purchase the necessary foreign currency, or (ii) sufficient applicable foreign currency, to settle the transaction. Custodian shall provide the Fund with immediately available funds each day which result from the actual settlement of all sale transactions, based upon advices received by Custodian from Subcustodians, Depositories, and Foreign Depositories. Such funds shall be in U.S. dollars or such other currency as the Fund may specify to Custodian.

(b) Any foreign exchange transaction effected by Custodian in connection with this Agreement may be entered with Custodian or a BNY Affiliate acting as principal or otherwise through customary banking channels. The Fund may issue a standing Certificate or Instructions with respect to foreign exchange transactions, but Custodian may establish rules or limitations concerning any foreign exchange facility made available to the Fund. The Fund shall bear all risks of investing in Securities or holding cash denominated in a foreign currency.

(c) To the extent that Custodian has agreed to provide pricing or other information services in connection with this Agreement, Custodian is authorized to utilize any vendor (including brokers and dealers of Securities) reasonably believed by Custodian to be reliable to provide such information. The Fund understands that certain pricing information with respect to complex financial instruments (e.g., derivatives) may be based on calculated amounts rather than actual market transactions and may not reflect actual market values, and that the variance between such calculated amounts and actual market values may or may not be material. Where vendors do not provide information for particular Securities or other property, an Authorized Person may advise Custodian in a Certificate regarding the fair market value of, or provide other information with respect to, such Securities or property as determined by it in good faith. Custodian shall not be liable for any loss, damage or expense incurred as a result of errors or omissions with respect to any pricing or other information utilized by Custodian hereunder.

10. Until such time as Custodian receives a certificate to the contrary with respect to a particular Security, Custodian may release the identity of the Fund to an issuer which requests such information pursuant to the Shareholder Communications Act of 1985 for the specific purpose of direct communications between such issuer and shareholder.

ARTICLE IV
PURCHASE AND SALE OF SECURITIES; CREDITS TO ACCOUNT

1. Promptly after each purchase or sale of Securities by the Fund, the Fund shall deliver to Custodian a Certificate or Instructions, or with respect to a purchase or sale of a Security generally required to be settled on the same day the purchase or sale is made, Oral Instructions specifying all information Custodian may reasonably request to settle such purchase or sale. Custodian shall account for all purchases and sales of Securities on the actual settlement date

unless otherwise agreed by Custodian.

2. The Fund understands that when Custodian is instructed to deliver Securities against payment, delivery of such Securities and receipt of payment therefor may not be completed simultaneously. Notwithstanding any provision in this Agreement to the contrary, settlements, payments and deliveries of Securities may be effected by Custodian or any Subcustodian in accordance with the customary or established securities trading or securities processing practices and procedures in the jurisdiction in which the transaction occurs, including, without limitation, delivery to a purchaser or dealer therefor (or agent) against receipt with the expectation of receiving later payment for such Securities. The Fund assumes full responsibility for all risks, including, without limitation, credit risks, involved in connection with such deliveries of Securities.

3. Custodian may, as a matter of bookkeeping convenience or by separate agreement with the Fund, credit the Account with the proceeds from the sale, redemption or other disposition of Securities or interest, dividends or other distributions payable on Securities prior to its actual receipt of final payment therefor. All such credits shall be conditional until Custodian's actual receipt of final payment and may be reversed by Custodian to the extent that final payment is not received. Payment with respect to a transaction will not be "final" until Custodian shall have received immediately available funds which under applicable local law, rule and/or practice are irreversible and not subject to any security interest, levy or other encumbrance, and which are specifically applicable to such transaction.

ARTICLE V
OVERDRAFTS OR INDEBTEDNESS

1. If Custodian should in its sole discretion advance funds on behalf of any Series which results in an overdraft (including, without limitation, any day-light overdraft) because the money held by Custodian in an Account for such Series shall be insufficient to pay the total amount payable upon a purchase of Securities specifically allocated to such Series, as set forth in a Certificate, Instructions or Oral Instructions, or if an overdraft arises in the separate account of a Series for some other reason, including, without limitation, because of a reversal of a conditional credit or the purchase of any currency, or if the Fund is for any other reason indebted to Custodian with respect to a Series, including any indebtedness to The Bank of New York under the Fund's Cash Management and Related Services Agreement (except a borrowing for investment or for temporary or emergency purposes using Securities as collateral pursuant to a separate agreement and subject to the provisions of Section 2 of this Article), such overdraft or indebtedness shall be deemed to be a loan made by Custodian to the Fund for such Series payable on demand and shall bear interest from the date incurred at a rate per annum ordinarily charged by Custodian to its institutional customers, as such rate may be adjusted from time to time. In addition, the Fund hereby agrees that Custodian shall to the maximum extent permitted by law have a continuing lien, security interest, and security entitlement in and to any property, including, without limitation, any investment property or any financial asset, of such Series at any time held by Custodian for the benefit of such Series or in which such Series may have an interest which is then in Custodian's possession or control or in possession or control of any third party acting in Custodian's behalf. The Fund authorizes Custodian, in its sole discretion, at

any time to charge any such overdraft or indebtedness together with interest due thereon against any balance of account standing to such Series' credit on Custodian's books.

2. If the Fund borrows money from any bank (including Custodian if the borrowing is pursuant to a separate agreement) for investment or for temporary or emergency purposes using Securities held by Custodian hereunder as collateral for such borrowings, the Fund shall deliver to Custodian a Certificate specifying with respect to each such borrowing: (a) the Series to which such borrowing relates; (b) the name of the bank, (c) the amount of the borrowing, (d) the time and date, if known, on which the loan is to be entered into, (e) the total amount payable to the Fund on the borrowing date, (f) the Securities to be delivered as collateral for such loan, including the name of the issuer, the title and the number of shares or the principal amount of any particular Securities, and (g) a statement specifying whether such loan is for investment purposes or for temporary or emergency purposes and that such loan is in conformance with the 40 Act and the Fund's prospectus. Custodian shall deliver on the borrowing date specified in a Certificate the specified collateral against payment by the lending bank of the total amount of the loan payable, provided that the same conforms to the total amount payable as set forth in the Certificate. Custodian may, at the option of the lending bank, keep such collateral in its possession, but such collateral shall be subject to all rights therein given the lending bank by virtue of any promissory note or loan agreement. Custodian shall deliver such Securities as additional collateral as may be specified in a Certificate to collateralize further any transaction described in this Section. The Fund shall cause all Securities released from collateral status to be returned directly to Custodian, and Custodian shall receive from time to time such return of collateral as may be tendered to it. In the event that the Fund fails to specify in a Certificate the Series, the name of the issuer, the title and number of shares or the principal amount of any particular Securities to be delivered as collateral by Custodian, Custodian shall not be under any obligation to deliver any Securities.

ARTICLE VI
SALE AND REDEMPTION OF SHARES

1. Whenever the Fund shall sell any shares issued by the Fund ("Shares") it shall deliver to Custodian a Certificate or Instructions specifying the amount of money and/or Securities to be received by Custodian for the sale of such Shares and specifically allocated to an Account for such Series.

2. Upon receipt of such money, Custodian shall credit such money to an Account in the name of the Series for which such money was received.

3. Except as provided hereinafter, whenever the Fund desires Custodian to make payment out of the money held by Custodian hereunder in connection with a redemption of any Shares, it shall furnish to Custodian a Certificate or Instructions specifying the total amount to be paid for such Shares. Custodian shall make payment of such total amount to the transfer agent specified in such Certificate or Instructions out of the money held in an Account of the appropriate Series.

ARTICLE VII
PAYMENT OF DIVIDENDS OR DISTRIBUTIONS

1. Whenever the Fund shall determine to pay a dividend or distribution on Shares it shall furnish to Custodian Instructions or a Certificate setting forth with respect to the Series specified therein the date of the declaration of such dividend or distribution, the total amount payable, and the payment date.

2. Upon the payment date specified in such Instructions or Certificate, Custodian shall pay out of the money held for the account of such Series the total amount payable to the dividend agent of the Fund specified therein.

ARTICLE VIII
CONCERNING CUSTODIAN

1. (a) Except as otherwise expressly provided herein, Custodian shall not be liable for any costs, expenses, damages, liabilities or claims, including attorneys' and accountants' fees (collectively, "Losses"), incurred by or asserted against the Fund, except those Losses arising out of Custodian's own negligence or willful misconduct. Custodian shall have no liability whatsoever for the action or inaction of any Depositories or of any Foreign Depositories, except in each case to the extent such action or inaction is a direct result of the Custodian's failure to fulfill its duties hereunder. With respect to any Losses incurred by the Fund as a result of the acts or any failures to act by any Subcustodian (other than a BNY Affiliate), Custodian shall take appropriate action to recover such Losses from such Subcustodian; and Custodian's sole responsibility and liability to the Fund shall be limited to amounts so received from such Subcustodian (exclusive of costs and expenses incurred by Custodian). In no event shall Custodian be liable to the Fund or any third party for special, indirect or consequential damages, or lost profits or loss of business, arising in connection with this Agreement, nor shall BNY or any Subcustodian be liable: (i) for acting in accordance with any Certificate or Oral Instructions actually received by Custodian and reasonably believed by Custodian to be given by an Authorized Person; (ii) for acting in accordance with Instructions without reviewing the same; (iii) for conclusively presuming that all Instructions are given only by person(s) duly authorized; (iv) for conclusively presuming that all disbursements of cash directed by the Fund, whether by a Certificate, an Oral Instruction, or an Instruction, are in accordance with Section 2(i) of Article II hereof; (v) for holding property in any particular country, including, but not limited to, Losses resulting from nationalization, expropriation or other governmental actions; regulation of the banking or securities industry; exchange or currency controls or restrictions, devaluations or fluctuations; availability of cash or Securities or market conditions which prevent the transfer of property or execution of Securities transactions or affect the value of property; (vi) for any Losses due to forces beyond the control of Custodian, including without limitation strikes, work stoppages, acts of war or terrorism, insurrection, revolution, nuclear or natural catastrophes or acts of God, or interruptions, loss or malfunctions of utilities, communications or computer (software and hardware) services; (vii) for the insolvency of any Subcustodian (other than a BNY Affiliate), any Depository, or, except to the extent such action or inaction is a direct result of the Custodian's failure to fulfill its duties hereunder, any Foreign Depository; or (viii) for any Losses arising from the applicability of any law or regulation now or hereafter in effect, or from

the occurrence of any event, including, without limitation, implementation or adoption of any rules or procedures of a Foreign Depository, which may affect, limit, prevent or impose costs or burdens on, the transferability, convertibility, or availability of any currency or Composite Currency Unit in any country or on the transfer of any Securities, and in no event shall Custodian be obligated to substitute another currency for a currency (including a currency that is a component of a Composite Currency Unit) whose transferability, convertibility or availability has been affected, limited, or prevented by such law, regulation or event, and to the extent that any such law, regulation or event imposes a cost or charge upon Custodian in relation to the transferability, convertibility, or availability of any cash currency or Composite Currency Unit, such cost or charge shall be for the account of the Fund, and Custodian may treat any account denominated in an affected currency as a group of separate accounts denominated in the relevant component currencies.

(b) Custodian may enter into subcontracts, agreements and understandings with any BNY Affiliate, whenever and on such terms and conditions as it deems necessary or appropriate to perform its services hereunder. No such subcontract, agreement or understanding shall discharge Custodian from its obligations hereunder.

(c) The Fund agrees to indemnify Custodian and hold Custodian harmless from and against any and all Losses sustained or incurred by or asserted against Custodian by reason of or as a result of any action or inaction, or arising out of Custodian's performance hereunder, including reasonable fees and expenses of counsel incurred by Custodian in a successful defense of claims by the Fund; provided however, that the Fund shall not indemnify Custodian for those Losses arising out of Custodian's own negligence or willful misconduct. This indemnity shall be a continuing obligation of the Fund, its successors and assigns, notwithstanding the termination of this Agreement.

2. Without limiting the generality of the foregoing, Custodian shall be under no obligation to inquire into, and shall not be liable for:

(a) Any Losses incurred by the Fund or any other person as a result of the receipt or acceptance of fraudulent, forged or invalid Securities, or Securities which are otherwise not freely transferable or deliverable without encumbrance in any relevant market;

(b) The validity of the issue of any Securities purchased, sold, or written by or for the Fund, the legality of the purchase, sale or writing thereof, or the propriety of the amount paid or received therefor;

(c) The legality of the sale or redemption of any Shares, or the propriety of the amount to be received or paid therefor;

(d) The legality of the declaration or payment of any dividend or distribution by the Fund;

(e) The legality of any borrowing by the Fund;

(f) The legality of any loan of portfolio Securities, nor shall Custodian be under any duty or obligation to see to it that any cash or collateral delivered to it by a broker, dealer or financial institution or held by it at any time as a result of such loan of portfolio Securities is adequate security for the Fund against any loss it might sustain as a result of such loan, which duty or obligation shall be the sole responsibility of the Fund. In addition, Custodian shall be under no duty or obligation to see that any broker, dealer or financial institution to which portfolio Securities of the Fund are lent makes payment to it of any dividends or interest which are payable to or for the account of the Fund during the period of such loan or at the termination of such loan, provided, however that Custodian shall promptly notify the Fund in the event that such dividends or interest are not paid and received when due;

(g) The sufficiency or value of any amounts of money and/or Securities held in any Special Account in connection with transactions by the Fund; whether any broker, dealer, futures commission merchant or clearing member makes payment to the Fund of any variation margin payment or similar payment which the Fund may be entitled to receive from such broker, dealer, futures commission merchant or clearing member, or whether any payment received by Custodian from any broker, dealer, futures commission merchant or clearing member is the amount the Fund is entitled to receive, or to notify the Fund of Custodian's receipt or non-receipt of any such payment; or

(h) Whether any Securities at any time delivered to, or held by it or by any Subcustodian, for the account of the Fund and specifically allocated to a Series are such as properly may be held by the Fund or such Series under the provisions of its then current prospectus and statement of additional information, or to ascertain whether any transactions by the Fund, whether or not involving Custodian, are such transactions as may properly be engaged in by the Fund.

3. Custodian may, with respect to questions of law specifically regarding an Account, obtain the advice of counsel and shall be fully protected with respect to anything done or omitted by it in good faith in conformity with such advice.

4. Custodian shall be under no obligation to take action to collect any amount payable on Securities in default, or if payment is refused after due demand and presentment.

5. Custodian shall have no duty or responsibility to inquire into, make recommendations, supervise, or determine the suitability of any transactions affecting any Account.

6. The Fund shall pay to Custodian the fees and charges as may be specifically agreed upon from time to time and such other fees and charges at Custodian's standard rates for such services as may be applicable. The Fund shall reimburse Custodian for all costs associated with the conversion of the Fund's Securities hereunder and the transfer of Securities and records kept in connection with this Agreement. The Fund shall also reimburse Custodian for out-of-pocket expenses which are a normal incident of the services provided hereunder.

7. Custodian has the right to debit any cash account for any amount payable by the Fund in connection with any and all obligations of the Fund to Custodian. In addition to the rights of

Custodian under applicable law and other agreements, at any time when the Fund shall not have honored any of its obligations to Custodian, Custodian shall have the right without notice to the Fund to retain or set-off, against such obligations of the Fund, any Securities or cash Custodian or a BNY Affiliate may directly or indirectly hold for the account of the Fund, and any obligations (whether matured or unmatured) that Custodian or a BNY Affiliate may have to the Fund in any currency or Composite Currency Unit. Any such asset of, or obligation to, the Fund may be transferred to Custodian and any BNY Affiliate in order to effect the above rights.

8. The Fund agrees to forward to Custodian a Certificate or Instructions confirming Oral Instructions by the close of business of the same day that such Oral Instructions are given to Custodian. The Fund agrees that the fact that such confirming Certificate or Instructions are not received or that a contrary Certificate or contrary Instructions are received by Custodian shall in no way affect the validity or enforceability of transactions authorized by such Oral Instructions and effected by Custodian. If the Fund elects to transmit Instructions through an on-line communications system offered by Custodian, the Fund's use thereof shall be subject to the Terms and Conditions attached as Appendix I hereto. If Custodian receives Instructions which appear on their face to have been transmitted by an Authorized Person via (i) computer facsimile, email, the Internet or other insecure electronic method, or (ii) secure electronic transmission containing applicable authorization codes, passwords and/or authentication keys, the Fund understands and agrees that Custodian cannot determine the identity of the actual sender of such Instructions and that Custodian shall conclusively presume that such Written Instructions have been sent by an Authorized Person, and the Fund shall be responsible for ensuring that only Authorized Persons transmit such Instructions to Custodian. If the Fund elects (with Custodian's prior consent) to transmit Instructions through an on-line communications service owned or operated by a third party, the Fund agrees that Custodian shall not be responsible or liable for the reliability or availability of any such service.

9. The books and records pertaining to the Fund which are in possession of Custodian shall be the property of the Fund. Such books and records shall be prepared and maintained as required by the 40 Act and the rules thereunder. The Fund, or its authorized representatives, shall have access to such books and records during Custodian's normal business hours. Upon the reasonable request of the Fund, copies of any such books and records shall be provided by Custodian to the Fund or its authorized representative. Upon the reasonable request of the Fund, Custodian shall provide in hard copy or on computer disc any records included in any such delivery which are maintained by Custodian on a computer disc, or are similarly maintained.

10. It is understood that Custodian is authorized to supply any information regarding the Accounts which is required by any law, regulation or rule now or hereafter in effect. The Custodian shall provide the Fund with any report obtained by the Custodian on the system of internal accounting control of a Depository, and with such reports on its own system of internal accounting control as the Fund may reasonably request from time to time.

11. Custodian shall have no duties or responsibilities whatsoever except such duties and responsibilities as are specifically set forth in this Agreement, and no covenant or obligation shall be implied against Custodian in connection with this Agreement.

ARTICLE IX
TERMINATION

1. Either of the parties hereto may terminate this Agreement by giving to the other party a notice in writing specifying the date of such termination, which shall be not less than ninety (90) days after the date of giving of such notice. In the event such notice is given by the Fund, it shall be accompanied by a copy of a resolution of the board of the Fund, certified by the Secretary or any Assistant Secretary, electing to terminate this Agreement and designating a successor custodian or custodians, each of which shall be a bank or trust company having not less than $2,000,000 aggregate capital, surplus and undivided profits. In the event such notice is given by Custodian, the Fund shall, on or before the termination date, deliver to Custodian a copy of a resolution of the board of the Fund, certified by the Secretary or any Assistant Secretary, designating a successor custodian or custodians. In the absence of such designation by the Fund, Custodian may designate a successor custodian, which shall be a bank or trust company having not less than $2,000,000 aggregate capital, surplus and undivided profits. Upon the date set forth in such notice this Agreement shall terminate, and Custodian shall upon receipt of a notice of acceptance by the successor custodian on that date deliver directly to the successor custodian all Securities and money then owned by the Fund and held by it as Custodian, after deducting all fees, expenses and other amounts for the payment or reimbursement of which it shall then be entitled.

2. If a successor custodian is not designated by the Fund or Custodian in accordance with the preceding Section, the Fund shall upon the date specified in the notice of termination of this Agreement and upon the delivery by Custodian of all Securities (other than Securities which cannot be delivered to the Fund) and money then owned by the Fund be deemed to be its own custodian and Custodian shall thereby be relieved of all duties and responsibilities pursuant to this Agreement, other than the duty with respect to Securities which cannot be delivered to the Fund to hold such Securities hereunder in accordance with this Agreement.

ARTICLE X
MISCELLANEOUS

1. The Fund agrees to furnish to Custodian a new Certificate of Authorized Persons in the event of any change in the then present Authorized Persons. Until such new Certificate is received, Custodian shall be fully protected in acting upon Certificates or Oral Instructions of such present Authorized Persons.

2. Any notice or other instrument in writing, authorized or required by this Agreement to be given to Custodian, shall be sufficiently given if addressed to Custodian and received by it at its offices at 100 Church Street, New York, New York 10286, or at such other place as Custodian may from time to time designate in writing.

3. Any notice or other instrument in writing, authorized or required by this Agreement to be given to the Fund shall be sufficiently given if addressed to the Fund and received by it at its offices at 3600 Glenwood Avenue, Suite 104, Raleigh NC 27612, or at such other place as the Fund may from time to time designate in writing.

4. Each and every right granted to either party hereunder or under any other document delivered hereunder or in connection herewith, or allowed it by law or equity, shall be cumulative and may be exercised from time to time. No failure on the part of either party to exercise, and no delay in exercising, any right will operate as a waiver thereof, nor will any single or partial exercise by either party of any right preclude any other or future exercise thereof or the exercise of any other right.

5. In case any provision in or obligation under this Agreement shall be invalid, illegal or unenforceable in any exclusive jurisdiction, the validity, legality and enforceability of the remaining provisions shall not in any way be affected thereby. This Agreement may not be amended or modified in any manner except by a written agreement executed by both parties, except that any amendment to the Schedule I hereto need be signed only by the Fund and any amendment to Appendix I hereto need be signed only by Custodian. This Agreement shall extend to and shall be binding upon the parties hereto, and their respective successors and assigns; provided, however, that this Agreement shall not be assignable by either party without the written consent of the other.

6. This Agreement shall be construed in accordance with the substantive laws of the State of New York, without regard to conflicts of laws principles thereof. The Fund and Custodian hereby consent to the jurisdiction of a state or federal court situated in New York City, New York in connection with any dispute arising hereunder. The Fund hereby irrevocably waives, to the fullest extent permitted by applicable law, any objection which it may now or hereafter have to the laying of venue of any such proceeding brought in such a court and any claim that such proceeding brought in such a court has been brought in an inconvenient forum. The Fund and Custodian each hereby irrevocably waives any and all rights to trial by jury in any legal proceeding arising out of or relating to this Agreement.

7. The Fund hereby acknowledges that Custodian is subject to federal laws, including its Customer Identification Program (CIP) requirements under the USA PATRIOT Act and its implementing regulations, pursuant to which Custodian must obtain, verify and record information that allows Custodian to identify the Fund. Accordingly, prior to opening an Account hereunder Custodian will ask the Fund to provide certain information including, but not limited to, the Fund's name, physical address, tax identification number and other information that will help Custodian to identify and verify the Fund's identity such as organizational documents, certificate of good standing, license to do business, or other pertinent identifying information. The Fund agrees that Custodian cannot open an Account hereunder unless and until Custodian verifies the Fund's identity in accordance with its CIP.

8. This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original, but such counterparts shall, together, constitute only one instrument.

IN WITNESS WHEREOF, the Fund and Custodian have caused this Agreement to be executed by their respective officers, thereunto duly authorized, as of the day and year first above written.

TRIANGLE CAPITAL CORPORATION

By: _____

Title:
Tax Identification No:

TRIANGLE MEZZANINE FUND, LLLP

By: _____

Title:
Tax Identification No:

THE BANK OF NEW YORK

By: _____
Title:

SCHEDULE I
CERTIFICATE OF AUTHORIZED PERSONS
(The Fund — Oral and Written Instructions)

The undersigned hereby certifies that he/she is the duly elected and acting ___of * (the "Fund"), and further certifies that the following officers or employees of the Fund have been duly authorized in conformity with the Fund's Declaration of Trust and By-Laws to deliver Certificates and Oral Instructions to The Bank of New York ("Custodian") pursuant to the Custody Agreement between the Fund and Custodian dated ___, and that the signatures appearing opposite their names are true and correct:

Name	Title	Signature
Name	Title	Signature
Name	Title	Signature
Name	Title	Signature
Name	Title	Signature
Name	Title	Signature
Name	Title	Signature

This certificate supersedes any certificate of Authorized Persons you may currently have on file.

[seal]

By: _____
Title:

Date:

SCHEDULE II

SERIES

APPENDIX I

THE BANK OF NEW YORK

ON-LINE COMMUNICATIONS SYSTEM (THE "SYSTEM")

TERMS AND CONDITIONS

1. License; Use. Upon delivery to an Authorized Person or a person reasonably believed by Custodian to be an Authorized Person, Fund of software enabling the Fund to obtain access to the System (the "Software"), Custodian grants to the Fund a personal, nontransferable and nonexclusive license to use the Software solely for the purpose of transmitting Written Instructions, receiving reports, making inquiries or otherwise communicating with Custodian in connection with the Account(s). The Fund shall use the Software solely for its own internal and proper business purposes and not in the operation of a service bureau. Except as set forth herein, no license or right of any kind is granted to the Fund with respect to the Software. The Fund acknowledges that Custodian and its suppliers retain and have title and exclusive proprietary rights to the Software, including any trade secrets or other ideas, concepts, know-how, methodologies, or information incorporated therein and the exclusive rights to any copyrights, trademarks and patents (including registrations and applications for registration of either), or other statutory or legal protections available in respect thereof. The Fund further acknowledges that all or a part of the Software may be copyrighted or trademarked (or a registration or claim made therefor) by Custodian or its suppliers. The Fund shall not take any action with respect to the Software inconsistent with the foregoing acknowledgments, nor shall the Fund attempt to decompile, reverse engineer or modify the Software. The Fund may not copy, sell, lease or provide, directly or indirectly, any of the Software or any portion thereof to any other person or entity without Custodian's prior written consent. The Fund may not remove any statutory copyright notice or other notice included in the Software or on any media containing the Software. The Fund shall reproduce any such notice on any reproduction of the Software and shall add any statutory copyright notice or other notice to the Software or media upon Custodian's request.

2. Equipment. The Fund shall obtain and maintain at its own cost and expense all equipment and services, including but not limited to communications services, necessary for it to utilize the Software and obtain access to the System, and Custodian shall not be responsible for the reliability or availability of any such equipment or services.

3. Proprietary Information. The Software, any data base and any proprietary data, processes, information and documentation made available to the Fund (other than which are or become part of the public domain or are legally required to be made available to the public) (collectively, the "Information"), are the exclusive and confidential property of Custodian or its suppliers. The Fund shall keep the Information

confidential by using the same care and discretion that the Fund uses with respect to its own confidential property and trade secrets, but not less than reasonable care. Upon termination of the Agreement or the Software license granted herein for any reason, the Fund shall return to Custodian any and all copies of the Information which are in its possession or under its control.

4. Modifications. Custodian reserves the right to modify the Software from time to time and the Fund shall install new releases of the Software as Custodian may direct. The Fund agrees not to modify or attempt to modify the Software without Custodian's prior written consent. The Fund acknowledges that any modifications to the Software, whether by the Fund or Custodian and whether with or without Custodian's consent, shall become the property of Custodian.

5. NO REPRESENTATIONS OR WARRANTIES. CUSTODIAN AND ITS MANUFACTURERS AND SUPPLIERS MAKE NO WARRANTIES OR REPRESENTATIONS WITH RESPECT TO THE SOFTWARE, SERVICES OR ANY DATABASE, EXPRESS OR IMPLIED, IN FACT OR IN LAW, INCLUDING BUT NOT LIMITED TO WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE. THE FUND ACKNOWLEDGES THAT THE SOFTWARE, SERVICES AND ANY DATABASE ARE PROVIDED "AS IS." IN NO EVENT SHALL CUSTODIAN OR ANY SUPPLIER BE LIABLE FOR ANY DAMAGES, WHETHER DIRECT, INDIRECT SPECIAL, OR CONSEQUENTIAL, WHICH THE FUND MAY INCUR IN CONNECTION WITH THE SOFTWARE, SERVICES OR ANY DATABASE, EVEN IF CUSTODIAN OR SUCH SUPPLIER HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. IN NO EVENT SHALL CUSTODIAN OR ANY SUPPLIER BE LIABLE FOR ACTS OF GOD, MACHINE OR COMPUTER BREAKDOWN OR MALFUNCTION, INTERRUPTION OR MALFUNCTION OF COMMUNICATION FACILITIES, LABOR DIFFICULTIES OR ANY OTHER SIMILAR OR DISSIMILAR CAUSE BEYOND THEIR REASONABLE CONTROL.

6. Security; Reliance; Unauthorized Use. The Fund will cause all persons utilizing the Software and System to treat all applicable user and authorization codes, passwords and authentication keys with extreme care, and it will establish internal control and safekeeping procedures to restrict the availability of the same to persons duly authorized to give Instructions. Custodian is hereby irrevocably authorized to act in accordance with and rely on Instructions received by it through the System. The Fund acknowledges that it is its sole responsibility to assure that only persons duly authorized use the System and that Custodian shall not be responsible nor liable for any unauthorized use thereof.

7. System Acknowledgments. Custodian shall acknowledge through the System its receipt of each transmission communicated through the System, and in the absence of such acknowledgment Custodian shall not be liable for any failure to act in accordance with such transmission and the Fund may not claim that such transmission was received by Custodian.

8. EXPORT RESTRICTIONS. EXPORT OF THE SOFTWARE IS PROHIBITED BY UNITED STATES LAW. THE FUND MAY NOT UNDER ANY CIRCUMSTANCES RESELL, DIVERT, TRANSFER, TRANSSHIP OR OTHERWISE DISPOSE OF THE SOFTWARE (IN ANY FORM) IN OR TO ANY OTHER COUNTRY. IF CUSTODIAN DELIVERED THE SOFTWARE TO THE FUND OUTSIDE OF THE UNITED STATES, THE SOFTWARE WAS EXPORTED FROM THE UNITED STATES IN ACCORDANCE WITH THE EXPORTER ADMINISTRATION REGULATIONS. DIVERSION CONTRARY TO U.S. LAW IS PROHIBITED. The Fund hereby authorizes Custodian to report its name and address to government agencies to which Custodian is required to provide such information by law.

9. ENCRYPTION. The Fund acknowledges and agrees that encryption may not be available for every communication through the System, or for all data. The Fund agrees that Custodian may deactivate any encryption features at any time, without notice or liability to the Fund, for the purpose of maintaining, repairing or troubleshooting the System or the Software.

Exhibit k(l)

STOCK TRANSFER AGENCY AGREEMENT

between

TRIANGLE CAPITAL CORPORATION

and

THE BANK OF NEW YORK

Dated as of February ___, 2007

ACCOUNT NUMBER(S) _____

STOCK TRANSFER AGENCY AGREEMENT

AGREEMENT, made as of February [___], 2007 by and between TRIANGLE CAPITAL CORPORATION, a corporation organized and existing under the laws of the State of Maryland (hereinafter referred to as the "Customer"), and THE BANK OF NEW YORK, a New York trust company (hereinafter referred to as the "Bank").

W I T N E S S E T H:

That for and in consideration of the mutual promises hereinafter set forth, the parties hereto covenant and agree as follows:

ARTICLE I
DEFINITIONS

Whenever used in this Agreement, the following words and phrases shall have the following meanings:

1. "Business Day" shall be deemed to be each day on which the Bank is open for business.

2. "Certificate" shall mean any notice, instruction, or other instrument in writing, authorized or required by this Agreement to be given to the Bank by the Customer which is signed by any Officer, as hereinafter defined, and actually received by the Bank.

3. "Officer" shall be deemed to be the Customer's Chief Executive Officer, President, any Vice President, the Secretary, the Treasurer, the Controller, any Assistant Treasurer, and any Assistant Secretary duly authorized by the Board of Directors of the Customer to execute any Certificate, instruction, notice or other instrument on behalf of the Customer and named in a Certificate, as such Certificate may be amended from time to time.

4. "Shares" shall mean all or any part of each class of the shares of capital stock of the Customer which from time to time are authorized and/or issued by the Customer and identified in a Certificate of the Secretary of the Customer under corporate seal, as such Certificate may be amended from time to time, with respect to which the Bank is to act hereunder.

ARTICLE II
APPOINTMENT OF BANK

1. The Customer hereby constitutes and appoints the Bank as its agent to perform the services described herein and as more particularly described in Schedule I attached hereto (the "Services"), and the Bank hereby accepts appointment as such agent and agrees to perform the Services in accordance with the terms hereinafter set forth.

2. In connection with such appointment, the Customer shall deliver the following documents to the Bank:

(a) A certified copy of the Certificate of Incorporation or other document evidencing the Customer's form of organization (the "Charter") and all amendments thereto;

(b) A certified copy of the By-Laws of the Customer;

(c) A certified copy of a resolution of the Board of Directors of the Customer appointing the Bank to perform the Services and authorizing the execution and delivery of this Agreement;

(d) A Certificate signed by the Secretary of the Customer specifying: the number of authorized Shares, the number of such authorized Shares issued and currently outstanding, and the names and specimen signatures of all persons duly authorized by the Board of Directors of the Customer to execute any Certificate on behalf of the Customer, as such Certificate may be amended from time to time;

(e) A Specimen Share certificate for each class of Shares in the form approved by the Board of Directors of the Customer, together with a Certificate signed by the Secretary of the Customer as to such approval and covenanting to supply a new such Certificate and specimen whenever such form shall change;

(f) An opinion of counsel for the Customer, in a form satisfactory to the Bank, with respect to the validity of the authorized and outstanding Shares, the obtaining of all necessary governmental consents, whether such Shares are fully paid and non-assessable and the status of such Shares under the Securities Act of 1933, as amended, and any other applicable law or regulation (i.e., if subject to registration, that they have been registered and that the Registration Statement has become effective or, if exempt, the specific grounds therefor);

(g) A list of the name, address, social security or taxpayer identification number of each Shareholder, number of Shares owned, certificate numbers, and whether any "stops" have been placed; and

(h) An opinion of counsel for the Customer, in a form satisfactory to the Bank, with respect to the due authorization by the Customer and the validity and effectiveness of the use of facsimile signatures by the Bank in connection with the countersigning and registering of Share certificates of the Customer.

3. The Customer shall furnish the Bank with a sufficient supply of blank Share certificates and from time to time will renew such supply upon request of the Bank. Such blank Share certificates shall be properly signed, by facsimile or otherwise, by Officers of the Customer authorized by law or by the By-Laws to sign Share certificates, and, if required, shall bear the corporate seal or a facsimile thereof.

4. Customer acknowledges that the Bank is subject to the customer identification program ("Customer Identification Program") requirements under the USA PATRIOT Act and its implementing regulations, and that the Bank must obtain, verify and record information that allows the Bank to identify Customer. Accordingly, prior to opening an account hereunder the Bank may request information (including but not limited to the Customer's name, physical address, tax identification number and other information) that will help the Bank to identify the organization such as organizational documents, certificate of good standing, license to do business, or any other information that will allow the Bank to identify Customer. Customer agrees that the Bank cannot open an account hereunder unless and until the Bank verifies Customer's identity in accordance with its Customer Identification Program.

ARTICLE III
AUTHORIZATION AND ISSUANCE OF SHARES

1. The Customer shall deliver to the Bank the following documents on or before the effective date of any increase, decrease or other change in the total number of Shares authorized to be issued:

(a) A certified copy of the amendment to the Charter giving effect to such increase, decrease or change;

(b) An opinion of counsel for the Customer, in a form satisfactory to the Bank, with respect to the validity of the Shares, the obtaining of all necessary governmental consents, whether such Shares are fully paid and non-assessable and the status of such Shares under the Securities Act of 1933, as amended, and any other applicable federal law or regulations (i.e., if subject to registration, that they have been registered and that the Registration Statement has become effective or, if exempt, the specific grounds therefor); and

(c) In the case of an increase, if the appointment of the Bank was theretofore expressly limited, a certified copy of a resolution of the Board of Directors of the Customer increasing the authority of the Bank.

2. Prior to the issuance of any additional Shares pursuant to stock dividends, stock splits or otherwise, and prior to any reduction in the number of Shares outstanding, the Customer shall deliver the following documents to the Bank:

(a) A certified copy of the resolutions adopted by the Board of Directors and/or the shareholders of the Customer authorizing such issuance of additional Shares of the Customer or such reduction, as the case may be;

(b) A certified copy of the order or consent of each governmental or regulatory authority required by law as a prerequisite to the issuance or reduction of such Shares, as the case may be, and an opinion of counsel for the Customer that no other order or consent is required; and

(c) An opinion of counsel for the Customer, in a form satisfactory to the Bank, with respect to the validity of the Shares, the obtaining of all necessary governmental consents, whether such Shares are fully paid and non-assessable and the status of such Shares under the Securities Act of 1933, as amended, and any other applicable law or regulation (i.e., if subject to registration, that they have been registered and that the Registration Statement has become effective, or, if exempt, the specific grounds therefor).

ARTICLE IV
RECAPITALIZATION OR CAPITAL ADJUSTMENT

1. In the case of any negative stock split, recapitalization or other capital adjustment requiring a change in the form of Share certificates, the Bank will issue Share certificates in the new form in exchange for, or upon transfer of, outstanding Share certificates in the old form, upon receiving:

(a) A Certificate authorizing the issuance of Share certificates in the new form;

(b) A certified copy of any amendment to the Charter with respect to the change;

(c) Specimen Share certificates for each class of Shares in the new form approved by the Board of Directors of the Customer, with a Certificate signed by the Secretary of the Customer as to such approval;

(d) A certified copy of the order or consent of each governmental or regulatory authority required by law as a prerequisite to the issuance of the Shares in the new form, and an opinion of counsel for the Customer that the order or consent of no other governmental or regulatory authority is required; and

(e) An opinion of counsel for the Customer, in a form satisfactory to the Bank, with respect to the validity of the Shares in the new form, the obtaining of all necessary governmental consents, whether such Shares are fully paid and non-assessable and the status of such Shares under the Securities Act of 1933, as amended, and any other applicable law or regulation (i.e., if subject to registration, that the Shares have been registered and that the Registration Statement has become effective or, if exempt, the specific grounds therefor).

2. The Customer shall furnish the Bank with a sufficient supply of blank Share certificates in the new form, and from time to time will replenish such supply upon the request of the Bank. Such blank Share certificates shall be properly signed, by facsimile or otherwise, by Officers of the Customer authorized by law or by the By-Laws to sign Share certificates and, if required, shall bear the corporate seal or a facsimile thereof.

ARTICLE V
ISSUANCE AND TRANSFER OF SHARES

1. The Bank will issue and transfer Shares as follows:

(a) The Bank will issue Share certificates upon receipt of a Certificate from an Officer, but shall not be required to issue Share certificates after it has received from an appropriate federal or state authority written notification that the sale of Shares has been suspended or discontinued, and the Bank shall be entitled to rely upon such written notification. The Bank shall not be responsible for the payment of any original issue or other taxes required to be paid by the Customer in connection with the issuance of any Shares.

(b) Shares will be transferred upon presentation to the Bank of Share certificates in form deemed by the Bank properly endorsed for transfer, accompanied by such documents as the Bank deems necessary to evidence the authority of the person making such transfer, and bearing satisfactory evidence of the payment of applicable stock transfer taxes. In the case of small estates where no administration is contemplated, the Bank may, when furnished with an appropriate surety bond, and without further approval of the Customer, transfer Shares registered in the name of the decedent where the current market value of the Shares being transferred does not exceed such amount as may from time to time be prescribed by the various states. The Bank reserves the right to refuse to transfer Shares until it is satisfied that the endorsements on Share certificates are valid and genuine, and for that purpose it may require, unless otherwise instructed by an Officer of the Customer, a guaranty of signature by an "eligible guarantor institution" meeting the requirements of the Bank, which requirements include membership or participation in STAMP or such other "signature guarantee program" as may be determined by the Bank in addition to, or in substitution for, STAMP, all in accordance with the Securities Exchange Act of 1934, as amended. The Bank also reserves the right to refuse to transfer Shares until it is satisfied that the requested transfer is legally authorized, and it shall incur no liability for the refusal in good faith to make transfers which the Bank, in its judgment, deems improper or unauthorized, or until it is satisfied that there is no basis to any claims adverse to such transfer. The Bank may, in effecting transfers of Shares, rely upon those provisions of the Uniform Act for the Simplification of Fiduciary Security Transfers or the Uniform Commercial Code, as the same may be amended from time to time, applicable to the transfer of securities, and the Customer shall indemnify the Bank for any act done or omitted by it in good faith in reliance upon such laws.

(c) All certificates representing Shares that are subject to restrictions on transfer (e.g., securities acquired pursuant to an investment representation, securities held by controlling persons, securities subject to stockholders' agreement, etc.), shall be stamped with a legend describing the extent and conditions of the restrictions or referring to the source of such restrictions. The Bank assumes no responsibility with respect to the transfer of restricted securities where counsel for the Customer advises that such transfer may be properly effected.

2. The Bank will issue and transfer Shares in book-entry form as follows:

(a) Shares may be maintained by the Bank in book-entry form known as the "Direct Registration System" ("DRS") through the Profile Modification System ("Profile"). DRS is the system administered by DTC pursuant to which the Bank may register the ownership of uncertificated Shares, which ownership shall be evidenced by periodic statements issued by the Bank to the Registered Owners entitled thereto. Upon issuance of Shares, the Shares of each Registered Owner will be credited to the account of each such Registered Owner. The Registered Owner of Shares is referred to herein as, or, if there are more than one Registered Owner of the same Shares, such Registered Owners are collectively referred to herein as, the "Registered Owner".

(b) Customer understands that Profile is a required feature of DRS. Profile allows a DTC participant claiming to act on behalf of the Registered Owner of Shares, to direct the Bank

to register a transfer of such Shares to such DTC participant or its nominee without receipt by the Bank of such prior written authorization from the Registered Owner to register such transfer.

(c) Customer understands the Bank will not verify, determine or otherwise ascertain that the DTC participant which is claiming to be acting on behalf of a Registered Owner in requesting registration of transfer and delivery described in subsection (b) has the actual authority to act on behalf of the Registered Owner (notwithstanding any requirements under the Uniform Commercial Code). For the avoidance of doubt, the provisions of Article VIII, Sections 5 and 6 shall apply to the matters arising from the use of DRS/Profile System. The parties agree that the Bank's reliance on and compliance with instructions received by the Bank through the DRS/Profile System in accordance with this Agreement, shall not constitute negligence or willful misconduct on the part of the Bank.

ARTICLE VI
DIVIDENDS AND DISTRIBUTIONS

1. The Customer shall furnish to the Bank a copy of a resolution of its Board of Directors, certified by the Secretary or any Assistant Secretary, either (i) setting forth the date of the declaration of a dividend or distribution, the date of accrual or payment, as the case may be, the record date as of which shareholders entitled to payment, or accrual, as the case may be, shall be determined, the amount per Share of such dividend or distribution, the payment date on which all previously accrued and unpaid dividends are to be paid, and the total amount, if any, payable to the Bank on such payment date, or (ii) authorizing the declaration of dividends and distributions on a periodic basis and authorizing the Bank to rely on a Certificate setting forth the information described in subsection (i) of this paragraph.

2. Prior to the payment date specified in such Certificate or resolution, as the case may be, the Customer shall, in the case of a cash dividend or distribution, pay to the Bank an amount of cash, sufficient for the Bank to make the payment, specified in such Certificate or resolution, to the shareholders of record as of such payment date. The Bank will, upon receipt of any such cash, (i) in the case of shareholders who are participants in a dividend reinvestment and/or cash purchase plan of the Customer, reinvest such cash dividends or distributions in accordance with the terms of such plan, and (ii) in the case of shareholders who are not participants in any such plan, make payment of such cash dividends or distributions to the shareholders of record as of the record date by mailing a check, payable to the registered shareholder, to the address of record or dividend mailing address. The Bank shall not be liable for any improper payment made in accordance with a Certificate or resolution described in the preceding paragraph. If the Bank shall not receive sufficient cash prior to the payment date to make payments of any cash dividend or distribution pursuant to subsections (i) and (ii) above to all shareholders of the Customer as of the record date, the Bank shall, upon notifying the Customer, withhold payment to all shareholders of the Customer as of the record date until sufficient cash is provided to the Bank.

3. It is understood that the Bank shall in no way be responsible for the determination of the rate or form of dividends or distributions due to the shareholders.

4. It is understood that the Bank shall file such appropriate information returns concerning the payment of dividends and distributions with the proper federal, state and local authorities as are required by law to be filed by the Customer but shall in no way be responsible for the collection or withholding of taxes due on such dividends or distributions due to shareholders, except and only to the extent required of it by applicable law.

ARTICLE VII
CONCERNING THE CUSTOMER

1. The Customer shall promptly deliver to the Bank written notice of any change in the Officers authorized to sign Share certificates, Certificates, notifications or requests, together with a specimen signature of each new Officer. In the event any Officer who shall have signed manually or whose facsimile signature shall have been affixed to blank Share certificates shall die, resign or be removed prior to issuance of such Share certificates, the Bank may issue such Share certificates as the Share certificates of the Customer notwithstanding such death, resignation or removal, and the Customer shall promptly deliver to the Bank such approvals, adoptions or ratifications as may be required by law.

2. Each copy of the Charter of the Customer and copies of all amendments thereto shall be certified by the Secretary of State (or other appropriate official) of the state of incorporation, and if such Charter and/or amendments are required by law also to be filed with a county or other officer or official body, a certificate of such filing shall be filed with a certified copy submitted to the Bank. Each copy of the By-Laws and copies of all amendments thereto, and copies of resolutions of the Board of Directors of the Customer, shall be certified by the Secretary or an Assistant Secretary of the Customer under the corporate seal.

3. Customer hereby represents and warrants:

(a) It is a corporation duly organized and validly existing under the laws of the State of Maryland.

(b) This Agreement has been duly authorized, executed and delivered on its behalf and constitutes the legal, valid and binding obligation of Customer. The execution, delivery and performance of this Agreement by Customer do not and will not violate any applicable law or regulation and do not require the consent of any governmental or other regulatory body except for such consents and approvals as have been obtained and are in full force and effect.

ARTICLE VIII
CONCERNING THE BANK

1. The Bank shall not be liable and shall be fully protected in acting upon any oral instruction, writing or document reasonably believed by it to be genuine and to have been given, signed or made by the proper person or persons and shall not be held to have any notice of any change of authority of any person until receipt of written notice thereof from an Officer of the Customer. It shall also be protected in processing Share certificates which it reasonably believes to bear the proper manual or facsimile signatures of the duly authorized Officer or Officers of the Customer and the proper countersignature of the Bank.

2. The Bank may establish such additional procedures, rules and regulations governing the transfer or registration of Share certificates as it may deem advisable and consistent with such rules and regulations generally adopted by bank transfer agents.

3. The Bank may keep such records as it deems advisable but not inconsistent with resolutions adopted by the Board of Directors of the Customer. The Bank may deliver to the Customer from time to time at its discretion, for safekeeping or disposition by the Customer in accordance with law, such records, papers, Share certificates which have been cancelled in transfer or exchange and other documents accumulated in the execution of its duties hereunder as the Bank may deem expedient, other than those which the Bank is itself required to maintain pursuant to applicable laws and regulations, and the Customer shall assume all responsibility for any failure thereafter to produce any record, paper, cancelled Share certificate or other document so returned, if and when required. The records maintained by the Bank pursuant to this paragraph which have not been previously delivered to the Customer pursuant to the foregoing provisions of this paragraph shall be considered to be the property of the Customer, shall be made available upon request for inspection by the Officers, employees and auditors of the Customer, and shall be delivered to the Customer upon request and in any event upon the date of termination of this Agreement, as specified in Article IX of this Agreement, in the form and manner kept by the Bank on such date of termination or such earlier date as may be requested by the Customer.

4. The Bank may employ agents or attorneys-in-fact at the expense of the Customer, and shall not be liable for any loss or expense arising out of, or in connection with, the actions or omissions to act of its agents or attorneys-in-fact, so long as the Bank acts in good faith and without negligence or willful misconduct in connection with the selection of such agents or attorneys-in-fact.

5. The Bank shall only be liable for any loss or damage arising out of its own negligence or willful misconduct; provided, however, that the Bank shall not be liable for any indirect, special, punitive or consequential damages.

6. The Customer shall indemnify and hold harmless the Bank from and against any and all claims (whether with or without basis in fact or law), costs, demands, expenses and liabilities, including reasonable attorney's fees, which the Bank may sustain or incur or which may be asserted against the Bank except for any liability which the Bank has assumed pursuant

to the immediately preceding section. The Bank shall be deemed not to have acted with negligence and not to have engaged in willful misconduct by reason of or as a result of any action taken or omitted to be taken by the Bank without its own negligence or willful misconduct in reliance upon (i) any provision of this Agreement, (ii) any instrument, order or Share certificate reasonably believed by it to be genuine and to be signed, countersigned or executed by any duly authorized Officer of the Customer, (iii) any Certificate or other instructions of an Officer, (iv) any opinion of legal counsel for the Customer or the Bank, or (v) any law, act, regulation or any interpretation of the same even though such law, act, or regulation may thereafter have been altered, changed, amended or repealed. Nothing contained herein shall limit or in any way impair the right of the Bank to indemnification under any other provision of this Agreement.

7. Specifically, but not by way of limitation, the Customer shall indemnify and hold harmless the Bank from and against any and all claims (whether with or without basis in fact or law), costs, demands, expenses and liabilities, including reasonable attorney's fees, of any and every nature which the Bank may sustain or incur or which may be asserted against the Bank in connection with the genuineness of a Share certificate, the Bank's due authorization by the Customer to issue Shares and the form and amount of authorized Shares.

8. The Bank shall not incur any liability hereunder if by reason of any act of God or war or other circumstances beyond its control, it, or its employees, officers or directors shall be prevented, delayed or forbidden from, or be subject to any civil or criminal penalty on account of, doing or performing any act or thing which by the terms of this Agreement it is provided shall be done or performed or by reason of any nonperformance or delay, caused as aforesaid, in the performance of any act or thing which by the terms of this Agreement it is provided shall or may be done or performed.

9. In connection with the provision of services under this Agreement, the Customer may direct the Bank to release information, including non-public personal information ("NPPI"), as defined in Title V of the Gramm Leach Bliley Act and the regulations issued thereunder, including but not limited to Regulation P of the Board of Governors of the Federal Reserve, to agents or other third party service providers, including, without limitation, broker/dealers, custodians, and depositories. In addition to the foregoing, Customer consents to the release of information, including NPPI, to one or more providers of escheatment services for the purpose of escheatment of unclaimed funds in accordance with the laws of the various states. The Bank shall not incur any liability for the release of information in accordance with the foregoing provisions; and to the extent the Bank incurs any liability as a result of such release of information, the Customer shall indemnify and hold the Bank harmless in accordance with Article VIII, Section 6, it being understood that the release of such information shall not constitute negligence or willful misconduct.

10. At any time the Bank may apply to an Officer of the Customer for written instructions with respect to any matter arising in connection with the Bank's duties and obligations under this Agreement, and the Bank shall not be liable for any action taken or omitted to be taken by the Bank in good faith in accordance with such instructions. Such application by the Bank for instructions from an Officer of the Customer may, at the option of the Bank, set forth in writing any action proposed to be taken or omitted to be taken by the Bank with respect to its duties or obligations under this Agreement and the date on and/or after which such action shall be taken, and the Bank shall not be liable for any action taken or omitted to be taken in accordance with a proposal included in any such application on or after the date specified therein unless, prior to taking or omitting to take any such action, the Bank has received written instructions in response to such application specifying the action to be taken or omitted. The Bank may consult counsel to the Customer or its own counsel, at the expense of the Customer, and shall be fully protected with respect to anything done or omitted by it in good faith in accordance with the advice or opinion of such counsel.

11. When mail is used for delivery of non-negotiable Share certificates, the value of which does not exceed the limits of the Bank's Blanket Bond, the Bank shall send such non-negotiable Share certificates by first class mail, and such deliveries will be covered while in transit by the Bank's Blanket Bond. Non-negotiable Share certificates, the value of which exceed

the limits of the Bank's Blanket Bond, will be sent by insured registered mail. Negotiable Share certificates will be sent by insured registered mail. The Bank shall advise the Customer of any Share certificates returned as undeliverable after being mailed as herein provided for.

12. The Bank may issue new Share certificates in place of Share certificates represented to have been lost, stolen or destroyed upon receiving instructions in writing from an Officer and indemnity satisfactory to the Bank. Such instructions from the Customer shall be in such form as approved by the Board of Directors of the Customer in accordance with applicable law or the By-Laws of the Customer governing such matters. If the Bank receives written notification from the owner of the lost, stolen or destroyed Share certificate within a reasonable time after he has notice of it, the Bank shall promptly notify the Customer and shall act pursuant to written instructions signed by an Officer. If the Customer receives such written notification from the owner of the lost, stolen or destroyed Share certificate within a reasonable time after he has notice of it, the Customer shall promptly notify the Bank and the Bank shall act pursuant to written instructions signed by an Officer. The Bank shall not be liable for any act done or omitted by it pursuant to the written instructions described herein. The Bank may issue new Share certificates in exchange for, and upon surrender of, mutilated Share certificates.

13. The Bank will issue and mail subscription warrants for Shares, Shares representing stock dividends, exchanges or splits, or act as conversion agent upon receiving written instructions from an Officer and such other documents as the Bank may deem necessary.

14. The Bank will supply shareholder lists to the Customer from time to time upon receiving a request therefor from an Officer of the Customer.

15. In case of any requests or demands for the inspection of the shareholder records of the Customer, the Bank will notify the Customer and endeavor to secure instructions from an Officer as to such inspection. The Bank reserves the right, however, to exhibit the shareholder records to any person whenever it is advised by its counsel that there is a reasonable likelihood that the Bank will be held liable for the failure to exhibit the shareholder records to such person.

16. At the request of an Officer, the Bank will address and mail such appropriate notices to shareholders as the Customer may direct.

17. Notwithstanding any provisions of this Agreement to the contrary, the Bank shall be under no duty or obligation to inquire into, and shall not be liable for:

(a) The legality of the issue, sale or transfer of any Shares, the sufficiency of the amount to be received in connection therewith, or the authority of the Customer to request such issuance, sale or transfer;

(b) The legality of the purchase of any Shares, the sufficiency of the amount to be paid in connection therewith, or the authority of the Customer to request such purchase;

(c) The legality of the declaration of any dividend by the Customer, or the legality of the issue of any Shares in payment of any stock dividend; or

(d) The legality of any recapitalization or readjustment of the Shares.

18. The Bank shall be entitled to receive and the Customer hereby agrees to pay to the Bank for its performance hereunder (i) out-of-pocket expenses (including legal expenses and attorney's fees) incurred in connection with this Agreement and its performance hereunder, and (ii) the compensation for services as set forth in Schedule I.

19. The Bank shall not be responsible for any money, whether or not represented by any check, draft or other instrument for the payment of money, received by it on behalf of the Customer, until the Bank actually receives and collects such funds.

20. The Bank shall have no duties or responsibilities whatsoever except such duties and responsibilities as are specifically set forth in this Agreement, and no covenant or obligation shall be implied against the Bank in connection with this Agreement.

ARTICLE IX
TERMINATION

Either of the parties hereto may terminate this Agreement by giving to the other party a notice in writing specifying the date of such termination, which shall be not less than 60 days after the date of receipt of such notice. In the event such notice is given by the Customer, it shall be accompanied by a copy of a resolution of the Board of Directors of the Customer, certified by its Secretary, electing to terminate this Agreement and designating a successor transfer agent or transfer agents. In the event such notice is given by the Bank, the Customer shall, on or before the termination date, deliver to the Bank a copy of a resolution of its Board of Directors certified by its Secretary designating a successor transfer agent or transfer agents. In the absence of such designation by the Customer, the Bank may designate a successor transfer agent. If the Customer fails to designate a successor transfer agent and if the Bank is unable to find a successor transfer agent, the Customer shall, upon the date specified in the notice of termination of this Agreement and delivery of the records maintained hereunder, be deemed to be its own transfer agent and the Bank shall thereafter be relieved of all duties and responsibilities hereunder. Upon termination hereof, the Customer shall pay to the Bank such compensation as may be due to the Bank as of the date of such termination, and shall reimburse the Bank for any disbursements and expenses made or incurred by the Bank and payable or reimbursable hereunder.

ARTICLE X
MISCELLANEOUS

1. The indemnities contained herein shall be continuing obligations of the Customer, its successors and assigns, notwithstanding the termination of this Agreement.

2. Any notice or other instrument in writing, authorized or required by this Agreement to be given to the Customer shall be sufficiently given if addressed to the Customer and mailed or delivered to it at 3600 Glenwood Avenue, Suite 104, Raleigh NC 27612, or at such other place as the Customer may from time to time designate in writing.

3. Any notice or other instrument in writing, authorized or required by this Agreement to be given to the Bank shall be sufficiently given if addressed to the Bank and mailed or delivered to it at its office at 101 Barclay Street (11E), New York, New York 10286 or at such other place as the Bank may from time to time designate in writing.

4. This Agreement may not be amended or modified in any manner except by a written agreement duly authorized and executed by both parties. Any duly authorized Officer may amend any Certificate naming Officers authorized to execute and deliver Certificates, instructions, notices or other instruments, and the Secretary or any Assistant Secretary may amend any Certificate listing the Shares.

5. This Agreement shall extend to and shall be binding upon the parties hereto and their respective successors and assigns; provided, however, that this Agreement shall not be assignable by either party without the prior written consent of the other party, and provided, further, that any reorganization, merger, consolidation, or sale of assets, by the Bank shall not be deemed to constitute an assignment of this Agreement.

6. This Agreement shall be governed by and construed in accordance with the laws of the State of New York. The parties agree that, all actions and proceedings arising out of this Agreement or any of the transactions contemplated hereby, shall be brought in the United States District Court for the Southern District of New York or in a New York State Court in the County of New York and that, in connection with any such action or proceeding, submit to the jurisdiction of, and venue in, such court. Each of the parties hereto also irrevocably waives all right to trial by jury in any action, proceeding or counterclaim arising out of this Agreement or the transactions contemplated hereby.

7. This Agreement may be executed in any number of counterparts each of which shall be deemed to be an original; but such counterparts, together, shall constitute only one instrument.

8. The provisions of this Agreement are intended to benefit only the Bank and the Customer, and no rights shall be granted to any other person by virtue of this Agreement.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their respective corporate officers, thereunto duly authorized and their respective corporate seals to be hereunto affixed, as of the day and year first above written.

Attest:

TRIANGLE CAPITAL CORPORATION

By:

Name:

Title:

Attest:

THE BANK OF NEW YORK

By:

Name:

Title:

SCHEDULE I

EXHIBIT (K)(9)

THE PARTNERSHIP INTERESTS HAVE NOT BEEN REGISTERED UNDER ANY FEDERAL OR STATE SECURITIES LAWS AND CANNOT BE SOLD, TRANSFERRED, ASSIGNED, HYPOTHECATED OR OTHERWISE DISPOSED UNLESS THEY ARE REGISTERED THEREUNDER OR EXEMPTIONS FROM SUCH REGISTRATIONS ARE AVAILABLE, AND THE REQUIREMENTS OF THIS PARTNERSHIP AGREEMENT ARE SATISFIED.

AMENDED AND RESTATED
AGREEMENT OF LIMITED PARTNERSHIP OF
TRIANGLE MEZZANINE FUND LLLP

Dated as of February ___, 2007

TRIANGLE MEZZANINE FUND LLLP

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AMENDED AND RESTATED
AGREEMENT OF LIMITED PARTNERSHIP

This AMENDED AND RESTATED AGREEMENT OF LIMITED PARTNERSHIP is dated and effective as of _____, 2007, among New Triangle GP, LLC, a North Carolina limited liability company (the **"New General Partner"**) in its capacity as the sole general partner of the Partnership, Triangle Capital Corporation, a Maryland corporation, in its capacity as the sole limited partner of the Partnership (**"TCC"**), and the individuals and entities whose names hereafter appear on *Schedule A* as Limited Partners as amended from time to time (collectively, the **"Limited Partners"**), and such other individuals and entities as shall become parties as hereinafter provided.

WHEREAS, Triangle Mezzanine LLC, as the general partner of the Partnership (the " **Old General Partner**"), and the limited partners of the Partnership named therein entered into that certain Agreement of Limited Partnership Agreement of the Partnership dated as of January 3, 2003, as amended (the **"Original Agreement"**); and

WHEREAS, the Partnership, TCC, and TCC Merger Sub, LLC, a North Carolina limited liability company (**"Merger Sub"**), entered into an Agreement and Plan of Merger dated as of November 2, 2006 (the **"Fund Merger Agreement"**), pursuant to which Merger Sub is merging with and into the Partnership, with the Partnership being the surviving entity, and the partnership interests held by the limited partners of the Partnership are being converted into shares of common stock of TCC; and

WHEREAS, the New General Partner, TCC and Old General Partner entered into an Agreement and Plan of Merger dated as of November 2, 2006 (the **"GP Merger Agreement"**), pursuant to which the Old General Partner is merging with and into the New General Partner, with the New General Partner being the surviving entity, and the ownership interests held by the members of the Old General Partner are being converted into shares of common stock of TCC; and

WHEREAS, upon the closing of the transactions contemplated by the Fund Merger Agreement and the GP Merger Agreement, TCC will be the sole limited partner of the Partnership, and the New General Partner will be the sole general partner of the Partnership; and

WHEREAS, immediately following the closing of the transactions contemplated by the Fund Merger Agreement and GP Merger Agreement, the New General Partner and TCC desire to amend and restate the Original Agreement in its entirety by entering into this Agreement;

NOW, THEREFORE, the parties, in consideration of their mutual agreements stated in this Agreement, agree to become partners and to form a limited partnership under the Act.

ARTICLE 1.

General Provisions

Section 1.01 Definitions.

For the purposes of this Agreement, the following terms have the following meanings:

"Act" means the North Carolina Revised Uniform Limited Partnership Act.

"Additional Limited Partners" has the meaning stated in Section 5.04.

"Adjusted Capital Account Deficit" shall mean with respect to any Partner, the deficit balance, if any, in such Partner's Capital Account as of the end of the relevant Fiscal Year, after giving effect to the following adjustments:

(i) Credit to such Capital Account any amounts which such Partner is obligated to restore or is deemed to be obligated to restore pursuant to the penultimate sentences of Treasury Regulations Sections 1.704-2(g)(i) and 1.704-2(i)(5); and

(ii) Debit to such Capital Account the items described in Treasury Regulations Sections 1.704-1(b)(2)(ii)(d)(4), 1.704-1(b)(2)(ii)(d)(5), and 1.704-1(b)(2)(ii)(d)(6).

The foregoing definition of Adjusted Capital Account Deficit is intended to comply with the provisions of Treasury Regulations Section 1.704-1(b)(2)(ii)(d) and shall be interpreted consistently therewith.

"Affiliate" has the meaning stated in the SBIC Act.

"Affiliated Venture Capital Fund" means any entity commonly referred to as a venture capital or private equity fund managed or controlled by the General Partner to the extent that management or control is not contrary to the SBIC Act, or in which any Principal participates as a general partner or as a general partner, officer, director, manager, or employee of a general partner or investment manager of any such venture capital or private equity fund. TCC is an Affiliated Venture Fund.

"Agreement" means this agreement of limited partnership, as amended from time to time. References to this Agreement will be deemed to include all provisions incorporated in this Agreement by reference.

"Assets" means common and preferred stock (including warrants, rights and other options relating to such stock), notes, bonds, debentures, trust receipts and other obligations, instruments or evidences of indebtedness, and other properties or interests commonly regarded as securities, and in addition, interests in real property, whether improved or unimproved, and interests in personal property of all kinds (tangible or intangible), choses in action, and cash, bank deposits and so-called "money market instruments".

"Assets Under Management" means, as of any specified date, the value of all Assets owned by the Partnership (the value to be determined as provided in this Agreement) less the amount of any liabilities of the Partnership, determined in accordance with generally accepted accounting principles, consistently applied.

"Associate" has the meaning stated in the SBIC Act.

"Assumed Leverage" means an amount equal to the maximum amount of Leverage that an SBIC is eligible to obtain, but not exceeding two (2) times the amount of Unreduced Regulatory Capital.

"Capital Account" shall mean with respect to any Partner, the Capital Account maintained in accordance with the following provisions:

(i) To each Partner's Capital Account there shall be credited such Partner's Capital Contributions, such Partner's distributive share of Profits and any items in the nature of income or gain which are specially allocated pursuant to Sections 6.02(b) or 6.03, and the amount of any Partnership liabilities assumed by such Partner or which are secured by any Partnership Assets distributed to such Partner.

(ii) To each Partner's Capital Account there shall be debited the amount of cash and the Gross Asset Value of any Partnership Assets distributed to such Partner pursuant to any provision of this Agreement, such Partner's distributive share of Losses and any items in the nature of expenses or losses which are specially allocated pursuant to Sections 6.02(b) or 6.03, and the amount of any liabilities of such Partner assumed by the Partnership or which are secured by any property contributed by such Partner to the Partnership.

(iii) In determining the amount of any liability for purposes of clauses (i) and (ii) above, there shall be taken into account Code Section 752(c) and any other applicable provisions of the Code and Treasury Regulations.

The foregoing provisions and the other provisions of this Agreement relating to the maintenance of Capital Accounts are intended to comply with Treasury Regulations Sections 1.704-1(b) and 1.704-2 and shall be interpreted and applied in a manner consistent with such Treasury Regulations. The General Partner shall (i) make any adjustments that are necessary or appropriate to maintain equality between the Capital Accounts of the Partners and the amount of Partnership capital reflected on the Partnership's balance sheet, as computed for book purposes in accordance with Treasury Regulations Section 1.704-1(b)(2)(iv)(g), and (ii) make any appropriate modifications in the event unanticipated events might otherwise cause this Agreement not to comply with Treasury Regulations Sections 1.704-1(b) or 1.704-2.

"Capital Contribution" in respect of any Partner means the amount of cash and the Gross Asset Value of any other property contributed by such Partner, as such, to the capital of the Partnership.

"Certificate of Limited Partnership" means the certificate of limited partnership with respect to the Partnership filed in the office of the Secretary of State of the State of North Carolina.

"Code" means the Internal Revenue Code of 1986, as amended, as in effect from time to time.

"Combined Capital" has the meaning stated in the SBIC Act.

"Commencement Date" means February 14, 2003.

"Control Person" has the meaning stated in the SBIC Act.

"Debentures" has the meaning stated in the SBIC Act.

"Depreciation" shall mean for each Fiscal Year an amount equal to the depreciation, amortization, or other cost recovery deduction allowable with respect to any Noncash Asset for such year or other period, except that if the Gross Asset Value of a Noncash Asset differs from its adjusted basis for Federal income tax purposes at the beginning of such year or other period, Depreciation shall be an amount which bears the same ratio to such beginning Gross Asset Value as the Federal income tax depreciation, amortization, or other cost recovery deduction for such year or other period bears to such beginning adjusted tax basis; provided, however, that if the adjusted basis for Federal income tax purposes of a Noncash Asset at the beginning of such year or other period is zero, Depreciation shall be determined with reference to such beginning Gross Asset Value using any reasonable method selected by the General Partner.

"Designated Party" means any of the General Partner, any Investment Adviser/Manager, and any partner, manager, stockholder, director, officer, employee, member of the Investment Committee of the New General Partner or Affiliate of any of the foregoing.

"ERISA" means the Employee Retirement Income Security Act of 1974, as amended, and the regulations thereunder and interpretations thereof promulgated by the Department of Labor, as in effect from time to time.

"Fiscal Year" shall mean the Partnership's taxable year for federal income tax purposes or, if the context requires, any portion of such year for which the Partnership is required to allocate Profits, Losses, and other items of Partnership income, gain, loss or deduction pursuant to Article 6.

"General Partner" means the general partner or general partners of the Partnership, as set forth in this Agreement.

"Gross Asset Value" shall mean with respect to any Noncash Asset the Noncash Asset's adjusted basis for federal income tax purposes, except as follows:

(i) The initial Gross Asset Value of any Noncash Asset contributed by a Partner to the Partnership shall be the gross fair market value of such Noncash Asset, as

specified in this Agreement or (if not so specified) as determined by the General Partner consistent with Section 3.08;

(ii) The Gross Asset Values of all Noncash Assets shall be adjusted to equal their respective gross fair market values, as of the following times: (A) the issuance of a partnership interest in the Partnership to any new or existing Partner other than pursuant to clause (i) of the first sentence of Section 5.04, (B) the distribution by the Partnership to a Partner of more than a de minimis amount of Assets as consideration for an interest in the Partnership, (C) the liquidation of the Partnership within the meaning of Treasury Regulations Section 1.704-1(b)(2)(ii)(g), and (D) as provided in Section 8.13; provided, however that adjustments pursuant to clauses (A) and (B) above shall be made only if the General Partner determines that such adjustments are necessary or appropriate to reflect the relative economic interests of the Partners in the Partnership;

(iii) The Gross Asset Value of any Noncash Asset distributed to any Partner shall be adjusted to equal the gross fair market value of such Noncash Asset on the date of distribution; and

(iv) The Gross Asset Values of Noncash Assets shall be increased (or decreased) to reflect any adjustments to the adjusted basis of such Noncash Assets pursuant to Code Section 734(b) or Code Section 743(b), but only to the extent that such adjustments are taken into account in determining Capital Accounts pursuant to Treasury Regulations Section 1.704-1(b)(2)(iv)(m) and clause (vi) of the definition of Profit or Loss and Section 6.03(g); provided, however, that Gross Asset Values shall not be adjusted pursuant to this clause (iv) to the extent the General Partner determines that an adjustment pursuant to clause (ii) above is necessary or appropriate in connection with a transaction that would otherwise result in an adjustment pursuant to this clause (iv).

For purposes of the foregoing, except as provided in clause (i) the gross fair market value of a Noncash Asset shall be the value established at the then most recent valuation of the Noncash Asset under this Agreement (or such other valuation date as is required under the SBIC Act). If the Gross Asset Value of a Noncash Asset has been determined or adjusted pursuant to clauses (i), (ii), or (iv) above, such Gross Asset Value shall thereafter be adjusted by the Depreciation taken into account with respect to such asset for purposes of computing Profits and Losses.

"Indemnifiable Costs" means all costs, expenses, damages, claims, liabilities, fines and judgments (including the reasonable cost of the defense, and any sums which may be paid with the consent of the Partnership in settlement), incurred in connection with or arising from a claim, action, suit, proceeding or investigation, by or before any court or administrative or legislative body or authority.

"Investment Adviser/Manager" has the meaning stated in the SBIC Act, and for the Partnership shall initially be TCC.

"Investment Advisers Act" means the Investment Advisers Act of 1940, as amended, and the regulations thereunder and interpretations thereof promulgated by the Securities and Exchange Commission, as in effect from time to time.

"Investment Company Act" means the Investment Company Act of 1940, as amended, and the regulations thereunder and interpretations thereof promulgated by the Securities and Exchange Commission, as in effect from time to time.

"Leverage" has the meaning stated in the SBIC Act.

"Limited Partners" mean the limited partners of the Partnership, including but not limited to any Limited Partners who are Affiliates of the General Partner and/or the Investment Adviser/Manager, other than the initial limited partner who has withdrawn as of the date of this Agreement.

"Majority in Interest of the Limited Partners" means Limited Partners whose Partnership Percentage aggregates in excess of fifty percent (50%) of the Partnership Percentage of all Limited Partners.

"Management Compensation" means the amounts payable by the Partnership to TCC or the Investment Adviser/Manager, as provided in Section 3.05.

"Management Compensation Determination Time" has the meaning set forth in Section 3.05(b).

"Management Expenses" has the meaning set forth in Section 3.07(a).

"Management Fee Base" means the sum of Unreduced Regulatory Capital and Assumed SBA Leverage.

"Management Fee Rate" means:

(i) 2.5%, if the Management Fee Base is equal to or less than $60 million, or

(ii) if the Management Fee Base is greater than $60 million but less than $120 million, such percentage that is equal to the difference between (A) 2.5%, and (B) 0.5% multiplied by (the difference between the Management Fee Base and $60 million, divided by $60 million), or

(iii) 2.0%, if the Management Fee Base is greater or equal to $120 million.

"Media Company" means an entity that, directly or indirectly, owns controls or operates or has an attributable interest in (a) a U.S. broadcast radio or television station or a U.S. cable televisions system, (b) a "daily newspaper," (as such term is defined in Section 73.3555 of the rules and regulations of the Federal Communication Commission ("FCC")), (c) any U.S. communications facility operated pursuant to a license granted by the FCC and subject to the provisions of Section 310(b) of the Communications Act of 1934, as amended, or (d) any other business that is subject to FCC regulations under which the ownership of the Partnership in such

entity may be attributed to a Limited Partner or under which the ownership of a Limited Partner in another business may be subject to limitation or restriction as a result of the ownership of the Partnership in such entity.

"Noncash Asset" means any Asset of the Partnership other than cash.

"Nonrecourse Deductions" shall have the meaning provided in, and shall be determined in accordance with, Treasury Regulations Section 1.704-2.

"Nonrecourse Liability" shall have the meaning provided in, and shall be determined in accordance with, Treasury Regulations Section 1.704-2(b)(3).

"Organization Expenses" means the fees, costs and expenses of and incidental to the formation of the Partnership and the General Partner and the licensing of the Partnership as an SBIC.

"Outstanding Leverage" means the total amount of outstanding securities (including, but not limited to, Debentures) issued by the Partnership, which qualify as Leverage and have not been redeemed or repaid as provided in the SBIC Act.

"Partner Nonrecourse Debt" shall have the meaning provided in Treasury Regulations Section 1.704-2.

"Partner Nonrecourse Debt Minimum Gain" shall have the meaning provided in, and shall be determined in accordance with, Treasury Regulations Section 1.704-2.

"Partner Nonrecourse Deductions" shall have the meaning provided in, and shall be determined in accordance with, Treasury Regulations Section 1.704-2.

"Partners" means the General Partner and the Limited Partners.

"Partnership" means the limited partnership established by this Agreement.

"Partnership Minimum Gain" shall have the meaning provided in, and shall be determined in accordance with, Treasury Regulations Section 1.704-2.

"Partnership Percentage" in respect of any Partner means that the percentage of the total ownership interest in the Partnership held by such Partner based upon its Capital Contributions, as set forth on Exhibit A as revised from time to time.

"___percent (___%) in Interest of the Limited Partners" means Limited Partners whose Partnership Percentage represents such percentage of the Partnership Percentages of all Limited Partners as of the time of determination.

"Portfolio Companies" means the issuers of Assets acquired by the Partnership, other than issuers of certificates of deposits, shares or other participations in mutual funds or similar money market type instruments, direct obligations of or obligations guaranteed as to principal and interest by the United States and repurchase agreements with federally insured institutions

with respect to such obligations. Reference to a "Portfolio Company" is to any one of the Portfolio Companies.

"Portfolio Securities" means the Assets of the Portfolio Companies acquired by the Partnership. Reference to a "Portfolio Security" is to any one of the Portfolio Securities.

"Principal" means Tarlton H. Long, David F. Parker, Garland S. Tucker, III, Brent P. W. Burgess and Steven C. Lilly so long as in each case that individual is an employee of the Investment Adviser/Manager of the Partnership, and any other individual who the General Partner and a Majority in Interest of the Limited Partners designate as a Principal, so long as that individual is an employee of the Investment Adviser/Manager.

"Profit" or "Loss" shall mean for each Fiscal Year an amount equal to the Partnership's taxable income or loss for the Fiscal Year, determined in accordance with Code Section 703(a) (for this purpose, all items of income, gain, loss or deduction required to be stated separately pursuant to Code Section 703(a)(1) shall be included in taxable income or loss), with the following adjustments:

(i) Any income of the Partnership that is exempt from Federal income tax and not otherwise taken into account in computing Profits and Losses pursuant to this definition shall be added to such taxable income or loss;

(ii) Any expenditures of the Partnership described in Code Section 705(a)(2)(B) or treated as Code Section 705(a)(2)(B) expenditures pursuant to Treasury Regulations Section 1.704-1(b)(2)(iv)(i), and not otherwise taken into account in computing Profits and Losses pursuant to this definition, shall be subtracted from such taxable income or loss;

(iii) In the event the Gross Asset Value of any Noncash Asset is adjusted pursuant to clauses (ii) or (iii) of the definition of Gross Asset Value the amount of such adjustment shall be taken into account as gain or loss from the disposition of such Noncash Asset for purposes of computing Profits and Losses;

(iv) Gain or loss resulting from disposition of any Noncash Asset with respect to which gain or loss is recognized for Federal income tax purposes shall be computed by reference to the Gross Asset Value of the property disposed of, notwithstanding that the adjusted tax basis of such Noncash Asset differs from its Gross Asset Value;

(v) In lieu of the depreciation, amortization, and other cost recovery deductions taken into account in computing such taxable income or loss, there shall be taken into account Depreciation for such Fiscal Year computed in accordance with the definition thereof;

(vi) To the extent an adjustment to the adjusted tax basis of any Noncash Asset pursuant to Code Section 734(b) or Code Section 743(b) is required pursuant to Treasury Regulations Section 1.704-1(b)(2)(iv)(m)(4) to be taken into account in determining Capital Accounts as a result of a distribution other than in liquidation of a Partner's interest in the Partnership, the amount of such adjustment shall be treated as an item of

gain (if the adjustment increases the basis of the Noncash Asset) or loss (if the adjustment decreases the basis of the Noncash Asset) from the disposition of the Noncash Asset and shall be taken into account for purposes of computing Profits and Losses; and

(vii) Notwithstanding any other provisions of this definition, any items which are allocated pursuant to Sections 6.02(b) or 6.03 shall not be taken into account in computing Profits and Losses.

The amounts of the items of Partnership income, gain, loss, or deduction to be allocated pursuant to Sections 6.02(b) or 6.03 shall be determined by applying rules analogous to clauses (i) through (vi) above.

"Regulatory Capital" has the meaning stated in the SBIC Act.

"Retained Earnings Available for Distribution" has the meaning stated in the SBIC Act.

"SBA" means the United States Small Business Administration.

"SBA Agreements" has the meaning stated in Section 10.12.

"SBIC" means a small business investment company licensed under the SBIC Act.

"SBIC Act" means the Small Business Investment Act of 1958, as amended, and the rules and regulations thereunder and interpretations thereof promulgated by SBA, as in effect from time to time.

"SEC" means the Securities and Exchange Commission.

"Securities Act" means the Securities Act of 1933, as amended, and the regulations thereunder and interpretations thereof promulgated by the SEC, as in effect from time to time.

"Treasury Regulations" shall mean the Income Tax Regulations (including Temporary Regulations) promulgated under the Code, as such regulations may be amended from time to time (including corresponding provisions of succeeding regulations).

"Unreduced Regulatory Capital" means Regulatory Capital plus any Partnership distributions which reduce Regulatory Capital previously made (i) under 13 C.F.R. §107.585, (ii) under 13 C.F.R. §107.1570(b), or (iii) which SBA otherwise approves for inclusion in the Management Compensation calculation.

Section 1.02 LLLP Registration; Name.

(a) The General Partner has caused the Partnership to register as a limited liability limited partnership under the Act. The Partnership shall continue such registration as a limited liability limited partnership for so long as the General Partner determines, provided that any change of such registration requires SBA prior written approval.

(b) The name of the Partnership is "Triangle Mezzanine Fund LLLP".

(c) Subject to the prior approval of SBA, the General Partner has the power at any time to:

(i) change the name of the Partnership; and

(ii) qualify the Partnership to do business under any name when the Partnership's name is unavailable for use, or may not be used, in a particular jurisdiction.

(d) The General Partner will give prompt notice of any action taken under Section 1.02(c) to each Partner and SBA.

Section 1.03 Principal Office; Registered Office; and Qualification.

(a) The principal office of the Partnership will be at 3600 Glenwood Avenue, Suite 104, Raleigh, NC 27612, or such other place as may from time to time be designated by the General Partner, subject to the approval of SBA.

(b) The registered office of the Partnership in the State of North Carolina will be located at 3600 Glenwood Avenue, Suite 104, Raleigh, North Carolina 27612. The name of the registered agent for the Partnership will be Garland S. Tucker, III. The General Partner may from time to time change the registered agent and registered office of the Partnership.

(c) The General Partner will qualify the Partnership to do business in each jurisdiction where the activities of the Partnership make such qualification necessary.

(d) The General Partner will give prompt notice of any action taken under this Section to each Partner and SBA.

Section 1.04 Commencement and Duration.

(a) The Partnership will commence upon the filing of the Certificate of Limited Partnership in the office of the Secretary of State of the State of North Carolina.

(b) The Partnership will be dissolved and wound up at the time and in the manner provided for in Article 8.

Section 1.05 Admission of Partners.

(a) No person may be admitted as a General Partner or a Limited Partner without subscribing and delivering to the Partnership a counterpart of this Agreement, or other written instrument, which sets forth:

(i) the name and address of the Partner,

(ii) the Capital Contribution of the Partner, and

(iii) the agreement of the Partner to be bound by the terms of this Agreement, and such other agreements and instruments as the General Partner requests.

(b) Without the prior approval of SBA, no person may be admitted as:

(i) a General Partner, or

(ii) a Limited Partner with an ownership interest of ten percent (10%) or more of the Partnership's capital.

(c) The General Partner will compile, and amend from time to time as necessary, *Schedule A* attached to this Agreement, which will list:

(i) the name and address of the General Partner and each Limited Partner,

(ii) the Capital Contribution of the General Partner and each Limited Partner to the Partnership, and

(iii) the Partnership Percentage of the General Partner and each Limited Partner in the Partnership.

(d) The addition to the Partnership at any time of one or more Partners will not be a cause for dissolution of the Partnership, and all the Partners will continue to be subject to the provisions of this Agreement in all respects.

Section 1.06 Representations of Partners.

(a) General Partner. This Agreement is made with the General Partner in reliance upon the General Partner's representation to the Partnership, the Limited Partners and SBA, that:

(i) it is duly organized, validly existing and in good standing under the laws of the State of North Carolina, and is qualified to do business under the laws of each state where such qualification is required to carry on the business of the Partnership;

(ii) it has full power and authority to execute and deliver this Agreement and to act as General Partner under this Agreement;

(iii) this Agreement has been authorized by all necessary actions by it, has been duly executed and delivered by it, and is a legal, valid and binding obligation of it, enforceable according to its terms; and

(iv) the execution and delivery of this Agreement and the performance of its obligations under this Agreement will not conflict with, or result in any violation of, or default under, any provision of any governing instrument applicable to it, or any agreement or other instrument to which it is a party or by which it or any of its properties are bound, or any provision of law, statute, rule or regulation, or any ruling, writ, order, injunction or decree of any court, administrative agency or governmental body applicable to it.

(b) Limited Partners. This Agreement is made with each Limited Partner in reliance upon each Limited Partner's representation to the General Partner, the Partnership and SBA, that:

(i) it has full power and authority to execute and deliver this Agreement and to act as a Limited Partner under this Agreement; this Agreement has been authorized by all necessary actions by it; this Agreement has been duly executed and delivered by it; and this Agreement is a legal, valid and binding obligation of it, enforceable against it according to its terms;

(ii) the execution and delivery of this Agreement and the performance of its obligations under this Agreement do not require the consent of any third party not previously obtained, and will not conflict with, or result in any violation of, or default under, any provision of any governing instrument applicable to it, or any agreement or other instrument to which it is a party or by which it or any of its properties are bound, or any provision of law, statute, rule or regulation, or any ruling, writ, order, injunction or decree of any court, administrative agency or governmental body applicable to it;

(iii) all representations made by it in any subscription agreement, investor qualification questionnaire or other similar document relating to its purchase of Limited Partner interests are true, complete and correct as of the date it became a party hereto; and if the Limited Partner is a bank (as the term is used in the SBIC Act, at 15 U.S.C. § 682(b)), the total amount of such Limited Partner's investments in SBICs, including such Limited Partner's interest in the Partnership, does not exceed five percent (5%) of such Limited Partner's capital and surplus;

(iv) unless otherwise disclosed to the Partnership in writing, the Partner is a citizen or resident of the United States, an entity organized under the laws of the United States or a state within the United States or an entity engaged in a trade or business within the United States; and

(v) unless otherwise disclosed to the Partnership in writing, the Partner is not subject to Title I of ERISA.

(c) Tax Information. Each Partner who has disclosed to the Partnership in writing that it is not a person described in Section 1.06(b)(iv), agrees to provide the Partnership with any information or documentation necessary to permit the Partnership to fulfill any tax withholding or other obligation relating to the Partner, including but not limited to any documentation necessary to establish the Partner's eligibility for benefits under any applicable tax treaty.

Section 1.07 Notices With Respect to Representations by Limited Partners.

(a) If any representation made by a Limited Partner in Section 1.06(b)(i), Section 1.06(b)(ii), or Section 1.06(b)(iii) ceases to be true, then the Limited Partner will promptly provide the Partnership with a correct separate written representation as provided in each such Section.

(b) The Partnership will give SBA prompt notice of any corrected representation received from any Limited Partner under Section 1.07(a).

Section 1.08 Liability of Partners.

(a) The General Partner does not have liability for the liabilities of the Partnership except to the extent required by the Act and the SBIC Act. The General Partner will not:

(i) be obligated to restore by way of Capital Contribution or otherwise any deficits in the respective Capital Accounts of the Partners should such deficits occur, or

(ii) have any greater obligation with respect to any Outstanding Leverage than is required by the SBIC Act or by SBA.

(b) Except as otherwise provided under the Act and the SBIC Act, no Limited Partner will be liable for any loss, liability or expense whatsoever of the Partnership.

(c) If a Limited Partner is required to return to the Partnership, for the benefit of creditors of the Partnership, amounts previously distributed to the Limited Partner, the obligation of the Limited Partner to return any such amount to the Partnership will be the obligation of the Limited Partner and not the obligation of the General Partner. No Limited Partner will be liable under this Agreement for the obligations under this Agreement of any other Partner.

(d) Nothing in this Agreement limits any liability of any Partner under any agreement between the Partner and SBA.

Section 1.09 Repayment of Capital Contributions of Partners.

Except as expressly provided in this Agreement, no specific time has been agreed upon for the repayment of the Capital Contributions of the Partners, and no Partner, or any successor-in-interest, shall have a right to withdraw any capital contributed to the Partnership.

Section 1.10 No Priorities of Limited Partners.

Except as expressly provided in this Agreement or the SBIC Act, no Limited Partner shall have the right to demand or receive property other than cash in return for its Capital Contribution, nor shall any Limited Partner have priority over any other Partner either as to the return of its Capital Contribution or as to profits, losses or distributions.

ARTICLE 2.

Purpose and Powers

Section 2.01 Purpose and Powers.

(a) The Partnership is being organized solely for the purpose of operating as a mezzanine investment fund. The Partnership has received from the SBA a license to operate as an SBIC under the SBIC Act. The Partnership shall (i) conduct only the activities described under Title III of the SBIC Act, (ii) have the powers and responsibilities, and be subject to the limitations, provided in the SBIC Act, and (iii) conduct all operations and take all actions in compliance with the SBIC Act.

(b) Subject to Section 2.01(a), the Partnership may make, manage, own and supervise investments of every kind and character in conducting its business as a small business investment company.

(c) Subject to the provisions of the SBIC Act, the Partnership has all powers necessary, suitable or convenient for the accomplishment of the purposes set forth in Section 2.01(a) and Section 2.01(b), alone or with others, as principal or agent, and can engage in any lawful act or activity for which limited partnerships may be organized under the Act.

Section 2.02 Restrictions on Powers.

Notwithstanding any provision of Section 2.01(b) or Section 2.01(c), the Partnership will not:

(i) lend any Assets of the Partnership to or guarantee any obligations of the General Partner, the Investment Adviser/Manager, or any director, officer, member, manager, partner, stockholder, employee or Affiliate of the General Partner or the Investment Adviser/Manager (excluding any Portfolio Company);

(ii) allow any Assets of the Partnership to become commingled with the assets of the General Partner or the Investment Adviser/Manager, or any director, officer, member, manager, partner, stockholder, employee or Affiliate of the General Partner or the Investment Adviser/Manager;

(iii) if the Partnership is an SBIC, invest at any time in Portfolio Securities if at the time of such investment the aggregate cost of (A) the investments of the Partnership in a Portfolio Company and its Affiliates plus (B) such additional investment would exceed: the greater of (x) twenty percent (20%) of the Partnership's Regulatory Capital or (y) such other amount as the SBA shall permit in order to protect the Partnership's investment;

(iv) if the Partnership is an SBIC, invest at any time in Portfolio Securities issued by any company in which an SBIC is prohibited from investing by the SBIC Act;

(v) borrow, guarantee the obligations of others or otherwise incur indebtedness if any such borrowings, guarantees or other indebtedness shall create Limited Partner liability, except as otherwise set forth in the SBIC Act or in an agreement with SBA in connection with issuance of Leverage; or

(vi) if the Partnership is an SBIC, have outstanding any debt in an amount in excess of the maximum amount of debt permitted under the SBIC Act.

Section 2.03 ERISA Limitation.

At any time that a Limited Partner is subject to Title I of ERISA and 25% or more in interest of all Limited Partners (as measured by their aggregate Capital Accounts) are "benefit plan investors" (within the meaning of Department of Labor Regulation § 2510.3-101(f)(2), 51 Fed. Reg. 41,282 (November 13, 1986) or any amendment or successor regulation), the Partnership will use its reasonable efforts to ensure that the Partnership qualifies as a "venture

capital operating company" (within the meaning of Department of Labor Regulation § 2510.3-101(d), 51 Fed. Reg. 41,281 (November 13, 1986) or any amendment or successor regulation). Subject to SBA approval if and to the extent required, the General Partner shall have the authority to take any action it deems necessary in order to implement this Section 2.03. Such authority shall include, but shall not be limited to, the authority to prevent any Limited Partner from acquiring or disposing of interests in the Partnership so as to prevent the Assets of the Partnership from being deemed to be assets of a "benefit plan investor," whether by limiting equity interests of "benefit plan investors" so that their participation is not "significant" within the meaning of the regulations, or otherwise.

ARTICLE 3.

Management

Section 3.01 Authority of General Partner.

(a) The management and operation of the Partnership and the formulation of investment policy is vested exclusively in the General Partner, whose sole purpose shall be to serve as the general partner of the Partnership and who shall have the rights and powers which may be possessed by a general partner under the Act, and such rights and powers as are otherwise conferred by law and are necessary, advisable or convenient to the discharge of its duties under this Agreement and to the management of the operations and affairs of the Partnership.

(b) The act of the General Partner in carrying on the business of the Partnership will bind the Partnership.

(c) In the case of any General Partner other than a natural person, at any time that the Partnership is licensed as an SBIC, the General Partner will not allow any person to serve as a general partner, director, officer or manager of the General Partner, unless such person has been approved by SBA.

(d) So long as the General Partner remains the general partner of the Partnership and so long as the Partnership either (i) has an SBIC license application pending or (ii) is licensed as an SBIC:

(i) the General Partner will comply with the requirements of the SBIC Act, including, without limitation, 13 C.F.R. § 107.160(a) and (b), as in effect from time to time; and

(ii) in the case of any General Partner other than a natural person, except as set forth in Section 3.01(d)(iii), it will devote all of its activities to the conduct of the business of the Partnership and will not engage actively in any other business, unless its engagement is related to and in furtherance of the affairs of the Partnership.

(iii) The General Partner may, however:

(A) subject to Section 3.04, act as the general partner or Investment Adviser/Manager for one or more other SBICs, and

(B) receive, hold, manage and sell Assets received by it from the Partnership (or other SBIC for which it acts as general partner or Investment Adviser/Manager), or through the exercise or exchange of Assets received by it from the Partnership (or other SBIC for which it acts as general partner or Investment Adviser/Manager).

Section 3.02 Authority of the Limited Partners.

The Limited Partners shall take no part in the control or management of the business or affairs of the Partnership, and the Limited Partners shall not have any authority to act for or on behalf of the Partnership or to vote on any matter relative to the Partnership and its affairs except as is specifically permitted by this Agreement. No Limited Partner that is subject to the Bank Holding Company Act of 1956, as amended, will have the right to vote on any matter for so long as such right to vote, in the opinion of counsel to such Limited Partner, would be inconsistent with the requirements of such act, or any rules or regulations promulgated thereunder. A Limited Partner or an employee, agent, member, manager, partner, director or officer of a Limited Partner also may be an employee, agent, member, manager, partner, director or officer of the Partnership, the General Partner or the Investment Adviser/Manager. For purposes of the Act, the existence of these relationships and acting in such capacities will not result in a Limited Partner's being deemed to be participating in the control of the business of the Partnership or otherwise affect the liability under the Act of the Limited Partner or the person so acting.

Section 3.03 The Investment Adviser/Manager.

(a) Subject to the SBIC Act, the General Partner may delegate any part of its authority to an Investment Adviser/Manager, including but not limited to entering into an agreement on behalf of the Partnership with an Investment Adviser/Manager for the provision of management services.

(b) Any agreement delegating any part of the authority of the General Partner to an Investment Adviser/Manager will:

(i) be in writing, executed by the General Partner on behalf of the Partnership and by the Investment Adviser/Manager,

(ii) specify the authority so delegated, and

(iii) expressly require that such delegated authority will be exercised by the Investment Adviser/Manager in conformity with the terms and conditions of such agreement, this Agreement and the SBIC Act.

(c) Each agreement with an Investment Adviser/Manager, and any material amendment to any such agreement, is subject to the prior approval of SBA.

(d) TCC is the initial Investment Adviser/Manager.

Section 3.04 Restrictions on Other Activities of the General Partner and its Affiliates.

(a) Except as provided in the SBIC Act and as otherwise specifically provided in this Agreement, no provision of this Agreement will be construed to preclude any (i) Limited Partner, (ii) Investment Adviser/Manager, or (iii) Affiliate, general partner, member, manager or stockholder of any Partner or Investment Adviser/Manager, from engaging in any activity whatsoever or from receiving compensation therefor or profit from any such activity. Such activities may include, without limitation, (A) receiving compensation from issuers of securities for investment banking services, (B) managing investments, (C) participating in investments, brokerage or consulting arrangements or (D) acting as an adviser to or participant in any corporation, partnership, limited liability company, trust or other business person.

(b) Except as provided in the SBIC Act, the General Partner's Affiliates, each for its own account or for others (other than any Affiliated Venture Capital Fund), may not purchase participations of any amount in Portfolio Companies so long as the General Partner is the general partner of the Partnership; provided, however, that, subject to the SBIC Act, the General Partner's Affiliates each may make purchases and sales for its own account of publicly-held securities in the open market and may invest in or finance a Portfolio Company if the Partnership is securing or has previously secured its desired investment position in that company and the General Partner determines that such investment or financing would not materially and adversely affect the Partnership's investment. Except as set forth in this Section 3.04, the General Partner's Affiliates each may, subject to the SBIC Act, make other investments of every type and nature for itself or for the account of others without offering the Partnership a participation in such investments and without the Partnership or any Partner becoming entitled by virtue of this Agreement to any interest therein or to the profits or income derived therefrom. Subject to the limitations contained herein, all the foregoing shall be in the sole and absolute discretion of the General Partner and without liability to the Partnership or the Limited Partners.

Section 3.05 Management Compensation.

(a) (i) As compensation ("**Management Compensation**") for services rendered in the management of the Partnership, during the term of the Partnership, beginning on the Commencement Date, the Partnership will pay an annual management fee computed on a daily basis equal to the Management Fee Rate multiplied by the Management Fee Base, except as provided in paragraph (ii).

(ii) If the Partnership does not meet the criteria for "activity" set forth in the SBIC Act (13 CFR 107.590) for two consecutive fiscal quarters, beginning on the first day of the next fiscal quarter, the Partnership shall pay an annual management fee equal to the Management Fee Rate multiplied by the cost of loans and investments for all portfolio companies in which the Partnership has not written off its investment and which are going concerns. Following any fiscal quarter in which the Partnership meets the criteria for "activity", the Partnership shall resume paying Management Compensation in accordance with paragraph (a)(i).

(b) Notwithstanding anything contained herein to the contrary, if the Management Compensation is payable to an Investment Adviser/Manager, the Partnership will not pay any Management Compensation to the Investor Adviser/Manager until such time that the SEC has

granted exemptive relief with respect to the payment of such compensation or the Investment Advisor/Manager otherwise determines that such compensation is permissible under the Investment Company Act (the "**Management Compensation Determination Time**"). Prior to the Management Compensation Determination Time, Management Compensation shall accrue, and such accrued Management Compensation shall be payable in full by the Partnership to the Investment Advisor/Manager at the Management Compensation Determination Time.

(c) The Management Compensation will be paid by the Partnership to TCC or, at TCC's direction, in whole or in part to an Investment Adviser/Manager.

(d) As long as the Partnership remains an SBIC, it will not pay any Management Compensation with respect to any fiscal year in excess of the amount of Management Compensation approved by SBA.

Section 3.06 Payment of Management Compensation.

(a) Management Compensation will be paid in advance on the first day of each fiscal quarter or a portion thereof in cash. If the Management Compensation payable for a fiscal quarter or other period calculated as provided in Section 3.05 is greater than the amount paid at the beginning of that fiscal quarter or period, then the additional Management Compensation owed shall be paid at the beginning of the next fiscal quarter. If the Management Compensation payable for a fiscal quarter or other period calculated as provided in Section 3.05 is less than the amount paid at the beginning of that fiscal quarter or period, then Management Compensation payable for the following fiscal quarter or period shall be reduced by the amount of the overpayment or, if the Partnership will be wound up and liquidated by the end of such fiscal quarter or other period, the overpayment shall be repaid by the recipient to the Partnership.

(b) Within sixty (60) days after (i) the end of each fiscal year of the Partnership, (ii) the date of its dissolution and (iii) the date a person ceases to be Investment Adviser/Manager, appropriate adjustment (by way of payment or refund) will be made so that the Management Compensation paid with respect to the fiscal year then ended or the period from the end of the last fiscal year to the date set forth in clause (ii) or (iii) of this Section 3.06(b) will be equal to the management fee calculated on a daily basis under Section 3.05 for such period.

Section 3.07 Partnership Expenses.

(a) The entity entitled to receive Management Compensation will be responsible for the payment of the following expenses ("**Management Expenses**"): the Partnership's normal operating expenses, including compensation and fringe benefits of its officers and directors, services, rent, utilities and other overhead charges; expenses for business development, travel and entertainment incurred in connection with the affairs of the Partnership; insurance premiums and fees (excluding directors and officers liability insurance); telephone, telegram, cablegram, telegraph, facsimile, Internet and similar charges; postage expenses; dues, subscriptions, office supplies, equipment rental and similar expenses; fees for bookkeeping and other similar services relating to the affairs of the Partnership, the General Partner and the Investment Adviser/Manager, and other routine expenses incurred in connection with their affairs. Management Expenses shall not include the expenses borne by the Partnership and described in

Section 3.07(b). Notwithstanding the foregoing, the entity entitled to receive Management Compensation will not be responsible for the payment of Management Expenses until the Management Compensation Determination Time. Prior to the Management Compensation Determination Time, the Management Expenses will accrue, and such accrued Management Expenses will be offset against the accrued Management Compensation payable to the Investment Adviser/Manager at the Management Compensation Determination Time pursuant to the last sentence of Section 3.05(b).

(b) The Partnership will pay the following Partnership expenses: the accounting fees, costs and expenses of the Partnership, including without limitation, the annual audit of the Partnership, the preparation of the annual and any interim financial statements of the Partnership and the Federal and state tax returns of the Partnership; examination fees payable to SBA; taxes payable by the Partnership; Management Compensation; costs and expenses associated with meetings of the Limited Partners of the Partnership, communications with Limited Partners and preparation of Partnership status reports; costs and expenses associated with informal meetings of Limited Partners with the General Partner and of committees of the Partnership; the legal fees, cost and expenses of counsel for the Partnership in any legal action or proceeding, including threatened action, proceeding or investigation, and the amount of any judgments or settlements paid in connection with such action, proceeding or investigation; the legal and other fees, costs and expenses of and incidental to the purchase and sale (including qualification and registration) of Portfolio Securities to the extent that such fees, costs and expenses are not paid by Portfolio Companies or others; all other legal fees, costs and expenses incident to the Partnership, its formation, its management and activities; interest and other expenses relating to any Partnership indebtedness; dues payable to trade associations including the National Association of Small Business Investment Companies; bonding expenses; premiums for insurance protecting the Partnership, Designated Parties, and other persons entitled to indemnification from the Partnership from liabilities to third parties for activities on behalf of the Partnership; fees incurred by the Partnership for special advisory or consulting services; securities filing fees; SBA commitment, reservation, custodian and other fees; fees and expenses incurred in connection with reserving, using or repaying SBA Leverage; and all extraordinary fees, costs and expenses.

(c) All Partnership expenses paid by the Partnership will be made against appropriate supporting documentation. The payment by the Partnership of Partnership expenses will be due and payable as billed.

Section 3.08 Valuation of Assets.

(a) The Partnership will adopt written guidelines for determining the value of its Assets. Assets held by the Partnership will be valued by the General Partner in a manner consistent with the Partnership's written guidelines and the SBIC Act. The Valuation Guidelines attached to this Agreement as *Exhibit I* are the Partnership's written guidelines for valuation.

(b) To the extent that the SBIC Act requires any Asset held by the Partnership to be valued other than as provided in this Agreement, the General Partner will value the Asset in such manner as it determines to be consistent with the SBIC Act.

(c) Assets held by the Partnership will be valued at least annually (or more often, as SBA may require or as required by this Agreement or the Act), and will be valued at least semi-annually (or more often, as SBA may require) at any time that the Partnership has Outstanding Leverage. Assets distributed in kind will be valued as of the date distributed.

(d) In determining the value of the interest of any Partner in the Partnership, or in any accounting among the Partners or any of them, no value shall be placed on the goodwill or name of the Partnership. No tax reserves shall be set up for unrealized gains or profits unless the tax obligations of the Partnership are established by law.

Section 3.09 Standard of Care.

(a) No Designated Party will be liable to the Partnership or any Partner for any action taken or omitted to be taken by it or any other Partner or other person in good faith and in a manner it reasonably believed to be in or not opposed to the best interests of the Partnership, and, with respect to any criminal action or proceeding, had no reasonable cause to believe its conduct was unlawful.

(b) Neither any Limited Partner, nor any member of any Partnership committee or board who is not an Affiliate of the General Partner, will be liable to the Partnership or any Partner as the result of any decision made in good faith by the Limited Partner or member, in its capacity as such.

(c) Any Designated Party, any Limited Partner and any member of a Partnership committee or board, may consult with independent legal counsel selected by it and will be fully protected, and will incur no liability to the Partnership or any Partner, in acting or refraining to act in good faith in reliance upon the opinion or advice of such counsel.

(d) This Section does not constitute a modification, limitation or waiver of Section 314(b) of the SBIC Act, or a waiver by SBA of any of its rights under Section 314(b).

(e) In addition to the standards of care stated in this Section, this Agreement may also provide for additional (but not alternative) standards of care.

Section 3.10 Indemnification.

(a) The Partnership will indemnify and hold harmless, but only to the extent of Assets Under Management (less any Outstanding Leverage not included as a liability in the computation of Assets Under Management), any Designated Party, from any and all Indemnifiable Costs which may be incurred by or asserted against such person or entity, by reason of any action taken or omitted to be taken on behalf of the Partnership and in furtherance of its interests.

(b) The Partnership will indemnify and hold harmless, but only to the extent of Assets Under Management (less any Outstanding Leverage not included as a liability in the computation of Assets Under Management), the Limited Partners, and members of any Partnership committee or board who are not Affiliates of the General Partner or any Investment Adviser/Manager from any and all Indemnifiable Costs which may be incurred by or asserted against such person or entity, by any third party on account of any matter or transaction of the Partnership, which matter

or transaction occurred during the time that such person has been a Limited Partner or member of any Partnership committee or board.

(c) The Partnership has power, in the discretion of the General Partner, to agree to indemnify on the same terms and conditions applicable to persons indemnified under Section 3.10(b), any person who is or was serving, under a prior written request from the Partnership, as a consultant to, agent for or representative of the Partnership as a director, manager, officer, employee, agent of or consultant to another corporation, partnership, limited liability company, joint venture, trust or other enterprise, against any liability asserted against such person and incurred by the person in any such capacity, or arising out of the person's status as such.

(d) No person may be entitled to claim any indemnity or reimbursement under Section 3.10(a), (b) or (c) in respect of any Indemnifiable Cost that may be incurred by such person which results from the failure of the person to act in accordance with the provisions of this Agreement and the applicable standard of care stated in Section 3.09. The termination of any action, suit or proceeding by judgment, order, settlement, conviction, or upon a plea of nolo contendere or its equivalent, will not, of itself, preclude a determination that such person acted in accordance with the applicable standard of care stated in Section 3.09.

(e) To the extent that a person claiming indemnification under Section 3.10(a), (b) or (c) has been successful on the merits in defense of any action, suit or proceeding referred to in Section 3.10(a), (b) or (c) or in defense of any claim, issue or matter in any such action, suit or proceeding, such person must be indemnified with respect to such matter as provided in such Section. Except as provided in the foregoing sentence and as provided in Section 3.10(h) with respect to advance payments, any indemnification under this Section will be paid only upon determination that the person to be indemnified has met the applicable standard of conduct stated in Section 3.09(a) or Section 3.09(b).

(f) A determination that a person to be indemnified under this Section has met the applicable standard stated in Section 3.09(a) or Section 3.09(b) may be made by (i) the General Partner, with respect to the indemnification of any person other than a person claiming indemnification under Section 3.10(a), (ii) a committee of the Partnership whose members are not affiliated with the General Partner or any Investment Adviser/Manager with respect to indemnification of any person indemnified under Section 3.10(a) or (iii) at the election of the General Partner, independent legal counsel selected by the General Partner, with respect to the indemnification of any person indemnified under this Section, in a written opinion.

(g) In making any determination with respect to indemnification under Section 3.10(f), the General Partner, a committee of the Partnership whose members are not affiliated with the General Partner or any Investment Adviser/Manager, or independent legal counsel, as the case may be, is authorized to make the determination on the basis of its evaluation of the records of the General Partner, the Partnership or any Investment Adviser/Manager to the Partnership and of the statements of the party seeking indemnification with respect to the matter in question and is not required to perform any independent investigation in connection with any determination. Any party making any such determination is authorized, however, in its sole discretion, to take such other actions (including engaging counsel) as it deems advisable in making the determination.

(h) Expenses incurred by any person in respect of any Indemnifiable Cost may be paid by the Partnership before the final disposition of any such claim or action upon receipt of an undertaking by or on behalf of such person to repay such amount unless it is ultimately determined as provided in Section 3.10(e) or (f) that the person is entitled to be indemnified by the Partnership as authorized in this Section.

(i) The rights provided by this Section will inure to the benefit of the heirs, executors, administrators, successors, and assigns of each person eligible for indemnification under this Agreement.

(j) The rights to indemnification provided in this Section are the exclusive rights of all Partners to indemnification by the Partnership. No Partner may have any other rights to indemnification from the Partnership or enter into, or make any claim under, any other agreement with the Partnership (whether direct or indirect) providing for indemnification.

(k) The Partnership may not enter into any agreement with any person (including, without limitation, any Investment Adviser/Manager, Partner or any person that is an employee, officer, director, member, manager, partner or shareholder, or an Affiliate, Associate or Control Person of any Partner) providing for indemnification of any such person (i) except as provided for under this Section, and (ii) unless such agreement provides for a determination with respect to the indemnification as provided under Section 3.10(f).

(l) The provisions of this Section do not apply to indemnification of any person that is not at the expense (whether in whole or in part) of the Partnership.

(m) The Partnership may purchase and maintain insurance on its own behalf, or on behalf of any person or entity, with respect to liabilities of the types described in this Section. The Partnership may purchase such insurance regardless of whether the person is acting in a capacity described in this Section or whether the Partnership would have the power to indemnify the person against such liability under the provisions of this Section.

Section 3.11 [reserved]

Section 3.12 Media Company Provisions.

In addition to any other restrictions applicable to Limited Partners set forth in this Agreement and notwithstanding any other provisions thereof, for so long as the Partnership has an investment in a Media Company, no Limited Partner (and no officer, director, partner or equivalent non-corporate official of a Limited Partner that is not an individual) shall:

(i) act as an employee of the Partnership if his or her functions, directly or indirectly, relate to the media business of the Partnership or any Media Company in which the Partnership has an investment;

(ii) serve, in any material capacity, as an independent contractor or agent with respect to the media business of the Partnership or any Media Company in which the Partnership has an investment;

(iii) communicate on matters pertaining to the day-to-day media operations of the Partnership or a Media Company with (i) an officer, director, partner, agent, representative or employee of such Media Company, or (ii) the General Partner;

(iv) perform any services for the Partnership materially relating to the media activities of the Partnership or any Media Company in which the Partnership has an investment, except that any Limited Partner may make loans to, or act as a surety for, the Partnership or any such Media Company;

(v) vote on the admission of any new General Partner to the Partnership unless such admission is approved by the General Partner;

(vi) become actively involved in the management or operation of media businesses of the Partnership; or

(vii) vote for the removal of the General Partner except where the General Partner is subject to bankruptcy proceedings, is adjudicated incompetent by a court of competent jurisdiction, or is removed for any cause which is determined by an independent party to constitute malfeasance, criminal conduct, or want or willful neglect, or other such extraordinary conduct with respect to which a prudent investor would require the right to remove to General Partner.

Prior to the Partnership investing in a Media Company, the Partnership shall have received advice from counsel to the effect that such investment in a Media Company does not appear to be attributable to any Limited Partner under the attribution rules of the FCC or appear to cause any Limited Partner or the Partnership to be in violation of the FCC's "cross-ownership" or "multiple-ownership rules."

ARTICLE 4.

Small Business Investment Company Matters

Section 4.01 SBIC Act.

The provisions of this Agreement must be interpreted to the fullest extent possible in a manner consistent with the SBIC Act. If any provision of this Agreement conflicts with any provision of the SBIC Act (including, without limitation, any conflict with respect to the rights of SBA or the respective Partners under this Agreement), the provisions of the SBIC Act will control.

Section 4.02 Consent or Approval of, and Notice to, SBA.

(a) The requirements of the prior consent or approval of, and notice to, SBA in this Agreement will be in effect at any time that the Partnership is licensed as an SBIC or has Outstanding Leverage. These requirements will not be in effect if the Partnership is not licensed as an SBIC and does not have any Outstanding Leverage.

(b) Except as provided in the SBIC Act, a consent or approval required to be given by SBA under this Agreement will be deemed given and effective for purposes of this Agreement only if the consent or approval is:

(i) given by SBA in writing, and

(ii) delivered by SBA to the party requesting the consent or approval in the manner provided for notices to such party under Section 10.04.

Section 4.03 Provisions Required by the SBIC Act for Issuers of Debentures.

(a) The provisions of 13 C.F.R. § 107.1810(i) are incorporated by reference in this Agreement as if fully stated in this Agreement.

(b) The Partnership and the Partners consent to the exercise by SBA of all of the rights of SBA under 13 C.F.R. § 107.1810(i), and agree to take all actions that SBA may require in accordance with 13 C.F.R. § 107.1810(i).

(c) This Section will be in effect at any time that the Partnership has outstanding Debentures, and will not be in effect at any time that the Partnership does not have outstanding Debentures.

(d) Nothing in this Section may be construed to limit the ability or authority of SBA to exercise its regulatory authority over the Partnership as a licensed small business investment company under the SBIC Act.

Section 4.04 Effective Date of Incorporated SBIC Act Provisions.

(a) Any section of this Agreement which relates to Debentures issued by the Partnership and incorporates or refers to the SBIC Act or any provision of the SBIC Act (including, without limitation, 13 C.F.R. §§ 107.1810(i), 107.1820, and 107.1830 — 107.1850) will, with respect to each Debenture, be deemed to refer to the SBIC Act or such SBIC Act provision as in effect on the date on which the Debenture was purchased from the Partnership.

(b) Section 4.04(a) will not be construed to apply to:

(i) the provisions of the SBIC Act which relate to the regulatory authority of SBA under the SBIC Act over the Partnership as a licensed small business investment company; or

(ii) the rights of SBA under any other agreement between the Partnership and SBA.

(c) The parties acknowledge that references in this Agreement to the provisions of the SBIC Act relating to SBA's regulatory authority refer to the provisions as in effect from time to time.

Section 4.05 SBA as Third Party Beneficiary.

SBA will be deemed an express third party beneficiary of the provisions of this Agreement to the extent of the rights of SBA under this Agreement and under the Act. SBA will be entitled to enforce the provisions for its benefit, as if SBA were a party to this Agreement.

Section 4.06 Interest of the General Partner After Withdrawal.

If the General Partner withdraws as a general partner of the Partnership (including upon notice from SBA as provided in the SBIC Act), then the entire interest of the General Partner in the Partnership will be converted into an interest as a non-voting Limited Partner on the terms provided in Section 8.03(c) and Section 8.13.

ARTICLE 5.

Partners' Capital Contributions

Section 5.01 Capital Contributions.

As of the date hereof, the Limited Partners and the General Partner have made Capital Contributions to the Partnership in the amounts set forth by their respective names on Schedule A. Schedule A will be amended from time to time in accordance with Section 1.05(c).

Section 5.02 [reserved]

Section 5.03 [reserved]

Section 5.04 Additional Limited Partners and Additional Capital Contributions.

The General Partner may, with the consent of a Majority in Interest of the Limited Partners, admit one or more new Limited Partners ("**Additional Limited Partners**") or permit any Limited Partner to make an additional Capital Contribution under the following terms and conditions:

(a) Each such Additional Limited Partner (and Limited Partner making an additional Capital Contribution) must execute and deliver to the Partnership the documentation required in this Section 5.04, thereby evidencing its agreement to be bound by and comply with the terms and provisions hereof as if it were a signatory to this Agreement as of the date of this Agreement, and *Schedule A* attached to this Agreement will be amended to reflect such Additional Limited Partner's name, address and Capital Contribution (or the additional Capital Contribution made by such Limited Partner, as the case may be).

(b) Each such Additional Limited Partner shall be admitted to the Partnership as of the date that (i) an executed subscription agreement in form and substance acceptable to the General Partner has been accepted by the Partnership, (ii) an executed counterpart of this Agreement has been delivered to and accepted by the Partnership and (iii) such Additional Limited Partner shall have paid by way of a Capital Contribution to the Partnership, cash in an amount determined by the General Partner.

(c) In the case of each Limited Partner that makes an additional Capital Contribution, such additional Capital Contribution shall be effective as of the date such Limited Partner shall have paid by way of Capital Contribution to the Partnership, cash in an amount equal to that additional Capital Contribution, and has executed any other documentation requested to be executed by the General Partner.

(d) [reserved]

Section 5.05 [reserved]

Section 5.06 [reserved]

Section 5.07 [reserved]

Section 5.08 [reserved]

Section 5.09 [reserved]

Section 5.10 [reserved]

Section 5.11 [reserved]

Section 5.12 [reserved]

Section 5.13 [reserved]

Section 5.14 Withholding and Application of a Partner's Distributions.

No part of any distribution shall be paid to any Partner from which there is then due and owing to the Partnership, at the time of such distribution, any amount required to be paid to the Partnership. At the election of the General Partner, which it may make in its sole discretion, the Partnership may either (i) apply all or part of any such withheld distribution in satisfaction of the amount then due to the Partnership from such Partner or (ii) withhold such distribution until all amounts then due are paid to the Partnership by such Partner. Upon payment of all amounts due to the Partnership (by application of withheld distributions or otherwise), the General Partner shall distribute any unapplied balance of any such withheld distribution to such Partner. No interest shall be payable on the amount of any distribution withheld by the Partnership pursuant to this Section.

Section 5.15 [reserved]

Section 5.16 [reserved]

ARTICLE 6.

Adjustment of Capital Accounts

Section 6.01 Establishment of Capital Accounts.

A separate Capital Account shall be maintained for each Partner in accordance with the definition thereof.

Section 6.02 General Allocations.

(a) Profit or Loss. At the end of each Fiscal Year of the Partnership, the Profit or Loss of the Partnership for such Fiscal Year shall be determined. After giving effect to any special allocations pursuant to Sections 6.02(b) and 6.03, the Profit or Loss for the Fiscal Year shall be allocated among the Partners so that to the extent possible, the net amounts of Profits and Losses and items specially allocated pursuant to Sections 6.02(b) and 6.03, allocated for such Fiscal Year and all preceding Fiscal Years to the General Partner as a class, and to the Limited Partners as a class, respectively, is equal in the case of each class to the amount that would be allocated to the class if the Profits and Losses and items so specially allocated for such Fiscal Year and all previous Fiscal Years were aggregated and the net result (the "**Cumulative Profit**" or "**Cumulative Loss**") were allocated as follows:

(1) if there is a Cumulative Profit,

(i) First, to the Partners who received an allocation of Cumulative Loss pursuant to the last sentence of Section 6.02(b) hereof (i.e., which would have been allocated to another Partner but for the creation of an Adjusted Capital Account Deficit for that Partner), an amount of Cumulative Profit equal to the allocations of Cumulative Loss previously made pursuant to such last sentence of Section 6.02(b) hereof (without duplication) in reverse order to which such prior Cumulative Losses were allocated; and

(ii) Second, to all Partners in proportion to their respective Partnership Percentages.

(2) if there is a Cumulative Loss, among the Partners in proportion to their Partnership Percentages.

(b) Loss Allocation Limitations. Notwithstanding the foregoing, no allocation of Cumulative Loss shall be allocated to any Partner if such allocation would cause such Partner to have an Adjusted Capital Account Deficit. The amount of the allocation of Cumulative Loss which would otherwise have caused a Partner to have an Adjusted Capital Account Deficit shall instead be allocated to those Partners who would not have an Adjusted Capital Account Deficit as a result of the allocation in proportion to their respective Partnership Percentages.

Section 6.03 Special Allocations.

The following special allocations shall be made in the following order:

(a) Minimum Gain Chargeback. Except as otherwise provided in Treasury Regulations Section 1.704-2(f), notwithstanding any other provision of this Agreement, if there is a net decrease in Partnership Minimum Gain during any Fiscal Year, each Partner shall be specially allocated items of Partnership income and gain for such Fiscal Year (and, if necessary, subsequent Fiscal Years) in an amount equal to such Partner's share of the net decrease in Partnership Minimum Gain, determined in accordance with Regulations Section 1.704-2(g). Allocations pursuant to the previous sentence shall be made in proportion to the respective amounts required to be allocated to each Partner pursuant thereto. The items to be so allocated shall be determined in accordance with Treasury Regulations Sections 1.704-2(f)(6) and 1.704-2(j)(2). This Section 6.03(a) is intended to comply with the minimum gain chargeback requirement in Treasury Regulations Section 1.704-2(f) and shall be interpreted consistently therewith.

(b) Partner Minimum Gain Chargeback. Except as otherwise provided in Treasury Regulations Section 1.704-2(i)(4), notwithstanding any other provision of this Agreement, if there is a net decrease in Partner Nonrecourse Debt Minimum Gain attributable to a Partner Nonrecourse Debt during any Fiscal Year, each Partner who has a share of the Partner Nonrecourse Debt Minimum Gain attributable to such Partner Nonrecourse Debt, determined in accordance with Treasury Regulations Section 1.704-2(i)(5), shall be specially allocated items of Partnership income and gain for such Fiscal Year (and, if necessary, subsequent Fiscal Years) in an amount equal to such Partner's share of the net decrease in Partner Nonrecourse Debt Minimum Gain attributable to such Partner Nonrecourse Debt, determined in accordance with Treasury Regulations Section 1.704-2(i)(4). Allocations pursuant to the previous sentence shall be made in proportion to the respective amounts required to be allocated to each Partner pursuant thereto. The items to be so allocated shall be determined in accordance with Treasury Regulations Section 1.704-2(i)(4) and 1.704-2(j)(2). This Section 6.03(b) is intended to comply with the minimum gain chargeback requirement in Treasury Regulations Section 1.704-2(i)(4) and shall be interpreted consistently therewith.

(c) Qualified Income Offset. In the event any Partner unexpectedly receives any adjustments, allocations, or distributions described in Treasury Regulations Section 1.704-1(b)(2)(ii)(d)(4), Section 1.704-1(b)(2)(ii)(d)(5), or Section 1.704-1(b)(2)(ii)(d)(6), items of Partnership income and gain shall be specially allocated to each such Partner in an amount and manner sufficient to eliminate, to the extent required by the Treasury Regulations, the Adjusted Capital Account Deficit of such Partner as quickly as possible, provided that an allocation pursuant to this Section 6.03(c) shall be made only if and to the extent that such Partner would have an Adjusted Capital Account Deficit after all other allocations provided for in this Agreement have been tentatively made as if this Section 6.03(c) were not in this Agreement.

(d) Gross Income Allocation. In the event any Partner has a deficit Capital Account balance at the end of any Fiscal Year which is in excess of the sum of (i) the amount such Partner is obligated to restore pursuant to any provision of this Agreement, and (ii) the amount such Partner is deemed to be obligated to restore pursuant to the penultimate sentences of Treasury

Regulations Sections 1.704-2(g)(1) and 1.704-2(i)(5), to the extent the General Partner determines each such Partner shall be specially allocated items of Partnership income and gain in the amount of such excess as quickly as possible, provided that an allocation pursuant to this Section 6.03(d) shall be made only if and to the extent that such Partner would have a deficit Capital Account balance in excess of such sum after all other allocations provided for in this Agreement have been made as if Section 6.03(c) and this Section 6.03(d) were not in this Agreement.

(e) Nonrecourse Deductions. Nonrecourse Deductions for any Fiscal Year shall be allocated among the Partners in accordance with Section 6.02(a).

(f) Partner Nonrecourse Deductions. Any Partner Nonrecourse Deductions for any Fiscal Year shall be specially allocated to the Partner who bears the economic risk of loss with respect to the Partner Nonrecourse Debt to which such Partner Nonrecourse Deductions are attributable in accordance with Treasury Regulations Section 1.704-2(i)(1).

(g) Section 754 Adjustments. To the extent an adjustment to the adjusted tax basis of any Noncash Asset pursuant to Code Section 734(b) or Code Section 743(b) is required, pursuant to Treasury Regulations Sections 1.704-1(b)(2)(iv)(m)(2) or 1.704-1(b)(2)(iv)(m)(4), to be taken into account in determining Capital Accounts as the result of a distribution to a Partner in complete liquidation of such Partner's interest in the Partnership, the amount of such adjustment to the Capital Accounts shall be treated as an item of gain (if the adjustment increases the basis of the asset) or loss (if the adjustment decreases such basis) and such gain or loss shall be allocated to the Partners in accordance with Section 6.02(a) in the event that Treasury Regulations Section 1.704-2(b)(2)(iv)(m)(2) applies, or to the Partner to whom such distribution was made in the event that Treasury Regulations Section 1.704-(b)(2)(iv)(m)(4) applies.

(h) Discretionary Authority for Compliance. The General Partner is authorized in its discretion to allocate items of income, gain, loss, deduction, or credit for any Fiscal Year differently than otherwise provided for in this Agreement to the extent that allocation in the manner provided for in this Agreement, in the opinion of the professional tax advisor to the Partnership (tax counsel or accountants), would cause the determinations and allocations of each Partner's distributive share of income, gain, loss, deduction, or credit (or item thereof) not to be permitted by Code Section 704(b) and the Treasury Regulations thereunder.

(i) Curative Allocations. The allocations set forth in Section 6.02(b) and in Section 6.03(a), (b), (c), (d), (e), (f) and (g) (the "**Regulatory Allocations**") are intended to comply with certain requirements of the Treasury Regulations. It is the intent of the Partners that, to the extent possible, all Regulatory Allocations shall be offset either with other Regulatory Allocations or with special allocations of other items of Partnership income, gain, loss, or deduction pursuant to this Section 6.03(i). Therefore, notwithstanding any other provision of this Agreement (other than the Regulatory Allocations), the General Partner shall make such offsetting special allocations of Partnership income, gain, loss, or deduction in whatever manner it determines appropriate so that, after such offsetting allocations are made, each Partner's Capital Account balance is, to the extent possible, equal to the Capital Account balance such Partner would have had if the Regulatory Allocations were not part of this Agreement and all Partnership items were allocated pursuant to the other provisions of this Agreement. In

exercising its discretion under this Section 6.03(i), the General Partner shall take into account future Regulatory Allocations under Sections 6.03(a) and (b) that, although not yet made, are likely to offset other Regulatory Allocations previously made under that Section 6.03(e) and (f).

Section 6.04 Other Allocation Rules

(a) For purposes of determining the Profits, Losses, or any other items allocable to any period, Profits, Losses, and any such other items shall be determined on a daily, monthly, or other basis, as determined by the General Partner using any permissible method under Code Section 706 and the Treasury Regulations thereunder.

(b) The Partners are aware of the income tax consequences of the allocations made by this Agreement and hereby agree to be bound by the provisions of this Agreement in reporting their shares of the items of Partnership income, gain, loss, deduction, and credit for income tax purposes.

(c) To the extent permitted by Section 1.704-2(h)(3) of the Treasury Regulations, the General Partner shall endeavor to treat cash distributions as having been made from the proceeds of a Nonrecourse Liability or a Partner Nonrecourse Debt only to the extent that such distributions would cause or increase an Adjusted Capital Account Deficit for any Partner.

(d) If during a Fiscal Year, any event occurs which results in a change during the Fiscal Year in any Partner's interest in the Partnership within the meaning of Code Section 706(d), the allocations of Profit, Loss, and other items of income, gain, loss, deduction and credit of the Partnership for such Fiscal Year shall take into account such change using any method permitted by Code Section 706(d) that is selected by the General Partner in its discretion.

Section 6.05 Tax Allocations: Code Section 704(c).

In accordance with Code Section 704(c) and the Treasury Regulations thereunder, income, gain, loss, and deduction with respect to any property contributed to the capital of the Partnership shall, solely for tax purposes, be allocated among the Partners so as to take account of any variation between the adjusted basis of such property to the Partnership for Federal income tax purposes and its initial Gross Asset Value.

In the event the Gross Asset Value of any Noncash Asset is adjusted pursuant to clause (ii) of the definition of Gross Asset Value, subsequent allocations of income, gain, loss, and deduction with respect to such asset shall take account of any variation between the adjusted basis of such asset for Federal income tax purposes and its Gross Asset Value in the same manner as under Code Section 704(c) and the Treasury Regulations thereunder.

The General Partner shall have the maximum discretion and flexibility permitted by Code Section 704(c) and the Treasury Regulations thereunder, including without limitation making curative allocations over a reasonable period of time as permitted by Treasury Regulations Section 1.704-3(c)(3)(ii), disregarding the general limitation on character as permitted by Treasury Regulations Section 1.704-3(c)(3)(iii)(B), using the remedial allocation method permitted by Treasury Regulations Section 1.704-3(d), and disregarding the application of

Section 704(c) or using one of the other options permitted by Regulations Section 1.704-3(e)(1) in the case of a "small disparity".

Allocations pursuant to this Section 6.05 are solely for purposes of Federal, state, and local taxes and shall not affect, or in any way be taken into account in computing, any Partner's Capital Account or share of Profits, Losses, other items, or distributions pursuant to any provision of this Agreement.

Section 6.06 Tax Matters.

(a) Tax Controversies. The General Partner is the "tax matters partner," as the term is used in the Code, and to the extent authorized or permitted under applicable law, the General Partner is authorized and required to represent the Partnership and each Limited Partner in connection with all examinations of the Partnership's affairs by tax authorities, including resulting administrative and judicial proceedings, and to expend Partnership funds for professional services and costs connected therewith. Each Limited Partner agrees to cooperate with the General Partner and to do or refrain from doing any and all such things reasonably required by the General Partner to conduct such proceedings.

(b) Classification. The Partnership initially shall be classified as partnership for income tax purposes at all times it has more than one owner for income tax purposes. With the consent of seventy-five percent (75%) in Interest of the Limited Partners and SBA's prior written approval, the General Partner may elect a different classification for income tax purposes from time to time. The provisions of this Section 6.06(b) shall not limit the authorization of the Partnership to convert or merge as provided in Section 8.14.

(c) Proceedings. The General Partner must keep the Partners informed of all administrative and judicial proceedings with respect to Partnership tax returns or the adjustment of Partnership items. Any Partner who enters into a settlement agreement with respect to Partnership items must promptly give the General Partner notice of the settlement agreement and terms that relate to Partnership items.

(d) Other Tax Elections. Subject to Section 6.06(b) the General Partner shall have the discretion to make or not make all elections with respect to the Partnership permitted under the Code, Treasury Regulations, or other tax laws or regulations, including but not limited to elections under Code Section 754.

ARTICLE 7.

Distributions

Section 7.01 Distributions to Partners.

(a) The Partnership may make distributions of cash and/or property, if any, at such times as the SBIC Act permits (if the Partnership is then licensed as an SBIC or has an application to be licensed pending with the SBA) and as are determined under this Agreement. If the Partnership is then licensed as an SBIC or has an application to be licensed pending with the SBA, distributions shall be made from Retained Earnings Available for Distribution or

otherwise as permitted by the SBIC Act. The General Partner may elect to invest or reinvest all or any part of such cash and/or property in lieu of distribution to the Partners.

(b) All distributions shall be made to the Partners in proportion to their Partnership Percentages.

Section 7.02 Distributions of Noncash Assets in Kind.

(a) Subject to the provisions of the SBIC Act and the provisions of this Section, the Partnership at any time may distribute Noncash Assets in kind.

(b) Any distribution of Noncash Assets will be made pro rata among the Partners (based upon the respective amounts which each Partner would be entitled to receive if the distribution were made in cash) with respect to the distribution of each Noncash Asset.

(c) Subject to the SBIC Act, Noncash Assets distributed in kind under this Section 7.02 will be subject to such conditions and restrictions as are legally required, including, without limitation, such conditions and restrictions required to assure compliance by the Partners and/or the Partnership with the aggregation rules and volume limitations under Rule 144 promulgated under the Securities Act.

Section 7.03 Payments on Behalf of Partners.

(a) Subject to the SBIC Act, the Partnership will at all times be entitled to make payments with respect to any Partner in amounts required to discharge any legal obligation of the Partnership and/or the General Partner to withhold or make payments to any governmental authority with respect to any Federal, state or local tax liability of the Partner arising as a result of the Partner's interest in the Partnership. Each such payment shall be treated for purposes of this Agreement as a distribution made pursuant to Section 7.01(b).

Section 7.04 Distributions Violative of the Act Prohibited.

Anything contained in this Agreement to the contrary notwithstanding, no distribution may be made by the Partnership if and to the extent that such distribution would violate the Act.

Section 7.05 Distributions in Respect of Interests Transferred.

Distributions of Partnership assets in respect of interests in the Partnership shall be made only to persons who, according to the books and records of the Partnership, are the owners of record of the interests in the Partnership in respect of which such distributions are made on the date determined by the General Partner as of which owners of interests in the Partnership are entitled to such distributions. The General Partner and the Partnership shall incur no liability for making distributions in accordance with the provisions of this Section 7.05, whether or not the General Partner or the Partnership has knowledge or notice of any transfer of ownership of any interests in the Partnership.

ARTICLE 8.

Dissolution, Liquidation, Winding Up and Withdrawal; Merger and Conversion

Section 8.01 Dissolution.

(a) The Partnership will be dissolved upon the first to occur of the following:

(i) subject to Section 8.04 of this Agreement, the withdrawal, dissolution or bankruptcy of the General Partner or the occurrence of any other event that causes the General Partner to cease to be a general partner of the Partnership, including but not limited to an event of withdrawal (as defined in the Act) of the General Partner; or

(ii) the occurrence of any other event resulting in dissolution under the Act.

(b) Except as provided in the Act, the Partnership will not dissolve upon the withdrawal, dissolution, bankruptcy, death or adjudication of incompetence or insanity of any Limited Partner.

(c) The General Partner may elect to dissolve the Partnership by giving notice to each Limited Partner and SBA of the election. If the Partnership is licensed as an SBIC, any notice of an election to dissolve the Partnership may only be given:

(i) if all Outstanding Leverage has been repaid or redeemed; and

(ii) if all amounts due SBA, its agent or trustee have been paid.

Any election to dissolve the Partnership given under this Section 8.01(c) will not be effective until the later of: (A) thirty (30) days from the date the notice is given to all parties or (B) the effective date of dissolution stated in the notice.

Section 8.02 Winding Up.

(a) Subject to the SBIC Act and Section 8.03, when the Partnership is dissolved, the property and business of the Partnership will be liquidated by the General Partner or if there is no General Partner or the General Partner is unable to act, a person designated by the holders of a Majority in Interest of the Limited Partners (the "**Liquidator**").

(b) Within a reasonable period (and subject to the requirements of Treasury Regulation Sections 1.704-1(b)(ii)(g) and 1.704-1(b)(2)(ii)(b)(2)) after the effective date of dissolution of the Partnership, the affairs of the Partnership will be wound up and the Partnership's assets will be distributed as provided in the SBIC Act and the Act. The liquidation shall be carried out as promptly as practicable with obtaining the fair value of the Partnership's Assets. The General Partner or Liquidator shall take full account of the Partnership's assets and liabilities and shall determine which assets shall be distributed in kind and which assets shall be liquidated. Notwithstanding the foregoing, the General Partner or Liquidator shall notify any Limited Partner that is a banking or other financial institution prior to making any distributions of Portfolio Securities in kind to such Limited Partner and, upon written direction from such

Limited Partner, shall sell such Portfolio Securities and distribute the net proceeds from such sale to such Limited Partner. Assets of the Partnership or the proceeds therefrom, if the General Partner or the Liquidator elects to liquidate the same, to the extent sufficient therefor, shall be applied and distributed in the following order:

(i) To the payment and discharge of all the Partnership's debts and liabilities.

(ii) To the setting up of such reserves as the General Partner or the Liquidator, as applicable, may deem reasonably necessary for any contingent or unforeseen liabilities or obligations of the Partnership arising out of or in connection with the Partnership's business, provided that any such reserve will be held by the General Partner or the Liquidator, as applicable, for the purpose of disbursing such reserves in payment of any such liabilities or obligations and at the expiration of such period as the General Partner or Liquidator, as applicable, shall deem advisable (but in no event to exceed eighteen months from the date of liquidation, unless an extension of the time is consented to by a Majority in Interest of the Limited Partners), to distribute the balance remaining as provided in this Section 8.02(b).

(iii) The balance of such assets or proceeds shall be distributed to the General Partner and Limited Partners in accordance with their respective positive Capital Account balances.

Distributions pursuant to this Section 8.02 may be distributed to a trust established for the benefit of the Partners for the purposes of liquidating Partnership Assets, collecting amounts owed to the Partnership, and paying any contingent or unforeseen liabilities or obligations of the Partnership arising out of or in connection with the Partnership. The assets of any such trust shall be distributed to the Partners from time to time, in the reasonable discretion of the General Partner or the Liquidator, as applicable, in the same proportions as the amount distributed to such trust by the Partnership would otherwise have been distributed to the Partners pursuant to this Agreement. Except as otherwise may be required by the Act, an individual or entity that is a creditor of the Partnership by reason of its withdrawal or termination as a Limited Partner shall be entitled to receive distributions pursuant to this Section 8.02 only at the time of and from funds available for distribution to the Limited Partners and shall not have any priority in receipt of such funds senior to that of the Partners.

Section 8.03 Removal and Withdrawal of the General Partner.

(a) Subject to SBA approval, the General Partner may at any time be removed by the consent of seventy-five percent (75%) in Interest of the Limited Partners. Except as provided in Section 4.03, the General Partner may not voluntarily withdraw as the general partner of the Partnership without the approval of seventy-five percent (75%) in Interest of the Limited Partners. If the General Partner is removed or withdraws as a general partner of the Partnership (including upon notice from SBA as provided in the SBIC Act), then the entire interest of the General Partner in the Partnership will be converted into an interest of a non-voting Limited Partner on the terms provided in Section 8.13, and the interest of the non-voting Limited Partner shall be disregarded with respect to calculating any required percentage of Limited Partners necessary to approve any action under this Agreement.

(b) To the extent required by the SBIC Act, no transfer of the interest of the General Partner, or any portion of such interest, will be effective without the consent of SBA.

(c) Except as provided in Section 8.03(a), Section 8.03(b), Section 10.01(b), Section 10.01(c), or Section 10.01(d), any person who acquires the interest of the General Partner, or any portion of such interest, in the Partnership, will not be a General Partner but will become a non-voting Limited Partner on the terms provided in Section 8.13 applied as if the acquiring person constitutes a withdrawing General Partner, upon his written acceptance and adoption of all the terms and provisions of this Agreement. No such person will have any right to participate in the management of the affairs of the Partnership or to vote with the Limited Partners, and the interest acquired by such person will be disregarded in determining whether any action has been taken by any percentage of the Limited Partner interests.

(d) Upon an event of withdrawal of the General Partner without continuation of the Partnership as provided in Section 8.04, the affairs of the Partnership will be wound up in accordance with the provisions of Section 8.02.

(e) In the event of the death, disablement, incapacity, bankruptcy, removal, or withdrawal of an individual member of the General Partner or the dissolution, bankruptcy or withdrawal of any entity member of the General Partner, the Partnership will continue as provided in this Agreement to the full extent permitted by the Act.

Section 8.04 Continuation of the Partnership After the Withdrawal of the General Partner.

Upon the occurrence of an event of withdrawal (as defined in the Act) of the General Partner, the Partnership will not be dissolved, if, within ninety (90) days after the event of withdrawal, a Majority in Interest of the Limited Partners agree in writing to continue the business of the Partnership and to the appointment of one or more additional general partners (subject to the approval of SBA), effective as of the date of withdrawal of the General Partner. If the Limited Partners so agree to continue the Partnership, the interest of the former General Partner will be converted into the interest of a non-voting Limited Partner on the terms provided in Section 8.03(a) and Section 8.13.

Section 8.05 Withdrawals of Capital.

Except as specifically provided in this Agreement, withdrawals by a Partner of any amount of its Capital Account are not permitted.

Section 8.06 [reserved]

Section 8.07 [reserved]

Section 8.08 [reserved]

Section 8.09 [reserved]

Section 8.10 [reserved]

Section 8.11 [reserved]

Section 8.12 [reserved]

Section 8.13 Conversion of General Partner's Interest.

If, upon occurrence of the removal, resignation, dissolution or bankruptcy of the General Partner, or any other event that causes the General Partner to cease to be a general partner of the Partnership, the Partnership continues under a successor General Partner, the assets of the Partnership shall be valued in accordance with Section 3.08 (except that for all purposes determinations to be made by the withdrawing General Partner shall be made by the successor General Partner) as of the date of the removal, resignation, dissolution, bankruptcy, acquisition or other event. The Partners' Capital Accounts shall be adjusted as provided in the definitions of Gross Asset Value and Profit or Loss as if all Noncash Assets had been sold at their Gross Asset Values as of the applicable date and the Partnership's Fiscal Year had ended as of such date. The withdrawing General Partner's interest in the Partnership, including its Capital Account as so adjusted, shall be converted to and treated going forward as the interest of a non-voting Limited Partner as provided in Section 8.03(a). No allocations shall be made with respect to such non-voting Limited Partner except as may be required pursuant to Section 6.02(b), the Regulatory Allocations, and Section 6.03(i). All amounts thereafter becoming available for distribution to the General Partner pursuant to Section 7.01(b), (A) shall instead be paid to such non-voting Limited Partner to the extent of the then positive balance in its Capital Account, if any, if such non-voting Limited Partner ceased to be a general partner of the Partnership as a result of removal by consent of the Limited Partners pursuant to the first sentence of Section 8.03(a), or (B) shall be shared between such non-voting Limited Partner and the General Partner in accordance with their then positive Capital Account balances if the non-voting Limited Partner otherwise ceased to be a general partner. No other distributions shall be made with respect to such non-voting Limited Partner.

Section 8.14 Conversion and Merger.

Subject to the SBIC Act, the Partnership may convert into an entity of any other type (including but not limited to a corporation or limited liability company, or a limited partnership (including a limited liability limited partnership) formed under the laws of another state or other jurisdiction) formed under the laws of the United States, the State of North Carolina, or any other state or jurisdiction, or merge with any one or more entities of any type (including but not limited to a corporation, limited liability company, or limited partnership including but not limited to another limited liability limited partnership) with either the Partnership or any such other entity

being the surviving entity in the merger. Except as otherwise required by the Act or the SBIC Act and subject to SBA's prior written approval, any such conversion or merger shall require only the prior written approval of the General Partner and seventy-five percent (75%) in Interest of the Limited Partners.

ARTICLE 9.

Accounts, Reports and Auditors

Section 9.01 Books of Account.

(a) SBIC Requirements. The Partnership must maintain books and records in accordance with the provisions of the SBIC Act regarding financial accounts and reporting and, except as otherwise provided in this Agreement, generally accepted accounting principles.

(b) Records and Inspection. The General Partner shall keep, at the Partnership's principal office, the Partnership's books and records, including (i) a current list of the full name and last known business or residence address of each Partner set forth in alphabetical order together with the contribution and the share in Profits and Losses of each Partner, (ii) a copy of the Certificate of Limited Partnership and all certificates of amendment thereto, together with executed copies of any powers of attorney pursuant to which any certificate has been executed, (iii) copies of the Partnership's federal, state and local income tax or information returns and reports, if any, for the six most recent years, (iv) copies of the original of this Agreement and any amendments thereto, (v) financial statements of the Partnership for the six most recent fiscal years, and (vi) the Partnership's books and records for at least the current and past three fiscal years. Each Partner has the right, upon reasonable request, to inspect and copy during normal business hours any such Partnership records.

(c) Confidential Information. Notwithstanding any other provisions of this Agreement, unless otherwise required by law, the Partnership shall not be required to disclose any confidential or proprietary information received by the Partnership in connection with its investment operations and Portfolio Companies, except for any disclosure to the SBA required by the SBIC Act. Each Partner acknowledges that Limited Partners may be subject to laws, regulations or policies which require such Partners to disclose to federal, state or local government bodies, agencies or instrumentalities, or to the public information received by the Partner from the Partnership; however, that Partner shall take reasonable steps to exclude such information from disclosure, if an exclusion is reasonably available and shall give the Partnership prompt notice of any request for disclosure.

Section 9.02 Audit and Reports.

(a) Audit. The financial statements of the Partnership must be audited and certified as of the end of each fiscal year by a firm of independent certified public accountants selected by the General Partner.

(b) Financial Statements. The General Partner shall cause an annual report of the operations of the Partnership to be prepared within ninety days following the end of the fiscal year. Said annual report shall include a balance sheet as of the end of the fiscal year and an

income statement and statement of cash flows for the fiscal year, audited by a firm of independent public accountants selected by the General Partner, and a statement showing the amounts allocated to such Partner pursuant to this Agreement during or in respect of such year, and any item of income, deduction, credit or loss allocated to the Partner for purposes of the Code pursuant to this Agreement.

(c) Income Tax Information. The General Partner shall provide each Partner within ninety days after the end of each taxable year (i) the information necessary for the Partner to complete its Federal and state income tax returns, and (ii) if requested by a Limited Partner, a copy of the Partnership's Federal, state and local income tax or information returns for the year. The General Partner shall cause to have prepared and filed all required income tax returns for the Partnership.

(d) Valuation Reports. The General Partner shall transmit to the Limited Partners a copy of each valuation report of the Partnership's Portfolio Securities prepared in accordance with Section 3.08.

Section 9.03 Fiscal Year.

The fiscal year of the Partnership will be a twelve-month year (except for the first and last partial years, if any) ending on December 31.

Section 9.04 Banking and Portfolio Securities.

All funds of the Partnership shall be deposited in such separate bank account or accounts as shall be determined by the General Partner, which funds shall be maintained separately from other bank accounts of the General Partner, or any other person or entity. All withdrawals therefrom shall be made by the General Partner or by any person authorized to do so by the General Partner. All Portfolio Securities of the Partnership shall be held by the General Partner separately from other securities held by the General Partner for its own account or the account of others.

ARTICLE 10.

Miscellaneous

Section 10.01 Assignability.

(a) Limited Partner Transfer. No Limited Partner may assign, pledge or otherwise grant a security interest in the Limited Partner's interest in the Partnership or in this Agreement, except:

(i) by operation of law;

(ii) to a receiver or trustee in bankruptcy for that Partner; or

(iii) with the prior written consent of the General Partner (which consent may be withheld in the reasonable discretion of the General Partner);

provided in each instance: (A) the proposed transferee assumes all the obligations of the original Limited Partner; (B) the General Partner has no reasonable belief that admitting the proposed transferee as a Limited Partner would be harmful to the Partnership or any Partner; (C) the proposed transfer would not, in the opinion of the Partnership's counsel, create a material risk of subjecting the Partnership or any Partner to any governmental regulation or require any registration which the General Partner believes to be significant; (D) each transferee agrees to become and assume the obligations of a Limited Partner pursuant to this Agreement on terms and conditions acceptable to the SBA and the General Partner; and (E) SBA shall have given its consent if such consent is required by the SBIC Act.

(b) SBA Approval. No General Partner or Limited Partner may transfer any interest of ten percent (10%) or more in the capital of the Partnership without the prior approval of SBA.

(c) General Partner Transfer. The General Partner may not assign, pledge or otherwise grant a security interest in its interest in the Partnership or in this Agreement, except with the prior consent of SBA and the prior approval of seventy-five percent (75%) in Interest of the Limited Partners. In those instances where such Limited Partner and SBA approvals have been obtained: (i) a transferee of all or a part of the interest of a General Partner shall be admitted to the Partnership as a general partner of the Partnership only if seventy-five percent 75% or more in Interest of the Limited Partners approves in writing the admission of such transferee; (ii) the admission shall be effective upon the filing of an amendment to the Certificate of Limited Partnership with the Secretary of State of the State of North Carolina that indicates such transferee has been admitted to the Partnership as a general partner of the Partnership; and (iii) in the case of a successor General Partner, for all purposes the admission shall be deemed to have occurred immediately prior to the time the transferor General Partner ceases to be a general partner of the Partnership. Such additional or successor General Partner is hereby authorized to and shall continue the Partnership without dissolution. Upon the filing of an amendment to the Certificate of Limited Partnership with the Secretary of State of the State of North Carolina that indicates that a General Partner is no longer a general partner of the Partnership, such General Partner shall at that time cease to be a general partner of the Partnership. Unless and until the transferee is admitted as a successor or additional General Partner with SBA approval and otherwise in accordance with the foregoing, the provisions of Section 8.03(c) shall apply.

(d) Conditions of Transfer. No transfer of any interest in the Partnership will be allowed if such transfer or the actions to be taken in connection with that transfer would:

(i) result in any violation of the SBIC Act;

(ii) result in a violation of any law, rule or regulation by the Partnership;

(iii) cause the termination or dissolution of the Partnership;

(iv) cause the Partnership to be classified other than as a partnership for Federal income tax purposes;

(v) result in the transfer of a Limited Partner interest with a cost of less than $50,000 or cause the Partnership to be classified as a "publicly traded partnership" within the meaning of Section 7704 of the Code;

(vi) result in a violation of the Securities Act;

(vii) [reserved]

(viii) require the Partnership, the General Partner or the Investment Adviser/Manager to register as an investment adviser under the Investment Advisers Act;

(ix) cause the Assets of the Partnership to be treated as assets of an employee benefit plan under regulations adopted pursuant to ERISA; or

(x) result in a termination of the Partnership for Federal or state income tax purposes.

The Limited Partner transferring its interest shall bear all reasonable costs of the Partnership in effecting such transfer. The transferor and transferee shall execute such documents and instruments and supply such opinions of counsel as the General Partner reasonably requests.

(e) Substituted Limited Partners. Notwithstanding a transfer pursuant to Section 10.01, no transferee of a Limited Partner shall become a substituted Limited Partner within the meaning of the Act unless the General Partner expressly and in writing consents to the substitution, and such transferee:

(i) elects to become a substituted Limited Partner by delivering a written notice of such election to the General Partner;

(ii) executes and acknowledges such other agreements and instruments as the General Partner may deem necessary or advisable to effect the admission of such person as a substituted Limited Partner, including without limitation the written acceptance and adoption by such person of the provisions of this Agreement and the execution of a subscription agreement; and

(iii) pays a reasonable transfer fee to the Partnership which is sufficient to cover all reasonable expenses connected with the admission of such person as a substituted Limited Partner within the meaning of the Act; and if all steps shall be taken which, in the opinion of the General Partner, are reasonably necessary to admit such person under the Act and this Agreement as a substituted Limited Partner, then such person shall thereupon become a substituted Limited Partner within the meaning of the Act.

Section 10.02 Binding Agreement.

Subject to the provisions of Section 10.01, this Agreement is binding upon, and inures to the benefit of, the heir, successor, assign, executor, administrator, committee, guardian, conservator or trustee of any Partner.

Section 10.03 Gender.

As used in this Agreement, masculine, feminine and neuter pronouns include the masculine, feminine and neuter; and the singular includes the plural.

Section 10.04 Notices.

(a) All notices under this Agreement must be in writing and may be given by personal delivery, telegram, private courier service, facsimile, or registered or certified mail.

(b) A notice is deemed to have been given:

(i) by personal delivery, telegram, or private courier service, as of the day of delivery of the notice to the addressee;

(ii) by facsimile, as of the first business day following receipt of notice of transmission by sender; and

(iii) by mail, as of the fifth (5th) day after the notice is mailed.

(c) Notices must be sent to:

(i) the Partnership or the General Partner, at the address of the General Partner in the Certificate of Limited Partnership, or such other address or addresses as to which the Partners have been given notice;

(ii) a Limited Partner, at its address in *Schedule A* attached to this Agreement (as *Schedule A* may be amended from time to time) or such other address as to which the Partnership has been given notice by the Limited Partner; and

(iii) SBA, at the address of the Investment Division of SBA and, if so required under any section of this Agreement, in duplicate at the address of the Office of the General Counsel of SBA.

Section 10.05 Consents and Approvals.

A consent or approval required to be given by any party under this Agreement will be deemed given and effective for purposes of this Agreement only if the consent or approval is:

(i) given by such party in writing, and

(ii) delivered by such party to the party requesting the consent or approval in the manner provided for notices to such party under Section 10.04.

Section 10.06 Counterparts.

This Agreement and any amendment to this Agreement may be executed in counterparts, each of which shall be an original, but all of which together constitute one and the same instrument.

Section 10.07 Amendments.

(a) General Amendments. Except as otherwise expressly provided in this Agreement, this Agreement may not be amended except by an instrument in writing executed by the holders of a Majority in Interest of the Limited Partners who have not withdrawn as of the effective date of that amendment and the General Partner. Any amendment must be approved by SBA. In addition, any amendment that: (i) may cause a Limited Partner to become liable as a general partner of the Partnership requires the written consent of that Partner; (ii) would change the percentage in Interest of the Limited Partners whose consent is required for a matter requires the consent of such percentage in Interest of the Limited Partners (as in effect before the change); and (iii) amends this sentence requires the consent of all Partners.

(b) [reserved]

(c) Distribution. The General Partner shall distribute to each Limited Partner and SBA distributed in the same manner as provided for notices in Section 10.04 a copy of: (i) any Certificate of Amendment to the Certificate of Limited Partnership, and (ii) any amendment to this Agreement.

Section 10.08 Limited Partner Consents.

Each Limited Partner consents to:

(i) the admission of Additional Limited Partners and any additional Capital Contribution made by a Limited Partner in accordance with Section 5.04;

(ii) the transfer of a Partner's interest in accordance with Section 10.01 and the admission of a substituted Partner under such transfer;

(iii) any amendment of this Agreement or the Certificate of Limited Partnership necessary to effect such transfer or admission; and

(iv) any amendment of this Agreement or the Certificate of Limited Partnership to incorporate such changes as may be required by the SBA or the SBIC Act and to otherwise comply with or conform to any amendments of applicable laws governing the Partnership.

Section 10.09 Power of Attorney.

(a) Appointment. Each Limited Partner appoints the General Partner, and each other person designated by the General Partner, with full power of substitution, as its true and lawful representative and attorney-in-fact, for it and in its name, place and stead, to make, execute, sign and file:

(i) any amendments of this Agreement necessary to reflect:

(A) the transfer of a Partner's interest;

(B) the admission of a Limited Partner or a substituted Limited Partner;

(C) the admission of an Additional Limited Partner or the making of an additional Capital Contribution by a Limited Partner;

(D) amendment of this Agreement adopted in accordance with Section 10.07; and

(E) the consents set forth in Section 10.08;

(ii) the exercise by the General Partner of any of the powers granted to it under this Agreement;

(iii) the admission to the Partnership of any General Partner or Special Limited Partner or the withdrawal of any Limited Partner or General Partner, in the manner prescribed in this Agreement;

(iv) incorporation of such changes as are required by the SBA or the SBIC Act; and

(v) all instruments, documents and certificates which, from time to time, may be required by the law of the United States of America, the State of North Carolina or any other state in which the Partnership determines to do business, or any political subdivision or agency thereof, to execute, implement and continue the valid and subsisting existence of the Partnership and in conformance to the provisions of this Agreement.

(b) Further Authorization. Each Limited Partner authorizes each such attorney-in-fact to take any further action which such attorney-in-fact shall consider necessary or advisable in connection with any of the foregoing, hereby giving such attorney-in-fact full power and authority to do and perform each and every act or thing whatsoever requisite or advisable to be done in and about the foregoing as fully as such Limited Partner might or could do if personally present, and hereby ratifying and confirming all that such attorney-in-fact shall lawfully do or cause to be done by virtue hereof. The authorization set forth in this power of attorney includes the right to amend this Agreement to respond to comments from the SBA in connection with the Partnership's SBIC license application.

(c) Attributes. The power of attorney granted pursuant to Section 10.09 hereof:

(i) is a special power of attorney coupled with an interest and is irrevocable except that such power shall terminate with respect to any particular person so appointed at the time such person ceases to be a principal or designee of the General Partner;

(ii) if allowed by applicable law, may be executed by such attorney-in-fact by listing all of the Limited Partners executing any agreement, certificate, instrument or document with the single signature of any such attorney-in-fact acting as attorney-in-fact for all of them; and

(iii) shall survive the delivery of an assignment by a Limited Partner of its interest in the Partnership, except that where the purchaser, transferee or assignee thereof has the right to be, or with the consent of the General Partner is admitted as, a substituted Limited Partner, the power of attorney shall survive the delivery of such assignment for the sole purpose of enabling such attorney-in-fact to execute, acknowledge and file any such agreement, certificate, instrument or document necessary to effect such substitution.

Section 10.10 Applicable Law.

This Agreement is governed by and shall be construed in accordance with the laws of the State of North Carolina, without reference to its principles of conflict of laws, except that the SBIC Act and other Federal laws shall be applicable as provided in this Agreement.

Section 10.11 Severability.

If any one or more of the provisions contained in this Agreement, or any application of any such provision, is invalid, illegal, or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions contained in this Agreement and all other applications of any such provision will not in any way be affected or impaired.

Section 10.12 Entire Agreement.

This Agreement, and all other written agreements executed by or on behalf of the General Partner and/or the Limited Partners and executed or approved by SBA, up to and including the date of this Agreement (such other written agreements, collectively, the "**SBA Agreements**"), state the entire understanding among the parties relating to the subject matter of this Agreement and the SBA Agreements. Any and all prior conversations, correspondence, memoranda or other writings are merged in, and replaced by this Agreement and the SBA Agreements, and are without further effect on this Agreement and the SBA Agreements. No promises, covenants, representations or warranties of any character or nature other than those expressly stated in this Agreement and the SBA Agreements have been made to induce any party to enter into this Agreement or any SBA Agreement. This Agreement amends and restates the Original Agreement in its entirety.

Section 10.13 Miscellaneous.

(a) Section Headings. Section and other headings contained in this Agreement are for reference purposes only and are in no way intended to describe, interpret, define or limit the scope, extent or intent of this Agreement or any provisions hereof.

(b) Right to Rely upon the Authority of General Partner . No person dealing with the General Partner shall be required to determine its authority to make any commitment or undertaking on behalf of the Partnership, nor to determine any fact or circumstance bearing upon the existence of its authority.

(c) Jurisdiction. Any action to enforce, arising out of, or relating in any way to this Agreement may be brought and prosecuted in any Federal or state court or courts located in Wake County, North Carolina, and each Partner (a) consents to the jurisdiction of any such state

court or any such federal court and to service of process by registered or certified mail, return receipt requested, or by any other manner provided by law, and (b) agrees not to object to venue of any such court.

(d) Description of Partnership. The terms of this Agreement supersede any description of the Partnership appearing in any other document, including any offering documents.

(e) Written Consent. Any action to be taken by the Partners may be taken at any time upon the written consent of such Partners holding at least the minimum interest in the Partnership that would be necessary to authorize or take that action.

(f) Partition. Each Partner agrees that it shall not cause a partition of any of the Partnership's property, whether by court action or otherwise, it being agreed that any such action would cause a substantial hardship to the Partnership and would be in breach and contravention of this Agreement.

(g) Legal Counsel. Each Partner hereby agrees and acknowledges that:

(i) Brooks Pierce McLendon Humphrey & Leonard, L.L.P. and Pepper Hamilton LLP (collectively, the "**Legal Counsel**") have been retained by the General Partner in connection with the formation of the Partnership and the offering of Limited Partner interests and in such capacity have provided legal services to the General Partner and the Partnership.

(ii) The Legal Counsel will not represent the Limited Partners in connection with the formation of the Partnership, the offering of Limited Partner interests, the management and operation of the Partnership, or any dispute which may arise between the Limited Partners on one hand and the General Partner and the Partnership on the other hand (each a "**Partnership Legal Matter**"). Each Limited Partner will, if it wishes counsel on a Partnership Legal Matter, retain its own independent counsel with respect thereto and will pay all fees and expenses of such independent counsel.

(iii) Each Limited Partner hereby agrees that the Legal Counsel may represent the General Partner and the Partnership in connection with any and all Partnership Legal Matters (including any dispute between the General Partner and one or more Limited Partners) and waives any present or future conflict of interest with the Legal Counsel regarding Partnership Legal Matters.

[Signature Pages Follow]

IN WITNESS WHEREOF, the parties to this Agreement have executed this Agreement as of _____, 2007.

General Partner:

New Triangle GP, LLC

By: Triangle Capital Corporation, its manager

By: _____
Garland S. Tucker, III, Chairman of the
Board, Chief Executive Officer and President

Limited Partner:

Triangle Capital Corporation

By: _____
Steven C. Lilly, Chief Financial Officer,
Secretary and Treasurer

SCHEDULE A

Partners, Capital Contributions and Percentage Interest

Partners:	Capital Contributions:	Percentage Interest:
Limited Partner:		
Triangle Capital Corporation 3600 Glenwood Avenue, Suite 104 Raleigh, NC 27612	$_____	99.9%
General Partner:		
New Triangle GP, LLC 3600 Glenwood Avenue, Suite 104 Raleigh, NC 27612	$_____	0.1%
TOTAL	**$_____**	**100.0%**

EXHIBIT I

Valuation Guidelines

General

The General Partner has sole responsibility for determining the Asset Value of each of the Loans and Investments and of the portfolio in the aggregate.

Loans and Investments shall be valued individually and in the aggregate at least semi-annually — as of the end of the second quarter of the fiscal year and as of the end of the fiscal year. Fiscal year-end valuations are audited as set forth in SBA's Accounting Standards and Financial Reporting Requirements for Small Business Investment Companies.

This Valuation Policy is intended to provide a consistent, conservative basis for establishing the Asset Value of the portfolio. The Policy presumes that Loans and Investments are acquired with the intent that they are to be held until maturity or disposed of in the ordinary course of business.

Interest-Bearing Securities

Loans shall be valued in an amount not greater than cost with Unrealized Depreciation being recognized when value is impaired. The valuation of loans and associated interest receivables on interest-bearing securities should reflect the portfolio concern's current and projected financial condition and operating results, its payment history and its ability to generate sufficient cash flow to make payments when due.

When a valuation relies more heavily on asset versus earnings approaches, additional criteria should include the seniority of the debt, the nature of any pledged collateral, the extent to which the security interest is perfected, the net liquidation value of tangible business assets, and the personal integrity and overall financial standing of the owners of the business. In those instances where a loan valuation is based on an analysis of certain collateralized assets of a business or assets outside the business, the valuation should, at a minimum, consider the net liquidation value of the collateral after reasonable selling expenses. Under no circumstances, however, shall a valuation based on the underlying collateral be considered as justification for any type of loan appreciation.

Appropriate unrealized depreciation on past due interest which is converted into a security (or added to an existing security) should be recognized when collection is doubtful. Collection is presumed to be in doubt when one or both of the following conditions occur: (i) interest payments are more than 120 days past due; or (ii) the small concern is in bankruptcy, insolvent, or there is substantial doubt about its ability to continue as a going concern.

The carrying value of interest bearing securities shall not be adjusted for changes in interest rates.

Valuation of convertible debt may be adjusted to reflect the value of the underlying equity security net of the conversion price.

Equity Securities — Private Companies

Investment cost is presumed to represent value except as indicated elsewhere in these guidelines.

Valuation should be reduced if a company's performance and potential have significantly deteriorated. If the factors which led to the reduction in valuation are overcome, the valuation may be restored.

The anticipated pricing of a Small Concern's future equity financing should be considered as a basis for recognizing Unrealized Depreciation, but not for Unrealized Appreciation. If it appears likely that equity will be sold in the foreseeable future at a price below the Licensee's current valuation, then that prospective offering price should be weighed in the valuation process.

Valuation should be adjusted to a subsequent significant equity financing that includes a meaningful portion of the financing by a sophisticated, unrelated new investor. A subsequent significant equity financing that includes substantially the same group of investors as the prior financing should generally not be the basis for an adjustment in valuation. A financing at a lower price by a sophisticated new investor should cause a reduction in value of the prior securities.

If substantially all of a significant equity financing is invested by an investor whose objectives are in large part strategic, or if the financing is led by such an investor, it is generally presumed that no more than 50% of the increase in investment price compared to the prior significant equity financing is attributable to an increased valuation of the company.

Where a company has been self-financing and has had positive cash flow from operations for at least the past two fiscal years, Asset Value may be increased based on a very conservative financial measure regarding P/E ratios or cash flow multiples, or other appropriate financial measures of similar publicly-traded companies, discounted for illiquidity. Should the chosen valuation cease to be meaningful, the valuation may be restored to a cost basis, or if of significant deterioration in performance or potential, to a valuation below cost to reflect impairment.

With respect to portfolio companies that are likely to face bankruptcy or discontinue operations for some other reason, liquidating value may be employed. This value may be determined by estimating the realizable value (often through professional appraisals or firm offers to purchase) of all assets and then subtracting all liabilities and all associated liquidation costs.

Warrants should be valued at the excess of the value of the underlying security over the exercise price.

Equity Securities — Public Companies

Public securities should be valued as follows: (a) For over-the-counter stocks, take the average of the bid price at the close for the valuation date and the preceding two days, and (b) for listed stocks, take the average of the close for the valuation date and the preceding two days.

The valuation of public securities that are restricted should be discounted appropriately until the securities may be freely traded. Such discounts typically range from 10% to 40%, but the discounts can be more or less, depending upon the resale restrictions under securities laws or contractual agreements.

When the number of shares held is substantial in relation to the average daily trading volume, the valuation should be discounted by at least 10%, and generally by more.

Exhibit (l)(2)

Bass, Berry & Sims PLC Letterhead

February 13, 2007

Triangle Mezzanine Fund LLLP
Triangle Capital Corporation
3600 Glenwood Avenue, Suite 104
Raleigh, NC 27612

Re: Opinion Regarding Legality of Securities

Gentlemen:

We are acting as counsel to Triangle Mezzanine Fund LLLP, a North Carolina limited liability limited partnership (the "Fund"), in connection with the Agreement and Plan of Merger (the "Fund Merger Agreement") with TCC Merger Sub, LLC ("Merger Sub") and the Fund, pursuant to which Merger Sub will merge with and into the Fund (the "Fund Merger"), with the Fund surviving the Fund Merger, and, pursuant to the terms of the Fund Merger Agreements, the ownership interests held by the limited partners of the Fund will be converted into shares of common stock of Triangle Capital Corporation, a Maryland corporation (the "Corporation") (the "Fund Merger Shares"). We are also acting as counsel to the Corporation in connection with the Agreement and Plan of Merger (the "GP Merger Agreement") with New Triangle GP, LLC (the "New General Partner") and Triangle Mezzanine LLC (the "Old General Partner"), pursuant to which the Old General Partner will merge with and into the New General Partner (the "GP Merger"), with the New General Partner surviving the GP Merger, and whereby the ownership interests held by the members of the Old General Partner will be converted into shares of common stock of the Corporation (the "GP Merger Shares"). This opinion letter is furnished to you to enable you to fulfill the requirements of Item 35 of Form N-5.

For purposes of this opinion letter, we have examined such documents as we have deemed necessary, including copies of the following documents:

1. The Fund Merger Agreement;
2. The GP Merger Agreement;
3. The Corporation's Charter and Bylaws;
4. The Certificate of Formation of the Fund, the Agreement of Limited Partnership and other applicable organizational documents (the "Organizational Documents") for the Fund;
5. The Organizational Documents for the New General Partner, the Old General Partner and Merger Sub;
6. An executed copy of the Registration Statement on Form N-2/N-5 (File No. 333-138418) as amended (collectively the Registration Statement"); and

7. Resolutions of the Board of Directors of the Corporation, Resolutions of the Sole Member and Manager of the New General Partner and Merger Sub and the General and Limited Partners of the Fund, relating to, among other things, the filing of the Registration Statement and approval of the Fund Merger Agreement and the GP Merger Agreement.

In our examination of the aforesaid documents, we have assumed the genuineness of all signatures, the legal capacity of natural persons, the accuracy and completeness of all documents submitted to us, the authenticity of all original documents, and the conformity to authentic original documents of all documents submitted to us as certified, telecopied, photostatic, or reproduced copies. We have also assumed the accuracy, completeness and authenticity of the foregoing certifications of officers and statements of fact, on which we are relying, and have made no independent investigations thereof. This opinion letter is given, and all statements herein are made, in the context of the foregoing.

Based upon the foregoing, and having regard for such legal considerations as we have deemed relevant, we are of the opinion that the issued and outstanding limited partnership interests and the general partnership interests of the Fund (collectively, the "Partnership Interests"), to be exchanged for shares of the Corporation's common stock, have been validly issued.

Our opinion is subject to the following qualifications and limitations:

(a) The opinions expressed herein are subject to the effect of applicable bankruptcy, insolvency, reorganization or similar laws affecting the enforcement of creditors' rights and equitable principles limiting the availability of equitable remedies on the enforceability of contracts, agreements and instruments.

(b) The opinions set forth herein are expressed as of the date hereof and we disclaim any undertaking to advise you of any changes which may subsequently be brought to our attention in the facts or the law upon which such opinions are based.

This opinion letter has been prepared solely for your use in connection with the filing of the Registration Statement on the date of this opinion letter and should not be quoted in whole or in part or otherwise be referred to, nor filed with or furnished to any governmental agency or other person or entity, without the prior written consent of this firm. We consent to the filing of

this opinion as Exhibit (l)(2) to the Registration Statement and to the reference to this firm under the heading “Legal Matters” therein. In giving this consent, we do not admit that we are in the category of persons whose consent is required by Section 7 of the Securities Act of 1933, as amended.

Sincerely,

/s/ Bass, Berry & Sims PLC

Exhibit n(3)

U.S. SMALL BUSINESS ADMINISTRATION
WASHINGTON, D.C. 20416

January 16, 2004

License No.: 04/04-0292

Mr. Garland S. Tucker
Mr. Tarlton H. Long
Mr. David Parker
Mr. Brent Burgess
Triangle Mezzanine Fund LLLP
3600 Glenwood Avenue, Suite 104
Raleigh, NC 27612

Dear Messrs. Tucker, Long, Parker and Burgess:

The U.S. Small Business Administration ("SBA") has approved your company's license application to operate as a Small Business Investment Company ("SBIC") under the provisions of Section 301(c) of the Small Business Investment Act of 1958, as amended, effective September 11, 2003.

This approval does not constitute agreement by the SBA with any specific elements of the Licensee's financial projections or assumptions. All financing and investing activities of the Licensee and all distributions shall be governed by the SBA regulations.

We are delighted to have you join the SBIC program. We look forward to working with you on behalf of America's entrepreneurs, and the customers and communities they serve.

With kind regards,

/s/ Jeffrey D. Pierson

Jeffrey D. Pierson
Associate Administrator
for Investment

SBA IS AN EQUAL OPPORTUNITY EMPLOYER AND PROVIDER

BASS, BERRY & SIMS PLC
Attorneys at Law

A PROFESSIONAL LIMITED LIABILITY COMPANY

Helen W. Brown

phone: (901) 543-5918
fax: (888) 789-4123
e-mail: hwbrown@bassberry.com

The Tower at Peabody Place
100 Peabody Place, Suite 900
Memphis, Tennessee 38103-3672
(901) 543-5900

February 13, 2007

Via FedEx and Via EDGAR

Richard Pfordte, Esq.
Vincent Di Stefano, Esq.
Division of Investment Management
U.S. Securities and Exchange Commission
100 F Street, N.E.
Washington, D.C. 20549-0504

Re: Triangle Capital Corporation
Registration Statement on N-2/N-5
File No. 333-138418

Dear Messrs. Pfordte and Di Stefano:

On February 12, 2007, we received additional comments from you by telephone on the Registration Statement on N-2/N-5, File No. 333-138418 (the "Registration Statement") for Triangle Capital Corporation (the "Company"). In response to your comments we have filed this Pre-effective Amendment No. 4 to the Form N-2 and Amendment No. 2 to the Form N-5 (collectively, the "Amendment") for the Company and Triangle Mezzanine Fund LLLP (the "Existing Fund"). In particular, this Amendment does the following:

1. Inserts Part III to Form N-5 behind the N-2 signature page. This insert includes Item 29 through Item 35 of Form N-5. In particular, the N-5 will have its own exhibit list that specifically incorporates certain Exhibits applicable to the SBIC by reference from the N-2.

2. We are also filing the following additional exhibits to the N-2/N-5 that we believe comprise the remaining exhibits required to be filed under the instructions to Form N-5:

- Certificate of Limited Partnership of Triangle Mezzanine Fund LLLP currently in place;
- Letter from the SBA approving Triangle Mezzanine Fund LLLP's application to operate as an SBIC (in lieu of the actual SBA license as required by Form N-5, apparently the SBA doesn't actually send these out anymore according to Triangle);

- An opinion from Bass Berry regarding the legality of the issued and outstanding partnership interests that will be exchanged for common stock of the Company; and
- The form of Amended and Restated Agreement of Limited Partnership of Triangle Mezzanine Fund LLLP

We are e-mailing to you both this letter and the Amendment in addition to filing via EDGAR, as we are uncertain as to your weather situation. We hope that the foregoing is fully responsive to your comments. We appreciate your continued attention and prompt responses to these matters. As you know the Company has filed a request to accelerate the date of effectiveness of the Registration Statement for Wednesday, February 14, 2007 at 9:00 a.m. EST. Thus, your continued responsiveness is much appreciated. Please do not hesitate to contact me at 901-543-5918, John A. Good at 901-543-5901 or Steve Boehm at 202-383-0176 if you have any comments or questions regarding the above responses.

Sincerely,

/s/ Helen W. Brown
Helen W. Brown

Enclosures