

703510/23

In accordance with  
Sections 859A and  
859J of the Companies  
Act 2006

# MR01

## Particulars of a charge



Companies House



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☒ **What this form is for**  
You may use this form to register  
a charge created or evidenced by  
an instrument

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This form must be delivered to the Registrar for registra  
21 days beginning with the day after the date of creation of  
delivered outside of the 21 days it will be rejected unless it is  
court order extending the time for delivery

☒ You must enclose a certified copy of the instrument with this  
scanned and placed on the public record Do not send the o



\*A60C1MTU\*  
A22 15/02/2017 #67  
COMPANIES HOUSE

### 1 Company details

Company number 00015454

Company name in full THE PRUDENTIAL ASSURANCE COMPANY LIMITED

63 For official use

→ Filing in this form  
Please complete in typescript or in  
bold black capitals

All fields are mandatory unless  
specified or indicated by \*

### 2 Charge creation date

Charge creation date 08/02/2017

### 3 Names of persons, security agents or trustees entitled to the charge

Please show the names of each of the persons, security agents or trustees  
entitled to the charge

Name PRUDENTIAL RETIREMENT INSURANCE AND  
ANNUITY COMPANY

Name

Name

Name

If there are more than four names, please supply any four of these names then  
tick the statement below

☐ I confirm that there are more than four persons, security agents or  
trustees entitled to the charge



MR01

Particulars of a charge

<b>4</b>	<b>Brief description</b>
Brief description	<p>Please give a short description of any land, ship, aircraft or intellectual property registered or required to be registered in the UK subject to a charge (which is not a floating charge) or fixed security included in the instrument</p> <p>Not applicable</p> <p>Please submit only a short description if there are a number of plots of land, aircraft and/or ships, you should simply describe some of them in the text field and add a statement along the lines of, "for more details please refer to the instrument"</p> <p>Please limit the description to the available space</p>
<b>5</b>	<b>Other charge or fixed security</b>
	<p>Does the instrument include a charge (which is not a floating charge) or fixed security over any tangible or intangible or (in Scotland) corporeal or incorporeal property not described above? Please tick the appropriate box</p> <p><input checked="" type="checkbox"/> Yes</p> <p><input type="checkbox"/> No</p>
<b>6</b>	<b>Floating charge</b>
	<p>Is the instrument expressed to contain a floating charge? Please tick the appropriate box</p> <p><input type="checkbox"/> Yes Continue</p> <p><input checked="" type="checkbox"/> No Go to Section 7</p> <p>Is the floating charge expressed to cover all the property and undertaking of the company?</p> <p><input type="checkbox"/> Yes</p>
<b>7</b>	<b>Negative Pledge</b>
	<p>Do any of the terms of the charge prohibit or restrict the company from creating further security that will rank equally with or ahead of the charge? Please tick the appropriate box</p> <p><input checked="" type="checkbox"/> Yes</p> <p><input type="checkbox"/> No</p>
<b>8</b>	<b>Trustee statement <sup>①</sup></b>
	<p>You may tick the box if the company named in Section 1 is acting as trustee of the property or undertaking which is the subject of the charge</p> <p><input type="checkbox"/></p> <p><sup>①</sup> This statement may be filed after the registration of the charge (use form MR06)</p>
<b>9</b>	<b>Signature</b>
Signature	<p>Please sign the form here</p> <p>Signature</p> <p>X Willie Farr &amp; Gallagher (UK) LLP X</p> <p>This form must be signed by a person with an interest in the charge</p>

# MR01

## Particulars of a charge



### Presenter information

You do not have to give any contact information, but if you do, it will help Companies House if there is a query on the form. The contact information you give will be visible to searchers of the public record.

Contact name **ALEXANDER ROY**

Company name **WILLKIE FARR & GALLAGHER (UK)**

LLP

Address **CITYPOINT**

**1 ROPEMAKER STREET**

Post town **LONDON**

County/Region

Postcode **E C 2 Y 9 A W**

Country **UK**

DX

Telephone



### Certificate

We will send your certificate to the presenter's address if given above or to the company's Registered Office if you have left the presenter's information blank.



### Checklist

We may return forms completed incorrectly or with information missing.

Please make sure you have remembered the following

- ☒ The company name and number match the information held on the public Register
- ☒ You have included a certified copy of the instrument with this form
- ☒ You have entered the date on which the charge was created
- ☒ You have shown the names of persons entitled to the charge
- ☒ You have ticked any appropriate boxes in Sections 3, 5, 6, 7 & 8
- ☐ You have given a description in Section 4, if appropriate
- ☒ You have signed the form
- ☒ You have enclosed the correct fee
- ☐ Please do not send the original instrument, it must be a certified copy



### Important information

Please note that all information on this form will appear on the public record.



### How to pay

A fee of £23 is payable to Companies House in respect of each mortgage or charge filed on paper.

Make cheques or postal orders payable to 'Companies House'.



### Where to send

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**For companies registered in England and Wales**  
The Registrar of Companies, Companies House,  
Crown Way, Cardiff, Wales, CF14 3UZ  
DX 33050 Cardiff

**For companies registered in Scotland**  
The Registrar of Companies, Companies House,  
Fourth floor, Edinburgh Quay 2,  
139 Fountainbridge, Edinburgh, Scotland, EH3 9FF  
DX ED235 Edinburgh 1  
or LP - 4 Edinburgh 2 (Legal Post)

**For companies registered in Northern Ireland**  
The Registrar of Companies, Companies House,  
Second Floor, The Linenhall, 32-38 Linenhall Street,  
Belfast, Northern Ireland, BT2 8BG  
DX 481 N R Belfast 1



### Further information

For further information, please see the guidance notes on the website at [www.gov.uk/companieshouse](http://www.gov.uk/companieshouse) or email [enquiries@companieshouse.gov.uk](mailto:enquiries@companieshouse.gov.uk)

This form is available in an alternative format. Please visit the forms page on the website at [www.gov.uk/companieshouse](http://www.gov.uk/companieshouse)



## **CERTIFICATE OF THE REGISTRATION OF A CHARGE**

*Company number: 15454*

*Charge code: 0001 5454 0063*

The Registrar of Companies for England and Wales hereby certifies that a charge dated 8th February 2017 and created by THE PRUDENTIAL ASSURANCE COMPANY LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 15th February 2017

Q.

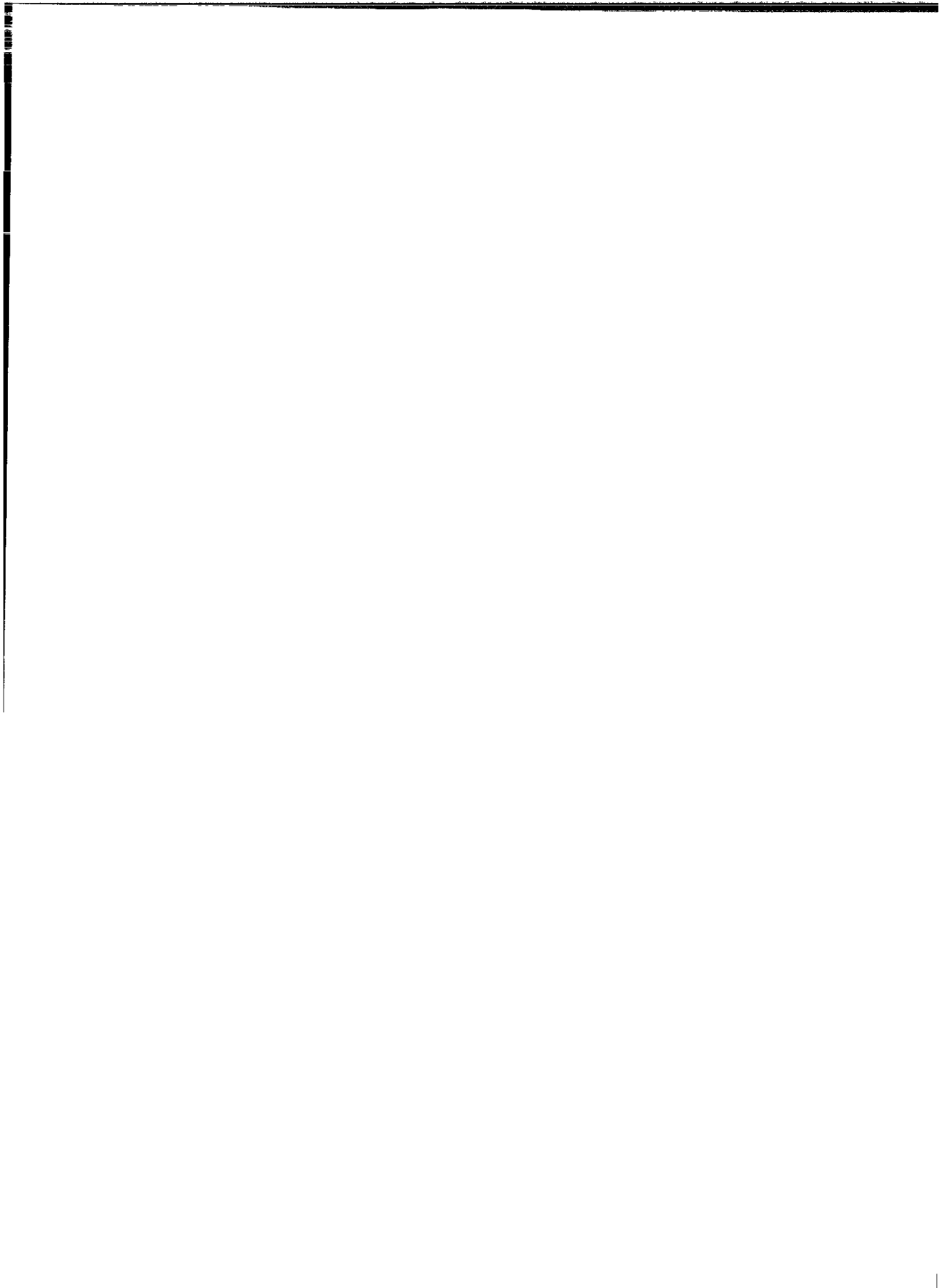
Given at Companies House, Cardiff on 22nd February 2017



Companies House



THE OFFICIAL SEAL OF THE  
REGISTRAR OF COMPANIES



CEDANT EXPERIENCE SECURITY AND CONTROL AGREEMENT

Dated as of February 8, 2017

*among*

PRUDENTIAL RETIREMENT INSURANCE AND ANNUITY COMPANY,  
*as Secured Party*

THE PRUDENTIAL ASSURANCE COMPANY LIMITED,  
*as Pledgor*

THE BANK OF NEW YORK MELLON,  
*as Custodian, Securities Intermediary and Depositary Bank*

*and*

THE PRUDENTIAL ASSURANCE COMPANY LIMITED,  
*as Valuation Agent*

---

We hereby certify that, save for material redacted pursuant to Section 859G of the Companies Act 2006, this copy instrument is a correct copy of the original instrument.

Willkie Farr & Gallagher (UK) LLP  
CityPoint, 1 Ropemaker Street, London, EC2Y 9AW  
14<sup>th</sup> February, 2017

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This CEDANT EXPERIENCE SECURITY AND CONTROL AGREEMENT, dated as of February 8, 2017 (as amended, modified, supplemented, restated or replaced from time to time, this “**Agreement**”), by and among Prudential Retirement Insurance and Annuity Company, an insurance company registered in the State of Connecticut under business ID number 0279236, whose registered address is 280 Trumbull Street, Hartford, CT 06103, United States of America, as secured party hereunder (the “**Secured Party**”), The Prudential Assurance Company Limited, a company incorporated under the laws of England and Wales (registered number 00015454) whose registered office is at Laurence Pountney Hill, London EC4R 0HH, United Kingdom, as pledgor hereunder (the “**Pledgor**”), The Bank of New York Mellon, as custodian, securities intermediary and depositary bank hereunder (in such capacities, the “**Custodian**”), and The Prudential Assurance Company Limited, as valuation agent hereunder (the “**Valuation Agent**,” and, together with the Secured Party, the Pledgor, and the Custodian, the “**Parties**”)

## RECITALS

WHEREAS, the Pledgor and the Secured Party have entered into that certain Longevity Reinsurance Confirmation Agreement dated the date hereof (the “**Confirmation**”), which is supplemented by and incorporates those certain Master Longevity Reinsurance Terms dated as of the date hereof (the “**Master Terms**”) between the Pledgor, as cedant and the Secured Party, as reinsurer, pursuant to which the Pledgor has ceded to the Secured Party certain elements of the Pledgor’s longevity risk relating to certain pension beneficiaries as further described therein, and

WHEREAS, the Pledgor and the Secured Party desire to enter into this Agreement for the purpose of (i) securing and providing security for the obligations of the Pledgor under the Confirmation and the other Transaction Documents (as defined below) (ii) appointing the Custodian as custodian, securities intermediary and depositary bank and (iii) providing a basis on which the Custodian is to accept instructions with respect to the Cedant Experience Collateral Account,

NOW, THEREFORE, for and in consideration of the premises and for other good and valuable consideration, the receipt of which is hereby acknowledged, the Parties hereby agree as follows

## SECTION I DEFINITIONS AND CONSTRUCTION

Section 1.1 *Certain Defined Terms* All terms defined in the UCC (as defined below) and used herein shall have the same definitions herein as specified therein. The capitalized terms defined in the Transaction Documents (other than this Agreement and the Reinsurer Security Agreement), do not affect the rights or obligations of the Custodian. As used herein, the following capitalized terms have the following meanings

“**Account Agreements**” has the meaning set forth in Section 8.4(a)

“**Act**” has the meaning set forth in Section 8.4(e)

“**Affiliate**” has the meaning set forth in the Master Terms

**"Agreement"** has the meaning set forth in the preamble

**"Agreement Termination Notice"** means Joint Instructions, substantially in the form set forth in Exhibit N

**"Approved Dealer"** means any internationally recognized sell side dealer and market maker in the relevant securities

**"Asset Manager"** means, as of the Execution Date, M&G Investment Management Limited, *provided, however*, that the Pledgor may hereafter designate an additional or different Asset Manager by prior written notice to the Secured Party and the Custodian

**"Authorization Letters"** has the meaning set forth in the definition of the term "Authorized Person "

**"Authorized Person"** means any individual who is authorized by the Pledgor or the Secured Party, as applicable, to give Written Instructions under this Agreement. The Authorized Persons of the Pledgor, their signatures, and the extent of their authority are as set out in that certain letter dated as of the Execution Date, from the Pledgor to the Custodian (as amended, modified, supplemented, restated or replaced from time to time, the **"Pledgor Authorization Letter"**). The Authorized Persons of the Secured Party, their signatures, and the extent of their authority are as set out in that certain letter dated as of the Execution Date, from the Secured Party to the Custodian (as amended, modified, supplemented, restated or replaced from time to time, the **"Secured Party Authorization Letter,"** and together with the Pledgor Authorization Letter, the **"Authorization Letters"**)

**"Bank"** has the meaning set forth in Exhibit I, Section (h)

**"Base Currency Equivalent"** means, at any date, in the case of an amount denominated in GBP, such GBP amount and, in the case of an amount denominated in a currency other than GBP (the **"Other Currency"**), the amount of GBP required to purchase such amount of the Other Currency at the spot exchange rate determined by the Valuation Agent for value as of the close of business in the relevant market on such date

**"BNY Mellon Group"** has the meaning set forth in Section 8.13

**"BNYM Affiliate"** shall mean any office, branch or subsidiary of The Bank of New York Mellon Corporation

**"Book-Entry System"** means a book-entry system for securities maintained at a Clearing Corporation

**"Business Day"** means a day that is both a New York Business Day and a London Business Day

**"Cash"** has the meaning set forth in the Experience Investment Guidelines Agreement

**"Cash Collateral"** has the meaning set forth in Section 3.1 hereof

**“Cash Election”** has the meaning set forth in Section 4 1(d)(ii) hereof

**“Cash Election Amount”** has the meaning set forth in the Master Terms

**“Cedant Experience Collateral”** has the meaning set forth in Section 3 1 hereof

**“Cedant Experience Collateral Account”** means the combined Securities Account and Deposit Account (neither of which shall be assigned a distinct account number or other unique identifier separate from the Cedant Experience Collateral Account itself) identified on Schedule I to this Agreement as, (i) PAC EXPRIL N5F COLL FBO PRIAC and (ii) PAC EXPRIL N5L COLL FBO PRIAC and together constituting the “Cedant Experience Collateral Account,” established and maintained by the Custodian in the name of the Pledgor pursuant to this Agreement and the Account Agreements and all successor or replacement securities accounts and deposit accounts thereof and all securities accounts and deposit accounts established and maintained by or for the benefit of the Pledgor and the Secured Party or the Custodian on behalf of the Pledgor and Secured Party in connection therewith and all subaccounts and successor and replacement subaccounts of all of the foregoing, in each case wherever located, provided, however, that the term “Cedant Experience Collateral Account” shall not include the Cedant Fee Collateral Account

**“Cedant Experience Collateral Requirement”** has the meaning set forth in the Master Terms

**“Cedant Experience Collateral Value”** means, as of any date of determination with respect to any Collateral Asset, an amount equal to the Market Value of such Collateral Asset at such date (except where this Agreement expressly provides that the relevant date of determination is the date of the most recent Collateral Review Date), multiplied by (ii) the Valuation Percentage for such Collateral Asset, provided, that if any Collateral Asset is not an Eligible Investment (including that portion of any such Collateral Asset that exceeds the applicable Issuer Limits or Concentration Limits), then the Cedant Experience Collateral Value of such Collateral Asset (or portion thereof, as applicable) shall be zero GBP (£0)

**“Cedant Experience Delivery Amount”** has the meaning set forth in the Master Terms

**“Cedant Experience Return Amount”** has the meaning set forth in the Master Terms

**“Cedant Fee Collateral Account”** means the collateral account maintained by the Cedant Fee Custodian, as custodian, subject to the Cedant Fee Security Agreements

**“Cedant Fee Control Agreement”** means the Custody Agreement dated the Execution Date among Secured Party, as secured party, the Pledgor, as client, and, the Cedant Fee Custodian

**“Cedant Fee Custodian”** means The Bank of New York Mellon, London Branch in its capacity as custodian under the Cedant Fee Control Agreement, and any permitted successor or assign in such capacity

**“Cedant Fee Security Agreements”** means, collectively, the Cedant Fee Security Deed, the Cedant Fee Control Agreement and the Cedant Fee Investment Guidelines Agreement

**“Cedant Fee Security Deed”** means that certain Fixed Charge Security Deed dated the Execution Date between the Pledgor, as chargor, and the Secured Party, as chargee

**“Cedant Fee Investment Guidelines Agreement”** means that certain Cedant Fee Investment Guidelines and Coordination Agreement” dated as of the Execution Date, between the Pledgor, as chargee, and the Secured Party, as chargor and valuation agent

**“Centralized Functions”** has the meaning set forth in Section 8 13

**“CIP”** has the meaning set forth in Section 8 4(e)

**“Clearing Corporation”** means the Federal Reserve/Treasury book-entry system for receiving and delivering securities, the Depository Trust Company, Euroclear Bank S A /N V , Clearstream Banking S A and any other securities depository, book-entry system or clearing agency (and their respective successors and nominees) authorized to act as a securities depository, book-entry system or clearing agency pursuant to applicable law and identified to the Pledgor and the Secured Party from time to time

**“Collateral Asset”** means an asset (including Cash) that is Credited from time to time to the Cedant Experience Collateral Account and may constitute either an Unrehypothecated Collateral Asset or a Rehypothecated Collateral Asset

**“Collateral Expert”** has the meaning set forth in the Master Terms

**“Collateral Requirements Report”** has the meaning set forth in the Master Terms

**“Collateral Review Date”** means each Quarterly Collateral Review Date and each Special Collateral Review Date

**“Companies House”** means the public register in the United Kingdom where, among other things, particulars of a charge granted by a United Kingdom incorporated company must be registered in order for the chargee to obtain priority over a liquidator, administrator or creditor of that company with respect to the chargee’s security interest in the property of that company

**“Concentration Limits”** has the meaning set forth in the Experience Investment Guidelines Agreement

**“Confirmation”** has the meaning set forth in the recitals

**“Control Provisions”** has the meaning set forth in Section 8 9

**“Corporate Bonds”** has the meaning set forth in the Experience Investment Guidelines Agreement

**“Covered Expenses”** has the meaning set forth in Section 7 13(a)

“**Credit**,” “**Credited**” or “**Crediting**” means the making by the Custodian of a record in its books and records that the Securities Collateral and/or Cash Collateral delivered to it for credit to the Cedant Experience Collateral Account is deposited in or credited to the Cedant Experience Collateral Account, provided, that, “Credited” to the Cedant Experience Collateral Account includes Collateral Assets that are deposited in or credited to the Cedant Experience Collateral Account and Rehypothesized Collateral Assets

“**Credit Notice**” means a written notice executed by the Pledgor substantially in the form set forth as Exhibit A

“**CUSIP**” means the Committee on Uniform Security Identification Procedures

“**Custodian**” has the meaning set forth in the preamble, subject to Section 7.12

“**Customer-Related Data**” has the meaning set forth in Section 8.13

“**Default Termination Event**” has the meaning set forth in the Master Terms

“**Deliver**,” “**Delivered**” or “**Delivery**” means the taking of the following steps by the transferor

(a) in the case of money, payment or delivery by wire transfer of immediately available and unencumbered funds into or for credit to one or more specified bank accounts,

(b) in the case of certificated securities that cannot be paid or delivered by book-entry, payment or delivery in appropriate physical form to the recipient or its account accompanied by duly executed instrument(s) of transfer, assignment(s) in blank, transfer tax stamp(s) and all other documents, if any, necessary to constitute a legally valid transfer to the recipient, and

(c) in the case of securities that can be paid or delivered by book-entry, the giving of written instructions to the relevant depository institution or other specified entity, together with a written copy thereof to the transferee, sufficient if complied with to result in a legally effective transfer of the relevant interest to the transferee

“**Demand**” has the meaning set forth in Section 8.4(b)

“**Deposit Account**” means the deposit account component of the Cedant Experience Collateral Account

“**Dispute Date**” means the first Business Day following delivery of the Valuation Report that sets forth a valuation for a Collateral Asset that is disputed by either the Pledgor or the Secured Party

“**Disputed Asset**” has the meaning set forth in Section 3.4(b)

“**Disputed Collateral**” has the meaning set forth in Section 5.1(a)

**“earlier delivery/return obligation”** has the meaning set forth in Section 3 6(b)

**“Early Termination”** has the meaning set forth in the Master Terms

**“Early Termination Event”** has the meaning set forth in the Master Terms

**“Eligibility Criteria”** has the meaning set forth in the Experience Investment Guidelines Agreement

**“Eligible Investment”** means a Collateral Asset or such portion of a Collateral Asset (a) that satisfies any of the eligibility criteria provided in Section 2 of the Experience Investment Guidelines Agreement, and (b) whose Market Value, subject to any applicable Haircut, combined with the Market Value, subject to any applicable Haircut of all other Credited Collateral Assets to which the same Issuer Limit and/or Concentration Limit applies, does not exceed (i) the applicable Issuer Limits or (ii) the applicable Concentration Limits

**“Enforcement Event”** means upon the occurrence and continuation of a Default Termination Event or a Non-Fault Termination Event, the failure by the Pledgor to pay any Specified Termination Payment in full when and as the same shall become due and payable pursuant to Section 4 1

**“Equivalent”** means, with respect to any non-Cash Rehypothesized Collateral Asset (including distributions in respect thereof) shown on the most recent Valuation Report, any securities that (i) was issued by the issuer of such Rehypothesized Collateral Asset, (ii) is part of the same issue as such Rehypothesized Collateral Asset, (iii) has the same maturity and unpaid principal amount or principal amounts within accepted good delivery standards for the type of security involved, (iv) has the same Market Value as the Rehypothesized Collateral Asset, such Market Value being determined for each on the date the proposed Equivalent Collateral Asset is Delivered to the Custodian in lieu of the corresponding Rehypothesized Collateral Asset, and (v) is of an identical form and type, nominal value, description, contractual interest rates and (except where otherwise stated) amount as such Rehypothesized Collateral Asset (including having the identical CUSIP, ISIN or SEDOL number, as applicable), provided, that, (A) such securities shall, after Credit to the Cedant Experience Collateral Account be “equivalent” to such Rehypothesized Collateral Asset, notwithstanding that such securities are redenominated into GBP or that the nominal value of those securities changes in connection with such redenomination, and (B) where such securities are converted, subdivided, consolidated, exercised, exchanged, or have become the subject of a takeover or the holders of securities have become entitled to receive or acquire other securities or other property or the securities have become subject to any similar event after Credit to the Cedant Experience Collateral Account other than a distribution, the term “equivalent” shall mean such securities together with or replaced by a sum of money or other securities or other property receivable by holders of such original securities resulting from such event, as applicable

**“Excess Asset”** has the meaning set forth in Section 3 2(b)

**“Exclusive Control Event”** means the occurrence of a Default Termination Event in respect of which the Pledgor is Party B



**“Exclusive Control Event Notice”** means a written notice executed by the Secured Party substantially in the form set forth in Exhibit E

**“Exclusive Control Event Period”** means the period that (i) begins on, and includes, the date identified as the “Termination Event Date” in an Exclusive Control Event Notice delivered to the Custodian by the Secured Party, and (ii) ends on, and excludes, the earlier of (x) the Reinstatement Date, and (y) Termination

**“Execution Date”** means February 8, 2017

**“Experience Investment Guidelines Agreement”** means the Experience Investment Guidelines and Coordination Agreement dated as of the Execution Date among the Secured Party, the Pledgor and the Valuation Agent

**“Experience Termination Payment Adjusting Amount”** has the meaning set forth in the Master Terms

**“Federal Funds Effective Rate”** means, for any day, the weighted average (rounded upwards, if necessary, to the next 1/100 of 1%) of the rates on overnight federal funds transactions with members of the Federal Reserve System, as published on the next succeeding New York Business Day by the Federal Reserve Bank of New York, or, if such rate is not so published for any day that is a New York Business Day, the average (rounded upwards, if necessary, to the next 1/100 of 1%) of the quotations for such day for such transactions received by the Valuation Agent from three other Federal Reserve Banks

**“Federal Reserve Bank”** mean any regional bank of the Federal Reserve System

**“Federal Reserve System”** means the central banking system of the United States

**“Fee Letter Agreement”** means that certain fee letter dated December 2016 between the Pledgor and the Custodian

**“Fee Secured Obligations”** means the Secured Obligations (as defined in the Cedant Fee Security Deed)

**“Fee Termination Payments”** means the Provisional Reinsurance Fee Termination Payment, the Reinsurance Fee Termination Payment Adjusting Amount, the Reinsurance Fee Termination Payment, and the Final Reinsurance Fee Termination Payment and any and all fees and expenses that are due in connection with such Fee Termination Payments pursuant to the Transaction Documents and each is a **“Fee Termination Payment”**

**“Final Experience Termination Payment”** has the meaning set forth in the Master Terms

**“Final Reinsurance Fee Termination Payment”** has the meaning set forth in the Master Terms

**“Financial Stability Event”** has the meaning set forth in the Master Terms

**“Fully Executed”** means with respect to a Joint Instruction, the execution of such Joint Instruction by an Authorized Person of the Pledgor and by an Authorized Person of the Secured Party

**“FX Transactions”** has the meaning set forth in Exhibit I, Section (h)

**“GBP”** or **“£”** means British pounds sterling

**“Hague Convention”** has the meaning set forth in Section 8 4(a)

**“Haircut”** has the meaning set forth in the Experience Investment Guidelines Agreement

**“Holdback Collateral Assets”** has the meaning set forth in Section 4 1(f)

**“Identified Rehypothecation Collateral Assets”** has the meaning set forth in Section 3 3(a)

**“Insolvency Event”** has the meaning set forth in the Master Terms

**“instruction date”** has the meaning set forth in Section 3 6(b)

**“Instrument”** has the meaning set forth in UCC Article 9

**“Investment Power”** means, with respect to any Collateral Asset, the power to dispose or direct the disposition of such Collateral Asset, including (i) the investment, reinvestment, redemption, purchase, sale or other action concerning the investment of such Collateral Asset, and (ii) the power to exercise any (a) warrants, puts, calls or other options, (b) conversion rights, (c) subscription rights, (d) rights with respect to business combination transactions, tender offers or capital reorganizations, and (e) redemption rights, *provided, however*, that Investment Power shall not include Voting Power

**“ISIN”** means the International Securities Identification Number

**“Issuer Limits”** has the meaning set forth in the Experience Investment Guidelines Agreement

**“Joint Instructions”** means, with respect to the Cedant Experience Collateral, Written Instructions duly executed by the Pledgor and the Secured Party either in counterpart or pursuant to a separate notice to the Custodian executed, as applicable by (i) the Secured Party whereby the Secured Party acknowledges and consents to the Pledgor’s Written Instructions to the Custodian and (ii) the Pledgor whereby the Pledgor acknowledges and consents to the Secured Party’s Written Instructions to the Custodian

**“Junior Lien”** has the meaning set forth in the definition of the term “Permitted Lien ”

**“Junior Lien Enforcement Event”** means a default under the documents governing a Junior Lien that permits the applicable junior lien lender (the **“Junior Lien Lender”**) to exercise its right to foreclose on the collateral

**“Junior Lien Lender”** has the meaning set forth in the definition of the term “Junior Lien Enforcement Event”

**“Lien”** means, any mortgage, pledge, hypothecation, assignment, deposit arrangement, encumbrance, lien (statutory or other), charge, or preference, priority or other security interest, or any other type of preferential arrangement in the nature of a security interest of any kind or nature whatsoever (including any conditional sale or other title retention agreement) and, in the case of securities, any purchase option, call or similar right of a third party with respect to such securities

**“London Business Day”** means a day (excluding Saturdays and Sundays) on which banks are open in London for the transaction of normal banking business

**“Losses”** has the meaning set forth in Section 7.13(a)

**“Market Value”** means, for any date on which Market Value is calculated (and subject to Section 5 in the case of a dispute), with respect to

- (i) Cash Collateral, the Base Currency Equivalent of such amount, and
- (ii) Securities Collateral, the bid price (including, for this purpose any element of the bid price directly attributable to accrued but unpaid coupons, interest or other distributions) obtained by the Valuation Agent,

at that date

**“Master Terms”** has the meaning set forth in the recitals

**“MCR”** means the minimum capital requirement applicable to the Pledgor pursuant to the Solvency II Directive

**“Minimum Transfer Amount”** has the meaning set forth in the Experience Investment Guidelines Agreement

**“Net Specified Termination Payment”** has the meaning set forth in Section 4.1(d)(ii)

**“New York Business Day”** means a day (excluding Saturdays and Sundays) on which banks are open in New York for the transaction of normal banking business

**“Non-Affiliated Subcustodian”** means a Subcustodian that is not a BNYM Affiliate

**“Non-Eligible Collateral Asset”** means each Collateral Asset, or such portion thereof, that is not an Eligible Investment.

**“Non-Fault Termination Event”** has the meaning set forth in the Master Terms

**“Non-Fault Termination Event Notice”** means a written notice executed by the Secured Party and the Pledgor substantially in the form set forth in Exhibit D

**“Notification Time”** means 2 00 p m , London time

**“Omnibus II Directive”** has the meaning set forth in the Master Terms

**“Other Currency”** has the meaning set forth in the definition of the term “Base Currency Equivalent ”

**“Parties”** has the meaning set forth in the preamble

**“Party A”** has the meaning set forth in the Master Terms

**“Party B”** has the meaning set forth in the Master Terms

**“Patriot Act”** means the USA PATRIOT Act Title III of Pub 107-56, as amended

**“Payment in Kind Collateral Assets”** has the meaning set forth in Section 4 1(d)(ii)

**“pending transaction”** has the meaning set forth in Section 3 6(b)

**“Permitted Lien”** means (i) any contingent first-priority security interest contemplated in Section 7 14 in favor of the Custodian and in Section 3 2(e) in favor of a Clearing Corporation, (ii) the second-priority security interest granted in Section 7 13(c) in favor of the Custodian, (iii) any Lien in favor of the Secured Party, (iv) any Lien in favor of any Subcustodian arising by operation of law, or by reason of its agreement with the Custodian, (v) any Lien on a Rehypothesized Collateral Asset, and (vi) any junior Lien existing at any time in the form of a floating charge granted to any cedant or any reinsurer for the purposes of enabling such cedant or reinsurer to recover from the Pledgor pursuant to a reinsurance agreement upon the Pledgor going into liquidation as defined in section 247(2) of the Insolvency Act 1986 the amount that it would have received if it had been a direct policyholder of the Pledgor (and not been subordinated pursuant to the Insurers (Reorganisation and Winding-up) Regulations 2004), which are subordinated to the security interest created by this Agreement (the **“Junior Liens”**)

**“Pledgor”** has the meaning set forth in the preamble

**“Pledgor Authorization Letter”** has the meaning set forth in the definition of the term “Authorized Person ”

**“Price Quotation Provider”** means, initially, any of (i) Blackrock, Inc or one or more of its wholly owned subsidiaries, (ii) iBoxx, or (iii) Interactive Data Corp (or the successor to any of the foregoing), in each case as designated by the Pledgor, and, thereafter, each Person retained from time to time in accordance with Section 7 15(a) to act as and to perform the services of the “Price Quotation Provider ”

**“Prior Cedant Experience Collateral”** means the Cedant Experience Collateral to be withdrawn from the Cedant Experience Collateral Account and substituted in accordance with Section 3 2(c)

**“Provisional Early Termination Payment”** has the meaning set forth in the Master Terms

**“Provisional Experience Termination Payment”** has the meaning set forth in the Master Terms

**“Provisional Reinsurance Fee Termination Payment”** has the meaning set forth in the Master Terms

**“Qualifying Bid Price”** means, with respect to Disputed Collateral consisting of Securities Collateral, a firm, unconditional and immediately executable bid price (provided electronically and with a copy to the Secured Party) for a notional amount of such Securities Collateral *being not less than the notional amount of such Disputed Collateral, which bid price is obtained between 10 00 a.m. and 2 00 p.m. (London time) on the Business Day following the Dispute Date for such Disputed Collateral (such bid price shall include any element of the bid price directly attributable to accrued but unpaid coupons, interest or other distributions)*

**“Qualifying Prices”** has the meaning set forth in Section 5.1(b)(i)(D)

**“Quarterly Collateral Review Date”** has the meaning set forth in the Master Terms

**“Rehypothecated Collateral Asset”** means (i) any Collateral Asset that is rehypothecated pursuant to Section 3.3, and (ii) any other asset into which such Collateral Asset is subsequently converted, exchanged or otherwise changed, as described in Section 3.3(a)(ii) hereof. For purposes of this definition, a Collateral Asset or any property into which such Collateral Asset is subsequently converted, exchanged or otherwise changed, shall (x) be deemed to constitute a Rehypothecated Collateral Asset from and after the time such Collateral Asset is transferred by the Custodian pursuant to Section 3.3(a)(i), and (y) (i) cease to constitute a Rehypothecated Collateral Asset, and shall be deemed to constitute an Unrehypothecated Collateral Asset, from and after the time such Rehypothecated Collateral Asset or its Equivalent is reposted by the Secured Party for Credit to the Cedant Experience Collateral Account pursuant to the terms of this Agreement or (ii) cease to constitute either a Rehypothecated Collateral Asset or a Collateral Asset if an asset that is Equivalent to such Rehypothecated Collateral Asset is reposted by the Secured Party to the Cedant Experience Collateral Account pursuant to the terms of this Agreement including Section 3.2(d) from and after the time such Equivalent Collateral Asset is Credited to the Cedant Experience Collateral Account

**“Rehypothecation Notice”** means a written notice executed by the Secured Party substantially in the form set forth as Exhibit J

**“Reinstatement Date”** means the date on or after a Termination Event Date and prior to the payment of any portion of the Provisional Early Termination Payment, that an Early Termination Event or Termination Event Notice is rescinded pursuant to Section 4.1(c)

**“Reinstatement Date Notice”** means a written notice substantially in the form of (i) Termination of Exclusive Control Event Notice set forth as Exhibit F or (ii) Termination of Non-Fault Termination Event Notice set forth in Exhibit G, as applicable, executed by the Secured Party, or the Secured Party and the Pledgor, as applicable.

**“Reinsurance Fee Termination Payment”** has the meaning set forth in the Master Terms

**“Reinsurance Fee Termination Payment Adjusting Amount”** has the meaning set forth in the Master Terms

**“Reinsurer Collateral”** has the meaning set forth in the Reinsurer Security Agreement

**“Reinsurer Collateral Account”** has the meaning set forth in the Reinsurer Security Agreement

**“Reinsurer Security Agreement”** has the meaning set forth in the Master Terms

**“Reposting Dispute”** has the meaning set forth in Section 3.4(b)

**“Reposting Dispute Notice”** means a written notice executed by the Pledgor substantially in the form attached as Exhibit K

**“Reposting Notice”** means a written notice executed by the Secured Party substantially in the form set forth as Exhibit M

**“Resolution Notice”** means a written notice executed by the Pledgor and Secured Party substantially in the form attached as Exhibit L

**“Resolution Time”** means 3:00 p.m., London time, on the third (3rd) Business Day following the applicable Dispute Date

**“Returned Assets”** means Rehypothesized Collateral Assets (or assets that are Equivalent to such Rehypothesized Collateral Assets) that are Delivered by the Secured Party to be Credited to the Cedant Experience Collateral Account

**“Rounding Provisions”** has the meaning set forth in the Experience Investment Guidelines Agreement

**“Secured Obligations”** means all of the indebtedness, obligations, liabilities and undertakings of the Pledgor to the Secured Party in connection with this Agreement, the Confirmation, the other Transaction Documents and any promissory notes or other Instruments or agreements executed and delivered pursuant thereto or in connection therewith, of any kind or description, individually or collectively, direct or indirect, joint or several, absolute or contingent, due or to become due, voluntary or involuntary, now existing or hereafter arising including all future advances and interest (whether arising before or after the filing of a petition in bankruptcy or other date on which a procedure has been commenced with respect to a Pledgor Insolvency Event and including all interest accrued after the petition date or other such date), irrespective of whether for the payment of money, under or in respect of the Transaction Documents (including the Provisional Experience Termination Payment and any Experience Termination Payment Adjusting Amount), and all costs, fees (including attorneys’ fees and legal costs incurred (among other things) in collecting and enforcing rights against the Pledgor) and other expenses, that the Pledgor is hereby or otherwise required to pay pursuant to the

Transaction Documents, by law or otherwise, *provided* that the foregoing shall not include any obligations of the Pledgor (i) under the Cedant Fee Security Agreements, (ii) to pay the Fee Termination Payments or (iii) arising from or relating to the Cedant Fee Security Agreements or the Fee Termination Payments, including any obligation arising from or relating to obligations under Section 13.7 of the Master Terms. Notwithstanding the foregoing, the Pledgor agrees that it is the intention of the Pledgor and the Secured Party, that the Secured Obligations together with the Fee Secured Obligations include all the obligations of the Pledgor under all Transaction Documents and if it is determined at any time or from time to time, that an obligation is inadvertently excluded from both the Secured Obligations and the Fee Secured Obligations such obligation shall at such time, automatically without any further action of either the Pledgor or the Secured Party, be a Secured Obligation.

**“Secured Party”** has the meaning set forth in the preamble.

**“Secured Party Account”** means the securities account and/or deposit account (whether or not in the Secured Party’s name), specified by the Secured Party in any Rehypothecation Notice and/or Termination Withdrawal Notice.

**“Secured Party Authorization Letter”** has the meaning set forth in the definition of the term “Authorized Person.”

**“Securities Account”** means the securities account component of the Cedant Experience Collateral Account.

**“Securities Collateral”** has the meaning set forth in Section 3.1.

**“SEDOL”** means the Stock Exchange Daily Official List.

**“Solvency II Directive”** means Directive 2009/138/EC of the European Parliament and of the Council of the European Union on the taking-up and pursuit of the business of Insurance and Reinsurance (Solvency II) (as amended by the Omnibus II Directive) and any law, regulation or rules implementing it.

**“SONIA”** means Sterling Over Night Index Average.

**“Special Collateral Review Date”** has the meaning set forth in the Experience Investment Guidelines Agreement.

**“Specified Termination Payment”** has the meaning set forth in Section 4.1(d)(ii).

**“Subcustodian”** means a bank or other financial institution (other than a Clearing Corporation) that is utilized by the Custodian as provided in Section 7.3 or Exhibit I, Section (h).

**“Substitute Cedant Experience Collateral”** means any Collateral Asset, that, upon Delivery to the Custodian pursuant to Section 3.2(c), would constitute an Eligible Investment.

**“Substitution Notice”** means Joint Instructions, substantially in the form set forth in Exhibit C.

**“Successor Custodian”** has the meaning set forth in Section 7 12(a)

**“Termination”** means the termination of this Agreement upon the receipt by the Custodian of Fully Executed Joint Instructions instructing the Custodian that the performance and payment of all the Secured Obligations are satisfied in full

**“Termination Event Date”** means the date an Early Termination Event occurs

**“Termination Event Notice”** means a Non-Fault Termination Event Notice or an Exclusive Control Event Notice, as applicable

**“Termination of Exclusive Control Event Notice”** means a written notice executed by the Secured Party substantially in the form set forth in Exhibit F

**“Termination of Non-Fault Termination Event Notice”** means a written notice executed by the Pledgor and Secured Party substantially in the form set forth in Exhibit G

**“Termination Withdrawal Notice”** means a written notice, executed by the Pledgor or the Pledgor and Secured Party, as applicable, substantially in the form set forth in Exhibit H

**“Trade Ticket”** means a written entitlement order or disposition instruction with respect to the Cedant Experience Collateral Account

**“Transaction Documents”** has the meaning set forth in the Master Terms

**“True-Up Delivery Amount”** has the meaning set forth in the Master Terms

**“True-Up Return Amount”** has the meaning set forth in the Master Terms

**“UCC”** means the Uniform Commercial Code as in effect from time to time in the State of New York, *provided, however*, that at any time, if by reason of mandatory provisions of law, any or all of the perfection or priority of the Secured Party’s security interest in any item or portion of the Cedant Experience Collateral is governed by the Uniform Commercial Code as in effect in a jurisdiction other than the State of New York, the term “UCC” shall mean the Uniform Commercial Code as in effect, at such time, in such other jurisdiction for purposes of the provisions relating to such perfection or priority and for purposes of definitions relating to such provisions

**“Unrehypothecated Collateral Assets”** means any Collateral Asset that is not a Rehypothecated Collateral Asset and is held in, or Credited to, the Cedant Experience Collateral Account

**“USD”** and **“\$”** means the lawful currency of the United States of America

**“Valuation Agent”** has the meaning set forth in the preamble, subject to Section 7 15(f)

**“Valuation Percentage”** means, with respect to any Collateral Asset that is an Eligible Investment, an amount equal to one (1) *minus* the applicable Haircut percentage (expressed in



decimal format), if any, applicable to such Collateral Asset as set forth in the Experience Investment Guidelines Agreement

**“Valuation Report”** means a written document that is prepared and delivered in accordance with Section 7.15(c) that sets forth the following items, each of which shall be as of the Business Day immediately before the date of the relevant Valuation Report (as provided in Section 7.15(c)).

- (a) a list of each Collateral Asset Credited to the Cedant Experience Collateral Account,
- (b) the Market Value of each such Collateral Asset,
- (c) the Cedant Experience Collateral Value of each such Collateral Asset,
- (d) the aggregate Market Value of all such Collateral Assets,
- (e) the aggregate Cedant Experience Collateral Value of all such Collateral Assets,
- (f) the CUSIP, ISIN or SEDOL number for, and description of, each security Credited to or held in the Cedant Experience Collateral Account,
- (g) the quantity of each such Collateral Asset,
- (h) the Haircut, if any, applied to each such Collateral Asset,
- (i) the Cedant Experience Collateral Requirement, and
- (j) any required Cedant Experience Delivery Amount or Cedant Experience Return Amount rounded pursuant to the Rounding Provisions

**“Voting Power”** means, with respect to any Collateral Asset, the power to vote or to direct the voting of such Collateral Asset

**“Withdrawal Amount”** has the meaning set forth in Section 4.1(d)(ii)(A)

**“Withdrawal Notice”** means Joint Instructions substantially in the form set forth in Exhibit B

**“Withdrawal Notice Date”** has the meaning set forth in Section 4.1(d)(ii)

**“Written Instructions”** means Trade Tickets, Joint Instructions and other instructions (including entitlement orders) in a written record (including a facsimile, an email or an electronic record (but only to the extent provided for herein), delivered or transmitted by an Authorized Person of the Pledgor, the Secured Party or the Pledgor and the Secured Party, as applicable

## Section 1.2 *Rules of Construction*

- (a) Unless the context otherwise requires

(i) the words “herein,” “hereof” and “hereunder,” and other words of similar import, refer to this Agreement as a whole and not to any particular Section or other subdivision or part of this Agreement,

(ii) words in the singular include the plural, and words in the plural include the singular, and

(iii) “or” is not exclusive

(b) Whenever the words “include,” “includes” or “including” are used herein, they shall be deemed to be followed by the words “without limitation,” whether or not they are in fact followed by those words or words of like import

(c) The headings in this Agreement are inserted for convenience only and shall be ignored in construing this Agreement

(d) The words “written” and “in writing” include any means of visible reproduction, and include, any email communication, except with respect to any instruction required or permitted to be given to the Custodian hereunder, which shall not be in the form of an email communication but will be given in the form required by the applicable provision of this Agreement

(e) Any reference herein to this Agreement, any other Transaction Document or any other agreement, deed or document shall be construed as a reference to the relevant agreement, deed or document as the same may have been, or may from time to time be, amended, modified, supplemented, restated, amended and restated, replaced, varied, superseded, novated, extended in accordance with its terms or otherwise modified and includes any agreement, deed or other document expressed to be supplemental to it, as from time to time so amended, modified, supplemented, restated, amended and restated, replaced, varied, superseded, novated, extended in accordance with its terms or otherwise modified

(f) This Agreement includes all Exhibits and Schedules hereto in each case as amended, modified, supplemented, restated, replaced, varied or superseded from time to time

(g) All references to Sections, clauses, Exhibits and Schedules are references to Sections, clauses, Exhibits and Schedules in or to this Agreement unless otherwise provided

(h) Any reference to a time is a New York time except where expressly stated otherwise

## SECTION 2

### CUSTODIAN, SECURITIES INTERMEDIARY AND DEPOSITARY BANK

Section 2.1 *Designation of Custodian* The Custodian shall segregate and hold the Unrehypothecated Collateral Assets in the Cedant Experience Collateral Account separate from the Custodian’s assets and separate from any other assets besides Unrehypothecated Collateral Assets, as provided for in this Agreement, as custodian, securities intermediary and depositary bank, respectively, and shall dispose of or transfer the Cedant Experience Collateral only in

accordance with the terms and conditions of this Agreement, *provided, however*, that except for the performance of its duties hereunder, the Custodian shall have no responsibility with respect to the validity or the perfection of the security interest granted to the Secured Party hereunder (other than as provided in Section 2.5), nor shall the Custodian have any obligation to determine whether any Cedant Experience Collateral qualifies as an Eligible Investment or to perform any valuation.

**Section 2.2 *Acceptance of Appointment as Custodian*** The Custodian agrees that it is acting as a custodian, securities intermediary and depository bank hereunder, and that, in such capacities, it has established the Cedant Experience Collateral Account and will maintain the Cedant Experience Collateral Account and perform such functions as set out in this Agreement and the Account Agreements in accordance with the terms and conditions hereof and thereof.

**Section 2.3 *Acknowledgment of Security Interest by Custodian*** The Custodian acknowledges receipt of notice of the Secured Party's security interest in the Cedant Experience Collateral, and will mark its records, by book-entry or otherwise, to indicate the Secured Party's security interest in the Cedant Experience Collateral and the proceeds thereof. The Custodian also hereby acknowledges the establishment of the Cedant Experience Collateral Account and the Secured Party's security interest therein and in any proceeds or other funds Credited thereto. The Custodian represents, warrants and covenants (as applicable) that (a) the Secured Party's security interest in the Cedant Experience Collateral is identified on the Custodian's books and records, by book-entry or otherwise, (b) the Pledgor is the Custodian's only customer with respect to the Deposit Account and the only entitlement holder with respect to the Securities Account, (c) other than Permitted Liens, the Custodian has not and will not confirm an interest or a security entitlement in the Cedant Experience Collateral to any person other than to the Pledgor and to the Secured Party, and (d) the Custodian's records do not indicate any claim to or Lien on the Cedant Experience Collateral or the proceeds thereof adverse to that of the Secured Party (other than the Permitted Liens), nor do such records indicate any person, other than the Pledgor and the Secured Party (and from time to time Permitted Liens), as having any interest in the Cedant Experience Collateral, or authority to issue entitlement orders or disposition instructions with respect to the Cedant Experience Collateral other than the Asset Manager in accordance with and as more particularly specified in Exhibit I. The Custodian shall, as promptly as practicable under the circumstances, notify the Pledgor and the Secured Party upon its receipt of written notice of any Lien or other adverse claim with respect to any asset held in the Cedant Experience Collateral Account or otherwise acquiring actual knowledge of any such Lien or other adverse claim, *provided, however*, that the Custodian shall be deemed not to have knowledge of any such Lien or other adverse claim until an officer charged with the administration of the Cedant Experience Collateral Account has been notified of such Lien or other adverse claim. Except as provided in Section 7.14, the Custodian hereby subordinates, in favor of the Secured Party, each contractual or statutory security interest or Lien, if any, that the Custodian may acquire with respect to the Cedant Experience Collateral and the proceeds thereof or other funds.

**Section 2.4 *Crediting and Withdrawal of Certain Cedant Experience Collateral***

(a) The Pledgor, the Secured Party and the Custodian agree that certain Securities Collateral Delivered to the Custodian for Credit to the Cedant Experience Collateral

Account may be in the form of credits by a Clearing Corporation to the account of the Custodian on a Book-Entry System. In such case, the Custodian shall accept Delivery of such Securities Collateral for Credit to the Securities Account, and ensure that all such Securities Collateral Credited to its account with such Clearing Corporation is Credited on a continuing and ongoing basis to the Securities Account and shall use the Book-Entry System to the extent possible in connection with its performance hereunder, including in connection with settlements of purchases and sales of Securities Collateral.

(b) In the event that proceeds of any Cedant Experience Collateral are in the form of Cash, the Custodian shall Credit such Cash to the Deposit Account.

(c) The Custodian agrees that all Cedant Experience Collateral that is Delivered to it shall be accepted by the Custodian for Credit to the Cedant Experience Collateral Account and the Custodian shall promptly Credit such Cedant Experience Collateral to the Cedant Experience Collateral Account.

(d) The Cedant Experience Collateral Account shall be subject to the Delivery, withdrawal, substitution, transfer and other transactions concerning any Collateral Assets to be Credited or Credited to the Cedant Experience Collateral Account by the Secured Party, the Pledgor and the Asset Manager. With respect to the Delivery, withdrawal, substitution, transfer or other transactions concerning any Collateral Assets Credited to or to be Credited to the Cedant Experience Collateral Account, the appropriate party shall provide to the Custodian Written Instructions, all information and Cash and/or financial assets necessary for the Custodian to settle such transaction. The Custodian shall account for all purchases and sales of securities on the actual settlement date unless otherwise agreed by the Parties.

(e) The Custodian agrees that, in the case of a transfer initiated by a party at or prior to 2:00 p.m. New York time on a New York Business Day, the Custodian shall initiate such transfer on such New York Business Day, and such transfer shall be settled by the opening of business on the next New York Business Day following the initiation of such transfer.

**Section 2.5 Control over Cedant Experience Collateral Account.** This Agreement is intended to grant "control" (within the meanings of Section 8-106 and 9-104 of the UCC) of the Cedant Experience Collateral Account to the Secured Party for purposes of perfection of the Secured Party's security interest in the Cedant Experience Collateral pursuant to UCC Articles 8 and 9. During an Exclusive Control Event Period, the Secured Party, the Pledgor and the Custodian agree that with respect to the Cedant Experience Collateral Account and the Unrehypothecated Collateral Assets Credited thereto, the Custodian shall comply with entitlement orders and written instructions, including, without limitation, instructions directing disposition of any Collateral Assets, originated by the Secured Party without further consent by the Pledgor, the Asset Manager or any other person. Prior to the commencement and following the termination of an Exclusive Control Event Period, the Secured Party, the Pledgor and the Custodian hereby agree that, the Custodian shall comply with (i) Written Instructions originated unilaterally by the Secured Party regarding the rehypothecation of Collateral Assets Credited to the Cedant Experience Collateral Account, (ii) Written Instructions originated unilaterally by the Pledgor, the Asset Manager or the Secured Party to Credit Collateral Assets to the Cedant Experience Collateral Account, (iii) Joint Instructions to transfer, withdraw or substitute the

Collateral Assets from the Cedant Experience Collateral Account and (iv) Written Instructions regarding the management of the Collateral Assets as specified in Exhibit I, originated by the Pledgor and the Asset Manager or unilaterally by the Pledgor or the Asset Manager. After the delivery by the Secured Party of an Exclusive Control Event Notice to the Custodian (and until the delivery, if at all, of the related Termination of Exclusive Control Event Notice), the Custodian shall comply with Written Instructions originated by the Secured Party (including, all Written Instructions that other than during an Exclusive Control Event Period are required to be Joint Instructions and all Written Instructions regarding the management of the Collateral Assets), without further consent by the Pledgor, the Asset Manager or any other person. In no event shall the Secured Party or the Pledgor deliver Written Instructions to the Custodian in violation of this Agreement. The foregoing agreement by the Secured Party and the Pledgor is for the benefit of the Pledgor and the Secured Party (respectively) only and the Custodian shall have no duty or obligation to verify the Secured Party's or the Pledgor's compliance with such requirement. The Custodian shall comply with an Exclusive Control Event Notice on or before the opening of business on the first New York Business Day after the Business Day on which the Exclusive Control Event Notice substantially in the form of Exhibit E is received as specified in Section 4. If the Exclusive Control Event Notice is received by the Custodian after 4:00 p.m. New York time, then the Exclusive Control Event Notice will be considered to have been actually received on the following New York Business Day.

Section 2.6 *Financial Assets Election*. The parties hereto agree that they shall treat all Cedant Experience Collateral (other than Cash) Credited to the Cedant Experience Collateral Account as "financial assets" within the meaning of UCC Section 8-102(a).

Section 2.7 *Establishment of Cedant Experience Collateral Account*

(a) *Creation of Cedant Experience Collateral Account*. The Custodian hereby confirms and agrees that it has opened and established two accounts, in the name of the Pledgor for the benefit of the Secured Party, together referred to in this Agreement and the other Transaction Documents as the Cedant Experience Collateral Account, into which Cedant Experience Collateral consisting of Securities Collateral and Cash Collateral is to be Credited, and that is designated on the Custodian's books and records as "PAC EXPRIL N5F COLL FBO PRIAC" and "PAC EXPRIL N5L COLL FBO PRIAC."

(b) *Place of the Cedant Experience Collateral Account, Responses by Custodian*. The Custodian has established and will maintain the Cedant Experience Collateral Account in the State of New York. The Custodian agrees, upon request from the Pledgor or the Secured Party, to promptly make available on the same New York Business Day, provided that such a request therefor is received before 2:00 p.m., New York time, on such New York Business Day (if received on a day that is not a New York Business Day, it is considered to be received on the first New York Business Day following the delivery and if received after 2:00 p.m. New York time it is considered to be received on the following New York Business Day), information with respect to a statement of the amounts then held in or Credited to the Cedant Experience Collateral Account.

SECTION 3  
GRANT OF SECURITY INTEREST, RIGHTS AND OBLIGATIONS REGARDING CEDANT EXPERIENCE  
COLLATERAL, REHYPOTHICATION

Section 3.1 *Grant of Security Interest* As security for the prompt and complete payment and performance when due of the Secured Obligations, the Pledgor hereby pledges, assigns, conveys and transfers to the Secured Party, and hereby grants to the Secured Party, whether now owned or hereafter acquired or arising, whether governed by UCC Article 9 or other law, wherever located, a first-priority continuing security interest in, Lien on and right of set-off against, all of the Pledgor's right, title and interest in, to and under and power to transfer all right title and interest in, to and under (i) the Cedant Experience Collateral Account, all general intangibles relating thereto, all supporting obligations relating to any or all of the foregoing and all proceeds (including proceeds of proceeds) of any or all of the foregoing, (ii) all Collateral Assets including (x) all investment property (including security entitlements, and securities) and other financial assets that are held in or Credited to the Cedant Experience Collateral Account or that the Custodian is obligated to Credit to the Cedant Experience Collateral Account, all certificates and Instruments from time to time created representing or evidencing any and all of the foregoing, all general intangibles relating to any or all of the foregoing (including Investment Powers, Voting Powers and other powers and rights of the Pledgor now or hereafter acquired by the Pledgor with respect to any or all of the foregoing, including rights of enforcement under or with respect to any or all of the foregoing), all supporting obligations relating to any or all of the foregoing and all proceeds (including proceeds of proceeds) of any or all of the foregoing that are held in or Credited to the Cedant Experience Collateral Account or that the Custodian is obligated to Credit to the Cedant Experience Collateral Account or are withdrawn from the Cedant Experience Collateral Account without the consent of the Secured Party, including, dividends, interest, amounts paid upon maturity or redemption, other income or distributions with respect to the foregoing (the "**Securities Collateral**"), and (y) all Cash and other funds Credited to the Cedant Experience Collateral Account or that the Custodian is obligated to Credit to the Cedant Experience Collateral Account, all general intangibles relating to any or all of the foregoing, all supporting obligations relating to any or all of the foregoing and all proceeds (including proceeds of proceeds) of any or all of the foregoing that are held in or Credited to the Cedant Experience Collateral Account or that the Custodian is obligated to Credit to the Cedant Experience Collateral Account, including, interest, other income or distributions with respect to the foregoing (the "**Cash Collateral**") and (iii) all proceeds of any or all of the foregoing (including proceeds of proceeds), regardless of form (whether or not in the possession or control of the Custodian, or any third party acting on behalf of the Custodian), including all accounts, chattel paper, commercial tort claims, deposit accounts, documents, general intangibles, goods, instruments, investment property, letter of credit rights, money, financial assets and insurance (clauses (i) through and including (iii) collectively, the "**Cedant Experience Collateral**")

Section 3.2 *Rights and Obligations Regarding the Cedant Experience Collateral*

(a) *Maintenance of the Cedant Experience Collateral Requirement* Subject to Sections 3.6, 3.7 and the Rounding Provisions if, as of any Collateral Review Date, the aggregate Cedant Experience Collateral Value of all Eligible Investments Credited to the Cedant Experience Collateral Account is less than the Cedant Experience Collateral Requirement, then

the Pledgor shall cause to be Delivered to the Cedant Experience Collateral Account, by issuing a Credit Notice executed by the Pledgor to the Custodian to Credit Eligible Investments to the Cedant Experience Collateral Account, in an amount such that, following such Delivery and Credit to the Cedant Experience Collateral Account the aggregate Cedant Experience Collateral Value (determined by the Valuation Agent as of the most recent Collateral Review Date) of all Eligible Investments Credited to the Cedant Experience Collateral Account, equals or exceeds the Cedant Experience Collateral Requirement as of the most recent Collateral Review Date no later than

(i) three Business Days following the delivery of any Collateral Requirements Report that identifies a Cedant Experience Delivery Amount, or

(ii) three Business Days following the determination of any True-Up Delivery Amount in accordance with the Transaction Documents, or

(iii) five Business Days after the date on which it is agreed or determined in accordance with the Transaction Documents that any Collateral Asset ceases to satisfy clause (b) of the definition of "Eligible Investment," if as result of such agreement or determination, the aggregate Cedant Experience Collateral Value of all Eligible Investments Credited to the Cedant Experience Collateral Account is less than the Cedant Experience Collateral Requirement (as determined as of the most recent Collateral Review Date), and,

in each case, the Custodian shall Credit such Eligible Investments to, the Cedant Experience Collateral Account in accordance with such instructions

(b) *Withdrawals*

(i) Except during an Exclusive Control Event Period and, subject to Sections 3.6, 3.7 and the Rounding Provisions, if the aggregate Cedant Experience Collateral Value (as of the most recent Collateral Review Date, as determined by the Valuation Agent) of all Eligible Investments Credited to the Cedant Experience Collateral Account exceeds the Cedant Experience Collateral Requirement as of the Collateral Review Date or there are any Non-Eligible Collateral Assets as of the Collateral Review Date, then, upon the delivery of a Fully Executed Withdrawal Notice to the Custodian the Custodian shall within one (1) New York Business Day following such request, provided that such request is received at or prior to 2:00 p.m. New York time on a New York Business Day (if received on a day that is not a New York Business Day, it is considered to be received on the first New York Business Day following the delivery and if received after 2:00 p.m. New York time it is considered to be received on the following New York Business Day), subject to Sections 3.2(d) and 3.2(e), return to the Pledgor (x) every Non-Eligible Collateral Asset, and/or (y) any other Collateral Assets identified in such request that collectively have an aggregate Cedant Experience Collateral Value (as of the most recent Collateral Review Date, as determined by the Valuation Agent) that does not exceed the excess of the aggregate Cedant Experience Collateral Value over the Cedant Experience Collateral Requirement (in each case, as of such Collateral Review Date) (each an "Excess Asset"), such that following any such

return to the Pledgor, the aggregate Cedant Experience Collateral Value (determined by the Valuation Agent as of the most recent Collateral Review Date) of all Eligible Investments Credited to the Cedant Experience Collateral Account is equal to or exceeds the Cedant Experience Collateral Requirement, as of such Collateral Review Date, and, upon its return to the Pledgor, such Excess Asset shall automatically be released from the lien granted to the Secured Party under this Agreement. Notwithstanding anything herein to the contrary, as between the Pledgor and the Secured Party, in no event shall the Pledgor deliver a Withdrawal Notice with respect to any Excess Asset later than (i) in connection with any Cedant Experience Return Amount referenced in any Collateral Requirements Report, 10 days following delivery of such Collateral Requirements Report or (ii) in connection with any True-Up Return Amount as a result of any dispute with respect to such Collateral Requirements Report, 10 days following the determination of such amount in accordance with the Transaction Documents. The Custodian shall have no responsibility or liability for determining whether the Parties have complied with the foregoing and shall be fully protected in acting upon any Fully Executed Withdrawal Notice without inquiry.

(ii) Any withdrawal of Cedant Experience Collateral is subject to the consent of the Secured Party, such consent not to be unreasonably withheld or delayed and if after giving effect to any withdrawal, the aggregate Cedant Experience Collateral Value (determined by the Valuation Agent as of the most recent Collateral Review Date) of all Eligible Investments Credited to the Cedant Experience Collateral Account is equal to or exceeds the Cedant Experience Collateral Requirement, it shall be unreasonable for the Secured Party to withhold or delay consent. The Secured Party's consent to any withdrawal shall be deemed to be given upon the Secured Party's execution of an applicable Withdrawal Notice.

(c) *Substitutions*

(i) Except during an Exclusive Control Event Period and subject to Sections 3.6, 3.7, the Rounding Provisions and the proviso herein, the Pledgor may substitute all or part of the Collateral Assets Credited to the Cedant Experience Collateral Account for Substitute Cedant Experience Collateral by delivering to the Custodian a Fully Executed Substitution Notice in the form of Exhibit C and concurrently therewith Delivering to the Custodian the Substitute Cedant Experience Collateral specified in such Substitution Notice for Credit to the Cedant Experience Collateral Account, *provided, that*, the Cedant Experience Collateral Value of such Substitute Cedant Experience Collateral is equal to or exceeds the Cedant Experience Collateral Value of the applicable Prior Cedant Experience Collateral (in each case, as determined by the Valuation Agent on the date of such Substitution Notice). If the Custodian receives such Fully Executed Substitution Notice and the Substitute Cedant Experience Collateral specified therein, at or prior to 2:00 p.m. New York time on a New York Business Day (if received on a day that is not a New York Business Day, it is considered to be received on the first New York Business Day following the Delivery and if received after 2:00 p.m. New York time it is considered to be received on the following New York Business Day), subject to Sections 3.2(d) and 3.2(e), the Custodian shall transfer the Prior Cedant Experience Collateral to the securities account and/or deposit account (as applicable) specified in



such Substitution Notice and such Prior Cedant Experience Collateral shall automatically be released from the lien granted to the Secured Party under this Agreement.

(ii) Any substitution of Cedant Experience Collateral is subject to the consent of the Secured Party, such consent not to be unreasonably withheld or delayed and if the provisions set forth in subsection (i) above are satisfied it shall be unreasonable for the Secured Party to withhold or delay consent. The Secured Party's consent to any substitution shall be deemed to be given upon the Secured Party's execution of an applicable Substitution Notice.

(d) *Return of Rehypothesized Collateral Assets* If any Collateral Assets to be returned to or withdrawn or substituted by the Pledgor pursuant to this Agreement consist of Rehypothesized Collateral Assets, then (i) the Secured Party shall (x) cause such Rehypothesized Collateral Assets (or assets that are Equivalent to such Rehypothesized Collateral Assets) to be Credited to the Cedant Experience Collateral Account, within one New York Business Day following the Secured Party's receipt of the applicable notice or instruction related to such return, withdrawal or substitution, provided that such request is received at or prior to 2.00 p.m. New York time on a New York Business Day (if received on a day that is not a New York Business Day, it is considered to be received on the first New York Business Day following the delivery and if received after 2.00 p.m. New York time it is considered to be received on the following New York Business Day), subject to customary market settlement practices and procedures for such Rehypothesized Collateral Asset, and (y) simultaneously with such Credit, deliver a notice to the Custodian and the Pledgor describing such Returned Assets, (ii) the Custodian shall, promptly (and in no event later than one (1) New York Business Day, subject to Section 3.2(e), after such Credit, transfer such Returned Assets as directed by the Written Instruction delivered by the Pledgor pursuant to Sections 3.2(b) or 3.2(c), and (iii) the Pledgor shall have the rights set forth in Section 3.4(b) with respect to such Returned Assets. Provided that, if Equivalent assets are Delivered in respect of Rehypothesized Collateral Assets pursuant to Section 3.4(a)(ii) of this Agreement, then from and after the time such Equivalent assets are Credited to the Cedant Experience Collateral Account, such Rehypothesized Collateral Assets shall be released from the lien granted to the Secured Party under this Agreement and shall cease to be either Rehypothesized Collateral Assets or Collateral Assets for the purposes of this Agreement whereupon the Secured Party shall have the right to sell, pledge, rehypothecate, assign, invest or otherwise deal with such assets and the Secured Party may do so without any claim or right of any nature whatsoever of the Pledgor or any other person, including in equity or right of redemption.

(e) *Customary Market Settlement Practices* Notwithstanding anything to the contrary in this Agreement, the obligation of the Custodian to transfer any Collateral Asset from or into the Cedant Experience Collateral Account within a specified period of time shall be subject to customary market settlement practices and the Custodian's settlement procedures for such asset, *provided* that transfers between any accounts for which the Custodian is the custodian or depository bank shall occur on the same New York Business Day where instructions to do so in accordance with this Agreement are given at or before 2.00 p.m. New York time on such New York Business Day. To the extent that the Custodian utilizes a Clearing Corporation in connection with its performance of the services it provides under this Agreement, the Custodian may at any time and without notice to the Pledgor or the Secured Party and in order to effect

transactions in securities through such Clearing Corporation, pledge or assign a security interest in the Cedant Experience Collateral that is the subject of such transactions in order to secure any advances made by, or amounts owed to such Clearing Corporation and specific to such transactions, but solely to the extent that the rules and regulations of such Clearing Corporation require such security interest in the ordinary course of business, *provided, however*, that the security interest of the Clearing Corporation, in such Cedant Experience Collateral pursuant to this sentence shall be released upon repayment of such advance by the Custodian to the Clearing Corporation. Promptly upon the receipt by the Custodian of good, immediately available funds in sufficient amount to cover any overdraft, the Custodian shall use commercially reasonable efforts to repay all advances owed to the Clearing Corporation.

(f) *Payments* Except during an Exclusive Control Event Period and subject to Sections 3.6, 3.7 and the Rounding Provisions, the Pledgor shall be entitled to withdraw all payments of principal of, and interest and premium (if any) on the Collateral Assets Credited to the Cedant Experience Collateral Account, *provided that* the aggregate Cedant Experience Collateral Value of all Eligible Investments Credited to the Cedant Experience Collateral Account as at the most recent Collateral Requirements Report was equal to or exceeded the Cedant Experience Collateral Requirement as of such Collateral Requirements Report. In such case, the Pledgor may, pursuant to Section 3.2(b), deliver to the Custodian a Fully Executed Withdrawal Notice, and, pursuant to such instruction, the Custodian shall, promptly remit to the Pledgor any such payment received by the Custodian that the Pledgor is entitled to withdraw under this Section 3.2(f).

### Section 3.3 *Right of Secured Party to Rehypothecate Collateral Assets*

(a) *Right to Rehypothecate* The Secured Party may unilaterally rehypothecate any Collateral Assets held in or Credited to the Cedant Experience Collateral Account (and each such rehypothecated Collateral Asset shall be a Rehypothecated Collateral Asset, whether or not such Collateral Asset constitutes an Eligible Investment) in accordance with, and subject to, this Section 3.3, *provided, that*, the Secured Party shall not be permitted to rehypothecate such Collateral Assets during a Financial Stability Event with respect to the Secured Party unless, on the date such rehypothecation is effected pursuant to this Section 3.3, the Pledgor is not complying with its MCR. Each rehypothecation pursuant to this Section 3.3 shall be consistent with customary market practices in New York. To exercise such rehypothecation right, the Secured Party shall deliver to the Custodian and the Pledgor a Rehypothecation Notice identifying the Collateral Assets held in the Cedant Experience Collateral Account to be rehypothecated (such Collateral Assets, the “**Identified Rehypothecation Collateral Assets**”). Upon receipt of a Rehypothecation Notice from the Secured Party, the Custodian shall be entitled to conclusively presume that such Rehypothecation Notice was validly delivered by the Secured Party. Upon such delivery

(i) the Custodian shall promptly (and in no event later than one (1) New York Business Day), *provided* such request is received at or prior to 2:00 p.m. New York time on a New York Business Day (if received on a day that is not a New York Business Day, it is considered to be received on the first New York Business Day following the delivery and if received after 2:00 p.m. New York time it is considered to be received on the following New York Business Day), subject to Section 3.2(e), cause

such Identified Rehypothecation Collateral Assets to be released from the Cedant Experience Collateral Account and transferred to the Secured Party Account, and upon such transfer for the purpose hereof, the same shall constitute Rehypothecated Collateral Assets until such time, if any, as the same shall cease to fall within the definition of the term "Rehypothecated Collateral Assets", and

(ii) if any event or series of events occurs with respect to any Rehypothecated Collateral Asset, as a result of which such Rehypothecated Collateral Asset has been redenominated, converted, subdivided, consolidated, exercised, exchanged, the subject of a takeover or any other similar event, or constitutes solely the right to receive any other property or assets (including Cash), then

(A) the Secured Party shall promptly deliver to the Pledgor and the Valuation Agent a written notice, identifying such Rehypothecated Collateral Asset and such other property or assets and describing such event(s), and

(B) promptly after receipt of such written notice (and in any case within one (1) Business Day after such receipt), the Valuation Agent shall provide a written notice to the Pledgor and the Secured Party specifying an applicable Haircut percentage for such Rehypothecated Collateral Asset and such other property and assets and if applicable the Pledgor shall comply with Section 3 2(a)

(b) *Limitations on Rehypothecations* Notwithstanding anything to the contrary in this Agreement or any other Transaction Document,

(i) the Secured Party shall not deliver a Rehypothecation Notice that specifies as an Identified Rehypothecation Collateral Asset, any Unrehypothecated Collateral Asset that (x) is the subject of an outstanding investment or voting order by the Asset Manager, a copy of which has been delivered to the Secured Party, unless the rehypothecation of such Unrehypothecated Collateral Asset contemplated by such Rehypothecation Notice does not interfere with the execution of such investment or voting order or (y) was theretofore identified to be transferred to the Pledgor pursuant to the provisions of this Agreement but has not yet been so transferred to the Pledgor, and

(ii) the provisions regarding rehypothecations set forth in Section 3 4 shall apply

(c) *Voluntary Credits of Rehypothecated Collateral Assets or Assets Equivalent Thereto* At any time the Secured Party may, in its sole election, cause any (and, provided that the Pledgor is complying with its MCR, as soon as practicable after the occurrence and continuance of a Financial Stability Event with respect to the Secured Party, the Secured Party shall cause all) Rehypothecated Collateral Assets (or assets that are Equivalent to such Rehypothecated Collateral Asset) to be Delivered to the Cedant Experience Collateral Account, *provided, however,* that (i) simultaneously with such Delivery, the Secured Party shall deliver a Reposting Notice to the Custodian and the Pledgor describing such Returned Assets, and (ii) the Pledgor shall have the rights set forth in Section 3 4(b) with respect to such Returned Assets

(d) Nothing in the Transaction Documents shall restrict the Secured Party from selling, pledging, rehypothecating, assigning, investing or otherwise dealing in the Rehypothecated Collateral Assets (subject to the obligation to Deliver Equivalent assets in respect of such Rehypothecated Collateral Assets to the Cedant Experience Collateral Account under the terms of this Agreement), and the Secured Party may do so without any claim or right of any nature whatsoever of the Pledgor or any other person, including in equity or right of redemption

**Section 3.4 *Obligations and Rights Relating to Rehypothecated Collateral Assets or Equivalent Assets Reposted by the Secured Party***

(a) *Obligations of the Secured Party with Respect to Rehypothecated Collateral Assets or Equivalent Assets Reposted by the Secured Party* Each asset that the Secured Party causes to be Delivered to the Cedant Experience Collateral Account pursuant to the terms of this Agreement shall constitute either (i) the requested Rehypothecated Collateral Asset or (ii) an asset that is Equivalent to such requested Rehypothecated Collateral Asset

(b) *Rights of the Pledgor with Respect to Rehypothecated Collateral Assets or Equivalent Assets Reposted by the Secured Party* If (i) the Pledgor reasonably and in good faith believes that a Returned Asset does not constitute either (x) the relevant Rehypothecated Collateral Asset or (y) an asset that is Equivalent to such Collateral Asset (such Returned Asset, the “**Disputed Asset**”), and (ii) the Pledgor delivers to the Secured Party a Reposting Dispute Notice describing such dispute (a “**Reposting Dispute**”), then the Pledgor and the Secured Party hereby agree that:

(i) the Pledgor shall submit such Reposting Dispute as a dispute pursuant to, and in accordance with, the applicable Transaction Documents,

(ii) the Pledgor shall accept such Disputed Assets while reserving its rights in such Reposting Dispute, and

(iii) upon the resolution of such Reposting Dispute in accordance with the applicable Transaction Documents (x) the Pledgor shall deliver to the Custodian a Fully Executed Resolution Notice substantially in the form attached as Exhibit L specifying the terms of such resolution and identifying the assets, if any, the Pledgor and/or the Secured Party are required, pursuant to such resolution, to Credit into or withdraw from the Cedant Experience Collateral Account, in each case, pursuant to a Trade Ticket, (y) the Custodian shall effect such Credits and/or withdrawals, and (z) such Reposting Dispute shall be deemed to be resolved in accordance with such resolution

**Section 3.5 *Other Provisions Regarding the Cedant Experience Collateral***

(a) *Notice of Lien* The Pledgor hereby irrevocably authorizes the Secured Party at any time and from time to time to (i) file in any relevant jurisdiction UCC financing statements (including amendments and continuations thereto) that contain a collateral description that is consistent with Section 3.1 and contain any other information required for the sufficiency or filing office acceptance of any financing statement or amendment but shall in no event include a reference to the account number of the Cedant Experience Collateral Account, and (ii) take any

other action that the Secured Party reasonably determines to be necessary or useful for the attachment, perfection and first priority (subject to Permitted Liens) of, and the ability of the Secured Party to enforce, the Secured Party's security interest in any and all of the Cedant Experience Collateral (including filing a copy of this Agreement with Companies House) The Pledgor agrees to furnish any information the Secured Party determines to be reasonably necessary or useful for such filings and/or other actions to the Secured Party promptly upon the Secured Party's request

(b) *Further Assurances* The Pledgor agrees, (1) as soon as reasonably practical upon request of the Secured Party and at the Secured Party's option, to take any and all other actions not in violation of the Transaction Documents as the Secured Party may determine to be reasonably necessary or useful for the attachment, perfection and first priority (subject to Permitted Liens) of, and the ability of the Secured Party to enforce, the Secured Party's security interest in any and all of the Cedant Experience Collateral, including (i) complying with any provision of any law, statute, regulation or treaty of the United States, the United Kingdom or any other applicable jurisdiction, as to any Cedant Experience Collateral if compliance with such provision is a condition to attachment, perfection or priority of, or the ability of the Secured Party to enforce, the Secured Party's security interest in such Cedant Experience Collateral, including upon the occurrence of a Junior Lien Enforcement Event, using commercially reasonable efforts to cause the applicable Junior Lien Lender to marshal assets so that the Collateral Assets are the last assets to be foreclosed upon by such Junior Lien Lender, (ii) obtaining governmental and other third party waivers, consents and approvals in form and substance satisfactory to the Secured Party, including any consent of any person obligated on Cedant Experience Collateral and any party or parties whose consent is required for the security interest of the Secured Party to attach, and (iii) taking all actions under any other law, statute, regulation or treaty, as reasonably determined by the Secured Party to be applicable in any relevant UCC or other jurisdiction, including any foreign jurisdiction, and (2) if the Pledgor shall at any time hold or acquire any commercial tort claim with respect to any Cedant Experience Collateral, it shall promptly notify the Secured Party thereof in a writing signed by Pledgor of the particulars of the commercial tort claim and grant to the Secured Party in such writing a security interest therein and in the proceeds thereof, with such writing to be in form and substance satisfactory to the Secured Party

(c) *Notice of Actions* The Pledgor will give written notice to the Secured Party and the Custodian of all claims and demands of all persons at any time claiming the Cedant Experience Collateral or any interests therein materially adverse to the Secured Party or which could have a materially adverse effect on the security interests granted hereunder (other than Permitted Liens)

(d) *The Pledgor Remains Liable* Notwithstanding anything herein to the contrary, (i) the Pledgor shall remain liable under all contracts and agreements relating to the Cedant Experience Collateral to the extent set forth therein to perform all of its duties and obligations thereunder to the same extent as if this Agreement had not been executed, (ii) the exercise, by the Secured Party, of any of the rights hereunder shall not release the Pledgor from any of its duties or obligations under any such contracts or agreements, (iii) the Secured Party shall not have any obligation or liability under any such contracts or agreements by reason of this Agreement, and (iv) the Secured Party shall not be obligated, by reason of this Agreement, to

perform any of the obligations or duties of the Pledgor under any such contracts or agreements or to take any action to collect or enforce any claim for payment assigned hereunder. The Secured Party's sole duty with respect to the custody, safe keeping and physical preservation of the Cedant Experience Collateral in its possession, under UCC Section 9-207 or otherwise, shall be to deal with such Cedant Experience Collateral in the same manner as the Secured Party deals with similar property for its own account.

Section 3.6 *No Double-Counting of Collateral Assets to be Substituted or Transferred, Pending Settlements of Transfers, Pending Substitutions of Collateral Assets*

(a) Notwithstanding anything to the contrary herein or in any Transaction Document, if

(i) any Prior Cedant Experience Collateral is the subject of a substitution pursuant to Section 3.2(c), and

(ii) Substitute Cedant Experience Collateral has been Credited to the Cedant Experience Collateral Account before such Prior Cedant Experience Collateral has been withdrawn from the Cedant Experience Collateral Account, then any determination of a Cedant Experience Delivery Amount or Cedant Experience Return Amount, as applicable, pending such withdrawal shall be calculated as if such Prior Cedant Experience Collateral Asset were already withdrawn from the Cedant Experience Collateral Account.

(b) *Pending Delivery and Return of Collateral Assets* Notwithstanding anything to the contrary herein or in any Transaction Document, if the Pledgor delivers Fully Executed Written Instructions, on any day (the "**instruction date**"), for the Custodian to effect any transaction (the "**pending transaction**") to settle the Pledgor's Cedant Experience Delivery Amount or Cedant Experience Return Amount (the "**earlier delivery/return obligation**") for a Collateral Requirements Report, but, as a result of standard settlement practices in the relevant exchange or other market, such pending transaction has not settled on or before any subsequent Collateral Requirements Report, then

(i) for purposes of determining the Cedant Experience Delivery Amount or Cedant Experience Return Amount for such subsequent Collateral Requirements Report, such pending transaction will be deemed, for purposes hereof, to have settled, *provided* that (x) such pending transaction actually settles no later than three (3) Business Days after such instruction date, and (y) such instruction date occurred not later than the date such earlier delivery/return obligation was required, pursuant hereto and to the applicable Transaction Documents, to be settled, and

(ii) such pending transaction shall not be a basis for any Default Termination Event, *provided* that (x) such pending transaction actually settles no later than three (3) Business Days after such instruction date, and (y) such instruction date occurred no later than the date such earlier delivery/return obligation was required to be settled, pursuant to this Agreement and the other applicable Transaction Documents.

Section 3.7 *Minimum Transfer Amount* Notwithstanding anything to the contrary in this Agreement or in any Transaction Document, if the Cedant Experience Delivery Amount or the Cedant Experience Return Amount (as applicable) for the Cedant Experience Collateral Account as of any Collateral Requirements Report would be an amount that is less than the applicable Minimum Transfer Amount, then the Cedant Experience Delivery Amount or the Cedant Experience Return Amount (as applicable) for such Collateral Requirements Report shall be deemed to be zero GBP (£0) for the Cedant Experience Collateral Account, *provided* that the foregoing shall not apply upon the occurrence and during the continuance of an Exclusive Control Event or a Non-Fault Termination Event

Section 3.8 *Power of Attorney* The Pledgor hereby appoints the Secured Party and any officer or agent thereof, with full power of substitution, as its true and lawful attorneys-in-fact with full power and authority in the place of the Pledgor or in the Secured Party's own name, and unless otherwise required pursuant to any Transaction Document, without notice to or assent by the Pledgor, (i) to sign in the Pledgor's name if required and file the notices authorized in Sections 3.5(a) and 3.5(b) and sign in the Pledgor's name on whatever documents as may be required by the Custodian in order to complete and accomplish the rehypothecation of any Collateral Asset as designated by the Secured Party in accordance with the terms of this Agreement, generally take all actions provided under Section 4.1(b) and without limiting the generality of the foregoing, (ii) after the proper delivery of an Exclusive Control Event Notice, without notice to or assent by the Pledgor doing the following on behalf of the Pledgor any action authorized under clause (i) and generally take all actions provided under Sections 4.1(a) and 4.2(a) including the exercise of all Investment Powers and Voting Powers, which rights may be exercised, if the Secured Party so elects, with a view to causing the liquidation in a commercially reasonable manner of assets of the issuer of any such Securities Collateral and (iii) upon an Enforcement Event, without notice to or assent by the Pledgor doing the following on behalf of the Pledgor any action authorized under clauses (i) and (ii), Sections 4.2(b), (c) and (d) and generally to sell, transfer, make any agreement with respect to or otherwise dispose of or deal with any of the Cedant Experience Collateral in such manner as is consistent with the UCC and as fully and completely as though the Secured Party were the absolute owner thereof for all purposes, and to do at the Pledgor's expense, at any time, or from time to time, all acts and things which the Secured Party considers reasonably necessary or advisable to protect, preserve or realize upon the Cedant Experience Collateral and the Secured Party's security interest therein, in order to effect the intent of this Agreement, all as fully and effectively as the Pledgor might do, including the execution, delivery and recording, in connection with any sale or other disposition of any Cedant Experience Collateral, of the endorsements, assignments or other instruments of conveyance or transfer with respect to such Cedant Experience Collateral To the extent permitted by law, the Pledgor hereby ratifies all that said attorneys-in-fact shall lawfully do or cause to be done by virtue hereof to the extent that the same is within the scope of the power of attorney granted and undertaken in good faith (provided that the Pledgor, by virtue of such ratification, does not release any claim that the Pledgor may otherwise have against the Secured Party or any officer or agent thereof, for any such acts made or taken by the Secured Party or any officer or agent thereof, through gross negligence or willful misconduct) This power of attorney is irrevocable so long as this Agreement shall remain in force and such power shall immediately cease, without the need for any further act or document, upon Termination The powers conferred on the Secured Party hereunder do not impose any duty upon the Secured Party to exercise any such powers

Section 3.9 *Trade Tickets and New York Business Day* The Secured Party and the Pledgor agree to deliver a Trade Ticket to the Custodian to effect each entitlement order and disposition instruction including with respect to all Credit Notices, Rehypothecation Notices, Resolution Notices, Reposting Notices, Withdrawal Notices, Substitution Notices, and Termination Withdrawal Notices delivered pursuant to this Agreement. All instructions from the Pledgor to the Custodian other than Credit Notices must be Joint Instructions. Written Instructions that are required to be Joint Instructions have no force or effect until such time as they become Joint Instructions. Any Party that sends a Written Instruction that is effected unilaterally shall currently with such delivery send a copy of such Written Instruction to the other Party and, if such Written Instruction is given by the Secured Party, an additional copy to the Asset Manager. The Custodian may conclusively rely on the authority of an Authorized Person listed in an Authorization Letter with respect to such Trade Tickets and other Written Instructions. If the delivery of any Written Instruction to the Custodian is required on a New York Business Day, and such Written Instruction is received by the Custodian on a London Business Day that is not also a New York Business Day, then such Written Instruction will be considered to have been actually received on the following New York Business Day.

#### SECTION 4 TERMINATION EVENTS AND REMEDIES

##### Section 4.1 *Termination Events*

###### (a) *Exclusive Control Events*

(i) Upon the occurrence of an Exclusive Control Event and so long as such Exclusive Control Event is continuing, the Secured Party may block the Pledgor's access to the Cedant Experience Collateral Account by delivering to the Custodian an Exclusive Control Event Notice. Each occurrence and termination of an Exclusive Control Event Period shall be notified to the Custodian in an Exclusive Control Event Notice and a Termination of Exclusive Control Event Notice, respectively. During an Exclusive Control Event Period, the Pledgor and the Asset Manager shall have no right to deliver Written Instructions to the Custodian with respect to the Cedant Experience Collateral Account and the Secured Party shall have no obligation to execute Withdrawal Notices, Substitution Notices or other Joint Instructions as applicable. So long as an Exclusive Control Event continues to exist, and so long as no Termination of Exclusive Control Event Notice has been delivered to the Custodian, the Custodian shall follow directions, Trade Tickets and other Written Instructions (including Written Instructions that other than during an Exclusive Control Event Period are required to be Joint Instructions and all Written Instructions regarding management of the Collateral Assets), in each case originated only by the Secured Party without further consent of the Pledgor, the Asset Manager or any other person.

(ii) Upon the occurrence of a Reinstatement Date with respect to an Exclusive Control Event for which an Exclusive Control Event Notice has been delivered to the Custodian, the Secured Party shall promptly deliver to the Custodian a Termination of Exclusive Control Event Notice. As soon as practicable (in accordance with customary procedures of the Custodian), after the receipt of a Termination of Exclusive



Control Event Notice, the Custodian shall follow Written Instructions as provided in Sections 2.5 and 3 until a subsequent Exclusive Control Event Notice is delivered by the Secured Party to the Custodian

(b) *Non-Fault Termination Events*

(i) Upon the occurrence of a Non-Fault Termination Event and so long as such Non-Fault Termination Event continues to exist, the Secured Party and the Pledgor may execute and deliver to the Custodian a Fully Executed Non-Fault Termination Event Notice. A Non-Fault Termination Event Notice shall not be delivered during an Exclusive Control Event Period and the delivery of a Non-Fault Termination Event Notice shall not cause an Exclusive Control Event to occur.

(ii) Upon the occurrence of a Reinstatement Date with respect to a Non-Fault Termination Event, the Secured Party and the Pledgor shall promptly notify the Custodian of such rescission pursuant to a Fully Executed Termination of Non-Fault Termination Event Notice.

(c) *Rescission of Termination Event* For purposes of Section 4.1(a)(ii) and Section 4.1(b)(ii), as between the Pledgor and the Secured Party, an Early Termination Event will be deemed to have been rescinded if, in accordance with the applicable Transaction Document(s), either (i) such Early Termination Event is cured before any Termination Event Notice is delivered with respect to such Early Termination Event, (ii) Party A with respect to such Early Termination Event either has waived such Early Termination Event in accordance with such Transaction Document(s) or has notified Party B with respect to such Early Termination Event that Party A will not deliver a Termination Event Notice on account of such Early Termination Event, or (iii) Party A rescinds the Termination Event Notice and delivers a Reinstatement Date Notice. The Custodian shall have no responsibility or liability for determining whether the Parties have complied with the foregoing and shall be fully protected in acting upon any Reinstatement Date Notice without inquiry.

(d) *Notice of Termination Amount*

(i) The Pledgor shall in accordance with the applicable Transaction Documents, notify the Secured Party of the Provisional Experience Termination Payment and the Experience Termination Payment Adjusting Amount with respect to a Final Experience Termination Payment owed by the Pledgor to the Secured Party (or as otherwise provided in the applicable Transaction Documents, the Secured Party shall calculate such payments).

(ii) If the calculation of the Provisional Experience Termination Payment or the Experience Termination Payment Adjusting Amount, as applicable (the "**Specified Termination Payment**") in accordance with the Transaction Documents results in an amount payable by the Pledgor to the Secured Party, the Pledgor will direct the Valuation Agent to reduce the Specified Termination Payment by an amount equal to the Market Value of the Rehypothesized Collateral Assets on such date (such reduced payment, the "**Net Specified Termination Payment**") and the Pledgor may elect to

discharge its obligation to pay the Net Specified Termination Payment by (x) the payment of Cash (**‘Cash Election’**) or (y) delivery to the Secured Party of Collateral Assets that satisfy clause (a) of the definition of the term “Eligible Investment” or are otherwise agreed to in writing by the Secured Party in its sole discretion (the **“Payment in Kind Collateral Assets”**) having a Market Value (as of the immediately preceding Business Day) no less than the Net Specified Termination Payment (less any Cash Election Amount applicable to such Net Specified Termination Payment) in lieu of payment of Cash, *provided, however*, that notwithstanding the foregoing or anything else contained in this Agreement to the contrary, if the Pledgor does not make such payment in Cash within one Business Day after the date the calculation of the Specified Termination Payment is made pursuant to the relevant provisions of the applicable Transaction Documents (in each case, the **“Withdrawal Notice Date”**), the Pledgor shall be deemed to have elected to discharge its obligation to pay the Net Specified Termination Payment by the Delivery to the Secured Party of Payment in Kind Collateral Assets in lieu of payment in Cash, and (y) the Secured Party and the Pledgor shall jointly, provided that with respect to an Exclusive Control Event or during an Exclusive Control Event Period, the Secured Party alone shall, execute and deliver a Termination Withdrawal Notice to the Custodian on the Withdrawal Notice Date, which shall

(A) state the portion of the Net Specified Termination Payment (the **“Withdrawal Amount”**), that has not theretofore been paid in Cash by the Pledgor to the Secured Party, and

(B) identify the particular Payment in Kind Collateral Assets (selected by the Pledgor, or in the case of an Exclusive Control Event or during an Exclusive Control Event Period, by the Secured Party), to be released from the Cedant Experience Collateral Account, having an aggregate Market Value (as of the Business Day immediately before the date of such Termination Event Notice) no greater than the Withdrawal Amount

(iii) The Custodian shall promptly (and in any event no later than one (1) New York Business Day after its receipt of the Termination Withdrawal Notice, provided such request is received at or prior to 2 00 p m New York time on a New York Business Day (if received on a day that is not a New York Business Day, it is considered to be received on the first New York Business Day following the delivery and if received after 2 00 p m New York time it is considered to be received on the following New York Business Day), subject to customary market settlement practices and its settlement procedures) release from the Cedant Experience Collateral Account and transfer to the Secured Party all Payment in Kind Collateral Assets identified in such Termination Withdrawal Notice to be so released. Upon transfer to the Secured Party, all of Pledgor’s rights in such transferred Payment in Kind Collateral Assets are transferred to the Secured Party and the Secured Party’s security interest therein is terminated

(e) *Access to Information* In connection with the preparation of any Termination Withdrawal Notice, the Custodian shall promptly (and in no event later than the third (3rd) New York Business Day after the request therefor) make available a list of Collateral Assets held in or Credited to the Cedant Experience Collateral Account and the Valuation Agent

shall in each case provide the associated Market Values of such Collateral Assets on such date. The Valuation Agent shall, and the Pledgor shall instruct the Price Quotation Provider to, provide any information reasonably requested by the Secured Party or the Pledgor in connection with the preparation and evaluation of such Termination Withdrawal Notice.

(f) *Excess Assets Remaining in the Cedant Experience Collateral Account* If the Market Value of the Collateral Assets held in the Cedant Experience Collateral Account as of the Business Day immediately before the date of such Withdrawal Notice Date exceeds the Withdrawal Amount specified in a Termination Withdrawal Notice for payment of the Experience Termination Payment Adjusting Amount (such excess, the “**Holdback Collateral Assets**”), such Holdback Collateral Assets shall be released pursuant to Section 4.4

(g) *If Cash Payment is Elected by the Pledgor under the Master Terms with Respect to the Experience Termination Payment Adjusting Amount* If, pursuant to the relevant provisions of the Transaction Document(s) applicable to such Early Termination, the Pledgor has, before the delivery of a Termination Withdrawal Notice, made an indefeasible Cash payment in full satisfaction of the Experience Termination Payment Adjusting Amount in lieu of Delivery of Collateral Assets due from the Pledgor to the Secured Party, the Secured Obligations shall be deemed paid and performed in full and the Pledgor and the Secured Party shall comply with Section 4.4

(h) *Rehypotheicated Collateral Assets* Any Rehypotheicated Collateral Assets, or portion thereof, used to reduce the Specified Termination Payment pursuant to Section 4.1(d)(ii) of this Agreement shall, upon the settlement of the Net Specified Termination Payment in accordance with this Agreement, be released from any claim or right of any nature whatsoever of the Pledgor or any other person, including in law and in equity and any right of redemption. Any Rehypotheicated Collateral Assets, or portion thereof, outstanding after the payment in full of the Experience Termination Payment Adjusting Amount pursuant to Section 4.1(d)(ii) of this Agreement shall, within one (1) Business Day of the settlement of the Experience Termination Payment Adjusting Amount be Delivered to the Cedant Experience Collateral Account.

#### *Section 4.2 Remedies During Exclusive Control Event Periods and Upon an Enforcement Event*

(a) During each Exclusive Control Event Period the Custodian shall comply with any direction, entitlement order, disposition instruction or other instruction (including all Written Instructions) originated by the Secured Party without further consent of the Pledgor, the Asset Manager or any other person and shall not comply with any entitlement orders, disposition instructions or other instructions (including all Written Instructions) issued by the Pledgor, the Asset Manager or any other person.

(b) Upon the occurrence of an Enforcement Event, the Secured Party may exercise, in respect of the Cedant Experience Collateral, in addition to other rights and remedies provided for in this Agreement, all the rights and remedies of a secured party upon default under the UCC (whether or not the UCC applies to the affected Cedant Experience Collateral) or otherwise available to the Secured Party under other laws and in equity, including the right to (A) require the Pledgor to, and the Pledgor hereby agrees that it will at its expense and upon the

request of the Secured Party forthwith, assemble all or part of such portion of the Cedant Experience Collateral as directed by the Secured Party and make it available to the Secured Party at a place and time designated by the Secured Party that is reasonably convenient to both parties, (B) without notice (except as specified below), sell such portion of the Cedant Experience Collateral or any part thereof in one or more parcels at public or private sale(s), at any of the Secured Party's offices or elsewhere, for Cash, on credit or for future delivery, and upon such other terms as the Secured Party may deem commercially reasonable, and (C) exercise any and all rights and remedies that may be exercised during an Exclusive Control Event Period. Unless the Cedant Experience Collateral is of a type customarily sold on a recognized market, the Secured Party shall give at least one Business Day prior notice of the time and place of any public sale of the Cedant Experience Collateral or of the date after which any private sale or any other intended disposition is to be made. The Pledgor hereby acknowledges that one Business Day prior notice of such sale or sales shall be reasonable notice. The Secured Party shall not be obligated to make any sale of any Cedant Experience Collateral regardless of notice of sale having been given. The Secured Party may adjourn any public or private sale from time to time by announcement of the time and place fixed therefor, and such sale may, without further notice, be made at the time and place to which it was so adjourned. In addition, the Pledgor waives any and all rights that it may have to a judicial hearing in advance of the enforcement of any of the Secured Party's rights and remedies hereunder.

(c) Any Cash held by or on behalf of the Secured Party, and all Cash proceeds received by or on behalf of the Secured Party, in respect of any sale of, collection from or other realization upon all or any part of the Cedant Experience Collateral pursuant to Section 4.2(b) shall be applied in whole or in part by the Secured Party against all or any part of the Secured Obligations, in such order as the Secured Party may elect.

(d) To the extent permitted by law, the Secured Party may, without notice to the Pledgor (except as required by law) and at any time or from time to time, charge, set off and otherwise apply (i) all or any Cash Collateral, or other funds held by the Secured Party as Cedant Experience Collateral, against any part of the Secured Obligations due and payable and (ii) any amounts due and payable by the Pledgor with respect to any Secured Obligations against any obligation of the Secured Party to deliver Rehypothesized Collateral Assets or assets Equivalent thereto or other obligations of the Secured Party under the Transaction Documents.

(e) To the extent that applicable law imposes duties on the Secured Party to exercise remedies in a commercially reasonable manner, the Pledgor acknowledges and agrees that it is not commercially unreasonable for the Secured Party to (i) fail to incur expenses reasonably deemed significant by the Secured Party to prepare the Cedant Experience Collateral for disposition, (ii) contact other persons, whether or not in the same business as the Pledgor, for expressions of interest in acquiring all or any portion of the Cedant Experience Collateral, (iii) hire one or more professional auctioneers to assist in the disposition of the Cedant Experience Collateral, whether or not the Cedant Experience Collateral is of a specialized nature, (iv) dispose of the Cedant Experience Collateral by utilizing internet sites that provide for the auction of assets of the types included in the Cedant Experience Collateral or that have the reasonable capability of doing so, or that match buyers and sellers of assets, (v) purchase insurance or credit enhancements to insure the Secured Party against risks of loss, collection or disposition of the Cedant Experience Collateral or to provide to the Secured Party a guaranteed return from the

collection or disposition of the Cedant Experience Collateral, (vi) obtain the services of brokers, investment bankers, consultants and other professionals to assist the Secured Party in the collection or disposition of any of the Cedant Experience Collateral, (vii) instruct the Custodian to transfer to the Secured Party Account Securities Collateral with an aggregate Market Value (as of the immediately preceding Business Day) equal to the Withdrawal Amount, or (viii) exercise all rights of the secured party under the Cedant Fee Security Agreements including exercising control over the Cedant Fee Collateral Account. The Pledgor acknowledges that the purpose of this Section 4 2(e) is to provide non-exhaustive indications of what actions or omissions by the Secured Party would not be commercially unreasonable in the Secured Party's exercise of remedies against the Cedant Experience Collateral and that other actions or omissions by the Secured Party shall not be deemed commercially unreasonable solely on account of not being indicated in this Section 4 2(e). Without limitation upon the foregoing, nothing contained in this Section 4 2(e) shall be construed to grant any rights to the Pledgor or to impose any duties on the Secured Party that would not have been granted or imposed by this Agreement or by applicable law in the absence of this Section 4 2(e).

(f) The Secured Party shall not be deemed to have waived any of its rights to or under the Cedant Experience Collateral, the Secured Obligations, this Agreement, the other Transaction Documents or any agreement entered into pursuant to any of the foregoing, unless such waiver shall be in writing and signed by the Secured Party. No delay or omission on the part of the Secured Party in exercising any right shall operate as a waiver of such right or any other right. A waiver on any one occasion shall not be construed as a bar to or waiver of any right on any future occasion. All rights and remedies of the Secured Party to or under the Cedant Experience Collateral, the Secured Obligations, this Agreement, the other Transaction Documents, any agreement entered into pursuant to any of the foregoing, by law, equity or otherwise, shall be cumulative and may be exercised singularly, alternatively, successively or concurrently at such time or at such times as the Secured Party deems expedient.

**Section 4 3 *Secured Party's Rights and Remedies Generally*** All rights and remedies of the Secured Party with respect to the Secured Obligations and the Cedant Experience Collateral, whether evidenced hereby or by any other instrument, document or agreement, are cumulative and may be exercised singularly, alternatively, successively or concurrently at such time or at such times as the Secured Party deems expedient. The Pledgor shall pay to the Secured Party on demand amounts equal to any and all expenses, including reasonable attorneys' fees and disbursements, incurred or paid by the Secured Party in protecting, preserving or enforcing the Secured Party's rights under or in respect of any of the Secured Obligations or any of the Cedant Experience Collateral. After deducting all of said expenses, the residue of any proceeds of collection or sale of the Cedant Experience Collateral shall, to the extent actually received in Cash, be applied to the payment of the Secured Obligations in such order or preference as the Secured Party may determine.

**Section 4 4 *Release of Cedant Experience Collateral After Termination*** Upon the payment in full in cash and performance in full of all the Secured Obligations and the Fee Secured Obligations, (i) the Pledgor and the Secured Party shall promptly execute and deliver Joint Instructions, in the form of an Agreement Termination Notice, to terminate this Agreement, (ii) the Secured Party's Lien on and control of the Cedant Experience Collateral created by this Agreement shall automatically be released and terminated and (iii) the Custodian shall only

follow instructions of the Pledgor and the Asset Manager permitted pursuant to the Account Agreements with respect to the Cedant Experience Collateral Account and the Collateral Assets Credited thereto. Upon such Termination and the request of the Pledgor, the Secured Party shall authorize the Pledgor or its agent to terminate any financing statement and Companies House filing filed by Secured Party (in each case, if any) to perfect the Secured Party's security interest in the Cedant Experience Collateral.

## SECTION 5 DISPUTE RESOLUTION

### Section 5.1 *Disputes Relating to Cedant Experience Collateral*

(a) If the Pledgor or the Secured Party reasonably disputes the eligibility, classification (for purposes of determining the applicable Valuation Percentage) or the Cedant Experience Collateral Value of any Collateral Asset or the Market Value of any Collateral Asset or Cash to be Delivered (including the Delivery of any Prior Cedant Experience Collateral, Substitute Cedant Experience Collateral, Non-Eligible Collateral Assets, Cedant Experience Collateral or Cash to be Delivered in satisfaction of any Specified Termination Payment) (the "**Disputed Collateral**"), it shall notify the other of the Disputed Collateral no later than the Dispute Date, and the Pledgor and the Secured Party will consult with each other in an attempt to resolve the dispute prior to the Resolution Time. In connection with such consultation where the Disputed Collateral consists of Corporate Bonds each of the Secured Party and the Pledgor may submit valuations provided by the Price Quotation Provider in accordance with Section 7.15(a).

(b) If the Pledgor and the Secured Party fail to resolve any dispute with respect to the Cedant Experience Collateral Value of the Disputed Collateral by the Resolution Time, then the Market Value of the Disputed Collateral will be recalculated as follows:

(i) with respect to any Disputed Collateral that is Securities Collateral:

(A) the Valuation Agent will request Qualifying Bid Prices for such Securities Collateral from five (5) Approved Dealers,

(B) no later than 11:00 a.m. (London time) on the second Business Day following the Resolution Time, the Valuation Agent shall notify the Secured Party and the Pledgor of, and provide reasonable evidence with respect to, the Qualifying Bid Prices it has obtained,

(C) if less than two (2) Qualifying Bid Prices have been obtained, the Market Value of such Securities Collateral shall be determined to be the last published price of such Securities Collateral on Bloomberg, and

(D) if at least three (3) Qualifying Bid Prices (together, the "**Qualifying Prices**") have been obtained in respect of the Securities Collateral, then (x) the highest and the lowest Qualifying Price shall be removed and (y) the Market Value of such Securities Collateral shall be the arithmetic mean of the remaining Qualifying Prices, and

(ii) with respect to any Cash, the Market Value thereof shall be the Base Currency Equivalent of the amount of such Cash

(c) The Cedant Experience Collateral Value of the Disputed Collateral shall be determined by multiplying the Market Value of the Disputed Collateral (as determined in subsection (b) above) by the applicable Valuation Percentage

(d) If the Pledgor and the Secured Party fail to resolve any dispute with respect to the eligibility or classification (for purposes of determining the applicable Valuation Percentage) of the Disputed Collateral by the Resolution Time, then the eligibility or classification of such Disputed Collateral, as applicable, will be determined by the Collateral Expert as provided in the Master Terms

**Section 5.2 Recalculation of Disputed Amounts** Following a resolution of a dispute, the Valuation Agent shall recalculate the Cedant Experience Collateral Value or Market Value, as applicable, on the basis of the determinations resulting from, and in accordance with the methodology set forth in, this Section 5 and will notify each party as soon as possible but in any event not later than the Notification Time on the third Business Day following the Resolution Time. The Pledgor and the Secured Party will, following such notice given by the Valuation Agent or a resolution pursuant to Section 5.1(b)(i), instruct the Custodian to make all appropriate transfers, if any, in accordance with Section 3.2(a) or Section 3.2(b), as applicable

**Section 5.3 Delivery Notwithstanding Dispute** Notwithstanding any dispute relating to determinations made hereunder, Deliveries shall be made on the basis of the Valuation Agent's original determination of the relevant Cedant Experience Collateral Value unless and until the relevant amounts are recalculated pursuant to Section 5.2 or it is agreed that such determination was a manifest error

## SECTION 6 REPRESENTATIONS, WARRANTIES AND COVENANTS

**Section 6.1 Representations, Warranties and Covenants of the Pledgor** The Pledgor represents, warrants and covenants to each of the other Parties that (i) its exact legal name is as indicated on the signature page hereof, (ii) it is an organization of the type, and is organized in the jurisdiction set forth in the preamble, (iii) it is duly organized, validly existing and in good standing under the laws of the jurisdiction of its organization or incorporation, (iv) it is duly authorized to enter into this Agreement and consummate the transactions contemplated hereby, (v) (a) neither its chief executive office nor any of its principal places of business is located outside of England and Wales, (b) England and Wales does not generally require information concerning the existence of a non-possessory security interest in collateral to be made generally available in a filing, recording or registration system as a condition to or as a result of such security interest obtaining priority over the rights of a lien creditor with respect to that collateral as contemplated by UCC Section 9-307 and (c) with respect to UCC Section 9-307, the Pledgor is located in the District of Columbia, (vi) it shall not change its name, type of organization, jurisdiction of organization or other legal structure without giving five (5) days' prior written notice to the Secured Party, (vii) it has duly executed and delivered this Agreement, which constitutes the legal, valid and binding obligation of the Pledgor enforceable against the Pledgor

in accordance with its terms, subject to bankruptcy, insolvency and similar laws affecting creditors' rights generally, to general principles of equity (regardless of whether considered in a proceeding at law or in equity) and to the application of judicial discretion, (viii) the execution, delivery and performance of this Agreement by the Pledgor do not and will not result in a breach or violation of or cause a default under, the Pledgor's charter or bylaws (or other applicable organizational documents) or any provision of any material agreement, Instrument, judgment, injunction, order, license, law or regulation applicable to or binding upon the Pledgor or its assets, (ix) it is the legal or beneficial owner of the Cedant Experience Collateral and has the rights and power to transfer rights in the Cedant Experience Collateral granted or purported to be granted by it hereunder, free and clear of any Lien, claim, option or right of others, except for the security interest created under this Agreement and Permitted Liens, and the Pledgor shall defend the Cedant Experience Collateral against all claims and demands of all persons at any time claiming the Cedant Experience Collateral or any interests therein materially adverse to the Secured Party, (x) other than with respect to Permitted Liens, the Pledgor shall not pledge, mortgage or create, or suffer to exist any right of any person in or claim by any person to the Cedant Experience Collateral, or any security interest, lien or other encumbrance in the Cedant Experience Collateral in favor of any person, (xi) no effective financing statement or other instrument similar in effect covering all or any part of such Cedant Experience Collateral or listing the Pledgor as debtor with respect to the Cedant Experience Collateral is on file in any recording office other than for the benefit of the Secured Party, (xii) it will pay promptly when due all taxes, assessments, governmental charges and levies upon the Cedant Experience Collateral or incurred in connection with the Cedant Experience Collateral or incurred in connection with this Agreement, (xiii) it will not sell or otherwise dispose or offer to sell or otherwise dispose of the Cedant Experience Collateral or any interest therein other than is permitted under this Agreement, (xiv) this Agreement creates in favor of the Secured Party a valid security interest in the Cedant Experience Collateral, securing the payment of the Secured Obligations, (xv) all filings and other actions necessary to perfect the security interest in the Cedant Experience Collateral granted by the Pledgor have been duly made or taken or will be duly made or taken and such security interest is first priority (subject to Permitted Liens), (xvi) no authorization or approval or other action by, and no notice to or filing with, any governmental authority or regulatory body or any other third party is required for (a) the grant by the Pledgor of the security interest granted under this Agreement or for the execution, delivery or performance of this Agreement by the Pledgor, (b) the perfection or maintenance of the security interest created hereunder (including the first-priority nature of such security interest), and (c) the exercise by the Secured Party of its rights provided for in this Agreement or the remedies in respect of the Cedant Experience Collateral pursuant to this Agreement other than any filings referenced in Section 3.5(a) and as may be required under any federal or state securities or blue sky laws, (xvii) all Cedant Experience Collateral in the form of a security or other financial asset Delivered to the Cedant Experience Collateral Account is and will be fully paid and it will not instruct the Custodian to advance its funds in connection with the settlement of purchases and sales of financial assets for the Cedant Experience Collateral Account, (xviii) it will use commercially reasonable efforts to execute and deliver all Joint Instructions promptly upon receipt, (xix) it will concurrently with the delivery to the Custodian of any Written Instructions effected unilaterally, deliver a copy of such Written Instructions to the Secured Party, (xx) the Pledgor will not allow any Cash or other asset to be Credited to the Cedant Experience Collateral Account that would cause the Secured Party to be, or to be deemed to be, whether by operation



of law or otherwise, a trustee or other fiduciary, or a person acting to any similar role, with respect to any cash or other assets in the Cedant Experience Collateral Account for the benefit of any third party, and (xxi) each Junior Lien shall be subordinated to the security interest created by this Agreement

**Section 6.2 Representations, Warranties and Covenants of the Custodian** The Custodian represents, warrants and covenants to each of the other Parties that (i) it is duly authorized to enter into this Agreement and the transactions contemplated hereby, (ii) it has duly executed and delivered this Agreement, which constitutes the legal, valid and binding obligation of the Custodian, enforceable against the Custodian in accordance with its terms, subject to bankruptcy, insolvency and similar laws affecting creditors' rights generally, to general principles of equity (regardless of whether considered in a proceeding at law or in equity) and to the application of judicial discretion, (iii) the execution, delivery and performance of this Agreement by the Custodian does not and will not result in a breach or violation of, or cause a default under, the Custodian's charter or bylaws (or other applicable charter instruments) or any provision of any Instrument, judgment, injunction, order, license, law or regulation applicable to or binding upon the Custodian or its assets, (iv) it is a "bank" (within the meaning of UCC Section 9-102(a)(8)) with respect to the Deposit Account and it is a "securities intermediary" (within the meaning of UCC Section 8-102(a)(14)), (v) each Deposit Account is a "deposit account" within the meaning of UCC Section 9-102(a)(29), (vi) the Pledgor is the only customer (within the meaning of UCC Section 4-104(1)(e)) of the Custodian with respect to the Deposit Accounts, (vii) each Securities Account is a "securities account" within the meaning of UCC Section 8-501(a), (viii) the Pledgor is the only "entitlement holder" (within the meaning of UCC Section 8-102(a)(7)) of the Securities Accounts and the "financial assets" (within the meaning of UCC 8-102(9)) from time to time Credited to or deposited in the Securities Accounts, (ix) it is acting under this Agreement as depository bank with respect to the Deposit Account and any Cash and proceeds thereof Credited to the Deposit Account and that it is acting as securities intermediary with respect to the Securities Accounts and any financial assets and proceeds thereof Credited to the Securities Account and securities entitlements with respect thereto, (x) regardless of any provision in any other agreement (including the Account Agreements and any document governing any Securities Collateral) or the location of any securities account or deposit account or sub account thereof established and maintained by the Custodian in connection with the Cedant Experience Collateral Account, for the purposes of the UCC, the State of New York shall be deemed to be the Custodian's jurisdiction with respect to the Cedant Experience Collateral Account and any financial asset and/or Cash Credited thereto, (xi) it will not close or permit the Cedant Experience Collateral Account to be closed without the written consent of the Secured Party, (xii) it will segregate on its books and records, all Collateral Assets from its own property and property owned by its other customers, (xiii) except as may be otherwise specifically provided in this Agreement with respect to Credit Notices and Reposting Dispute Notices, it will not follow any Written Instructions from the Pledgor unless such Written Instructions constitute Joint Instructions, and (xiv) it will not permit the Cedant Experience Collateral Account to be subject to any Liens other than Permitted Liens.

**Section 6.3 Representations, Warranties and Covenants of the Secured Party** The Secured Party represents, warrants and covenants to each of the other Parties that (i) it is duly authorized to enter into this Agreement and the transactions contemplated hereby, (ii) it has duly executed and delivered this Agreement, which constitutes the legal, valid and binding obligation

of the Secured Party, enforceable against the Secured Party in accordance with its terms, subject to bankruptcy, insolvency and similar laws affecting creditors' rights generally, to general principles of equity (regardless of whether considered in a proceeding at law or in equity) and to the application of judicial discretion, (iii) the execution, delivery and performance of this Agreement by the Secured Party does not and will not result in a breach or violation of, or cause a default under, the Secured Party's charter or by-laws (or other applicable charter instruments) or any provision of any instrument, judgment, injunction, order, license, law or regulation applicable to or binding upon the Secured Party or its assets, (iv) it will not instruct the Custodian to advance its funds in connection with the settlement of purchases and sales of financial assets for the Cedant Experience Collateral Account, and (v) it will use commercially reasonable efforts to execute and deliver all Joint Instructions promptly upon receipt except to the extent the Secured Party may withhold or delay such consent pursuant to the terms of this Agreement, including Section 5 and (vi) it will concurrently with the delivery to the Custodian of any Written Instructions effected unilaterally, deliver a copy of such Written Instructions to the Pledgor

**Section 6.4** *Representations and Warranties of the Valuation Agent* The Valuation Agent represents and warrants to each of the other Parties that (i) it is duly authorized to enter into this Agreement and the transactions contemplated hereby, (ii) it has duly executed and delivered this Agreement, which constitutes the legal, valid and binding obligation of the Valuation Agent, enforceable against the Valuation Agent in accordance with its terms, subject to bankruptcy, insolvency and similar laws affecting creditors' rights generally, to general principles of equity (regardless of whether considered in a proceeding at law or in equity) and to the application of judicial discretion, (iii) the execution, delivery and performance of this Agreement by the Valuation Agent does not and will not result in a breach or violation of, or cause a default under, the Valuation Agent's charter or by-laws (or other applicable charter instruments) or any provision of any instrument, judgment, injunction, order, license, law or regulation applicable to or binding upon the Valuation Agent or its assets and (iv) all calculations, valuations, determinations and Valuation Reports shall be made in good faith and in a commercially reasonable manner

## SECTION 7

### THE CUSTODIAN, THE VALUATION AGENT, PRICE QUOTATION PROVIDERS, MANAGEMENT OF COLLATERAL ASSETS

**Section 7.1** *Liability of the Custodian* The Custodian will not be liable for any damage, loss, costs or expenses whatsoever to or incurred by the Secured Party, the Pledgor or any other person at any time for any action taken, or for refraining from the taking of any action, in good faith pursuant to this Agreement, unless caused by the Custodian's negligence, willful misconduct or bad faith

**Section 7.2** *Custodian's Obligations as to Cedant Experience Collateral* Without limiting the generality of the foregoing, the Custodian shall not be under any obligation to inquire into, and shall not be liable for, the title, validity or genuineness of the issue of any Cedant Experience Collateral, the legality of the purchase or sale thereof or the propriety of the amount paid or received therefor, or the due authority of any Authorized Person to act on behalf of the Secured Party or the Pledgor with respect to any Cedant Experience Collateral held in the

Cedant Experience Collateral Account The Custodian shall not be under any duty or obligation to ascertain whether any Cedant Experience Collateral at any time Delivered to or held by the Custodian hereunder is such as properly may be held by the Pledgor or the Secured Party or any persons for which either acts (if any) The Custodian shall at no time have any responsibility whatsoever to determine the value of any Cedant Experience Collateral or whether any Cedant Experience Collateral is, or ensure whether any Cedant Experience Collateral continues to be, an Eligible Investment The Custodian is entitled to conclusively assume that Cedant Experience Collateral Credited to the Cedant Experience Collateral Account is an Eligible Investment until such time that the Custodian is provided with Written Instructions to withdraw or substitute any Non-Eligible Collateral Asset The Custodian may consult with, and shall be fully protected in relying on the advice of, counsel in interpreting its obligations under this Agreement and acting in accordance with such advice with respect to the matter consulted, as long as such counsel is of nationally recognized standing The Custodian shall not be required to risk or expend its own funds in performing its obligations hereunder, exclusive of usual and customary expenses or internal overhead expenses incurred in the normal course of administering this Agreement

Section 7.3 *Custodian's Responsibility* The Custodian shall not be liable for any Cedant Experience Collateral received by it on behalf of the Secured Party until such Cedant Experience Collateral is received and accepted by the Custodian for Credit or deposit to the Cedant Experience Collateral Account in accordance with UCC Section 8-501(b)(2), *provided that* the Custodian agrees to promptly Credit all Cedant Experience Collateral Delivered to it for Credit to the Cedant Experience Collateral Account The Custodian shall not have any liability whatsoever for the action or inaction of any Clearing Corporation or any issuer of securities Unless applicable law otherwise requires, the Custodian shall hold the Securities Collateral and the Cash Collateral indirectly through a Subcustodian only if (i) the Eligibility Criteria are amended to include as Eligible Investments assets that require the engagement by the Custodian of a Subcustodian, (ii) the Custodian delivers a report to the Pledgor and the Secured Party that indicates the engagement of the Subcustodian, (iii) the Securities Collateral and the Cash Collateral is not subject to any right, charge, security interest, lien or claim of any kind in favor of such Subcustodian or its creditors, including a receiver or trustee in bankruptcy or similar authority, except for a claim of payment for the safe custody or administration of the Securities Collateral and the Cash Collateral or for funds advanced on behalf of Custodian by such Subcustodian, and (iv) beneficial ownership of the Securities Collateral is freely transferable without the payment of money or value other than for safe custody or administration The Custodian shall identify on its books and records the Securities Collateral and Cash Collateral belonging to Pledgor and pledged to the Secured Party, whether held directly or indirectly through a Clearing Corporation or Subcustodians The responsibility of the Custodian with respect to any assets or income held by a Non-Affiliated Subcustodian is limited to the failure on the part of the Custodian to exercise reasonable care in the selection or retention of such Non-Affiliated Subcustodian in light of prevailing laws, settlement and securities handling practices, procedures and controls in the relevant market With respect to any losses incurred by the Pledgor or the Secured Party as a result of the acts or the failure to act by any Non-Affiliated Subcustodian, the Custodian shall take appropriate action to recover such losses from such Non-Affiliated Subcustodian, and the sole responsibility and liability of the Custodian to the Pledgor or the Secured Party with respect thereto shall be limited to amounts so received from such Non-Affiliated Subcustodian (exclusive of related costs and expenses incurred by the Custodian), except to the extent such losses result from the failure of the Custodian to exercise reasonable

care in the selection or retention of such Non-Affiliated Subcustodian in light of prevailing laws, settlement and securities handling practices, procedures and controls in the relevant market. In no event shall the Custodian be liable for (x) losses resulting from nationalization, expropriation or other governmental actions, regulations, exchange or currency controls or devaluations or (y) losses resulting from market conditions affecting transfers or executions of transactions, in the case of any such losses covered in this clause (y) to the extent any such losses result from an occurrence beyond the control of the Custodian, its Subcustodians and entities to which it has delegated its duties hereunder. Notwithstanding the covenants of the Pledgor and the Secured Party not to instruct the Custodian to advance its own funds in connection with the settlement of purchases and sales of financial assets, it is understood and agreed that if the Custodian is specifically instructed hereunder to settle transactions on a delivery versus payment or receive versus payment basis, it will do so and the Custodian, may in its discretion, advance funds in order to facilitate the settlement of such transactions.

#### Section 7.4 *Compensation*

(a) The Custodian shall be entitled to receive, and the Pledgor agrees to pay the Custodian, as provided in Section 7.13 or otherwise agreed from time to time by the Custodian and the Pledgor. The Custodian shall be entitled to receive, and the Pledgor agrees to pay the Custodian, all amounts payable by the Custodian with respect to amounts debited from the Custodian's account at The Depository Trust Company or otherwise in connection with Eligible Investments previously held in the Cedant Experience Collateral Account.

**Section 7.5 *Reliance on Instructions*** The Custodian shall be entitled to rely, without further investigation, upon any certificate or Written Instruction in relation to the Cedant Experience Collateral and the Cedant Experience Collateral Account, including as contemplated by the form of notices set forth in the Exhibits to this Agreement, and otherwise upon any certifications or Written Instructions, including any certifications contained therein, received by it from any Authorized Person that are not contrary to this Agreement. The Custodian shall not incur any liability to anyone resulting from actions taken by such Custodian in reliance in good faith on such instructions. The Custodian shall not incur any liability in executing such instructions (i) from any attorney-in-fact before receipt by the Custodian of written notice of the revocation of the written authority of such attorney-in-fact or (ii) from any Authorized Person of the Pledgor or the Secured Party before receipt by the Custodian of an updated list of Authorized Persons, *provided, however*, that nothing contained herein shall require the Custodian to halt or reverse a transaction initiated prior to its receipt of such notice of the revocation of authority. The Pledgor and the Secured Party agree that the fact that contrary Written Instructions are received by the Custodian shall in no way affect the validity or enforceability of the transactions previously authorized and effected by the Custodian. The Pledgor agrees that upon the occurrence of an Exclusive Control Event and the delivery of an Exclusive Control Event Notice, the Pledgor and the Asset Manager shall have no right to issue any Written Instruction with respect to the Cedant Experience Collateral. Except as otherwise specifically provided herein with respect to Credit Notices, the Custodian agrees that in no event shall it follow Written Instructions or other instructions from the Pledgor unless such Written Instructions constitute Joint Instructions.

#### Section 7.6 *Notices to the Custodian*

(a) Except as specifically provided in Section 7.6(b) below, all notices or instructions delivered to the Custodian shall be in writing and shall be addressed to the Custodian as provided in Section 8.11(c). Any instruction required or permitted to be given to the Custodian hereunder may be given by email, via SWIFT message, facsimile transmission, or by any other method or system agreed to by the parties hereto as available for use in connection with the services hereunder or in the form required by the applicable provision of this Agreement.

(b) All Substitution Notices shall be delivered as an attachment to an e-mail delivered to the e-mail address specified by the Custodian in writing from time to time. To the extent that e-mail is not available for any reason, all such notices shall be sufficiently given if sent by facsimile to the number specified by the Custodian in writing from time to time with an original to follow sent to the address specified by the Custodian for such purpose (or at such other place as Custodian may from time to time designate in writing). All other notices required or permitted to be given hereunder, including any Exclusive Control Event Notice, Termination of Exclusive Control Event Notice, Termination Withdrawal Notice, Non-Fault Termination Event Notice, Termination of Non-Fault Termination Event Notice, Withdrawal Notice, Credit Notice, Rehypothecation Notice, Reposting Notice and Resolution Notice shall be sent by facsimile to the number specified by the Custodian in writing from time to time with an original to follow sent to the address specified by the Custodian for such purpose (or at such other place as Custodian may from time to time designate in writing). Notices to the Custodian when given by e-mail shall be deemed to be given when time-stamped as having been received by the Custodian's e-mail server. Notices to the Custodian when given other than by e-mail shall be deemed to be given when actually received by an officer or other member of the team of the Custodian responsible for administering the Cedant Experience Collateral Account in the Custodian's Asset Servicing Department or any person acting as a backup, substitute or subordinate to such officer or employee or in such officer's or employee's department. It is understood and agreed that the fact that such original document is not received by Custodian shall in no way affect the validity or enforceability of such notice received by facsimile and the actions taken or omitted by Custodian in furtherance of such notice.

**Section 7.7 Access to Books and Records** The Pledgor and the Secured Party, or their authorized representatives, shall have access to the books and records maintained by the Custodian with respect to the Cedant Experience Collateral during the normal business hours of the Custodian, *provided* that written notice as to the day and time of such access is sent to the Custodian at least three New York Business Days beforehand. Upon the reasonable request of the Pledgor or the Secured Party, copies of any such books and records shall be provided by the Custodian to the Pledgor or the Secured Party, or their authorized representatives, as the case may be, at the expense of the requesting party.

**Section 7.8 No Liability for Consequential Damages** Notwithstanding anything herein to the contrary, in no event shall the Custodian be liable under or in connection with this Agreement for indirect, special, incidental, punitive or consequential losses or damages of any kind whatsoever, including lost profits, whether or not foreseeable, even if such Custodian has been advised of the possibility thereof and regardless of the form of action in which such damages are sought.

**Section 7 9    *Circumstances Beyond Control*** The Custodian shall not be responsible or liable for any reasonable failure or delay in the performance of its obligations hereunder arising out of or caused, directly or indirectly, by circumstances beyond the Custodian's control, including (to the extent beyond its control), acts of God, earthquakes, fires, floods, wars, civil or military disturbances, sabotage, epidemics, riots or disruption of communications services, labor disputes, acts of civil or military authority or governmental actions

**Section 7 10    *No Implied Duties or Responsibilities*** The Custodian shall have no duties or responsibilities except such duties and responsibilities as are specifically set forth herein and in the Account Agreements, and no covenant or obligation shall be implied hereunder against the Custodian

**Section 7 11    *Compliance with Transaction Documents*** The Custodian has not reviewed and shall not be charged with knowledge of any Transaction Document other than this Agreement, the Cedant Fee Security Agreements, the Reinsurer Security Agreement, the Experience Investment Guidelines Agreement and the Authorization Letters. The Custodian may conclusively presume that (i) all representations and certifications are accurate and correct and comply with the other Transaction Documents and (ii) all directions and instructions it receives, including those with respect to any Cedant Experience Collateral are in accordance with the other Transaction Documents

**Section 7 12    *Resignation or Removal***

(a) Subject to the further provisions of this Section 7 12, the Custodian may resign at any time as custodian, securities intermediary and depositary bank hereunder by delivery to the Secured Party and the Pledgor of not less than ninety (90) days' prior written notice of resignation. Except during an Exclusive Control Event Period, the Pledgor, with the consent of the Secured Party, or the Secured Party, with the consent of the Pledgor, may, on ninety (90) days' prior written notice to the Custodian and the other Party, remove the Custodian from its position as custodian, securities intermediary and depositary bank hereunder. Upon any such resignation or removal, the Pledgor, with the consent of the Secured Party, or the Secured Party, with the consent of the Pledgor, shall appoint a successor custodian, securities intermediary and depositary bank, which appointee, upon its agreement to comply with the terms hereof, shall be accepted and appointed as successor. Until such time as a successor is appointed and shall have agreed to serve as successor custodian, securities intermediary and depositary bank hereunder (the "**Successor Custodian**"), the Custodian shall continue to serve as Custodian hereunder and shall continue to be subject to the provisions hereof. If no Successor Custodian is appointed within sixty (60) days of receipt of a written notice of resignation, then the Custodian may petition any court of competent jurisdiction for the appointment of a Successor Custodian. Upon the acceptance of the appointment by a Successor Custodian (and the transfer to the Successor Custodian of all Cedant Experience Collateral in the Cedant Experience Collateral Account), the Successor Custodian shall become vested with all the rights, powers, and privileges hereunder, and shall be bound by the duties and obligations of the Custodian under this Agreement and the resigning or removed Custodian shall be discharged from any future duties and obligations hereunder in its capacity as Custodian, except that such resigning or removed Custodian shall continue, after such resignation or removal, to be entitled to the benefits of the indemnity provided in Section 7 13 for the period for which it served as Custodian.

(b) Upon acceptance by a qualified Successor Custodian of its appointment hereunder, the predecessor Custodian shall cause to be Delivered to such Successor Custodian, all Cedant Experience Collateral and Reinsurer Collateral in its possession or under its control, as the case may be, and the Successor Custodian shall Credit such Cedant Experience Collateral into a successor or replacement Cedant Experience Collateral Account and Reinsurer Collateral into a successor or replacement Reinsurer Collateral Account in each case, as instructed, established as a segregated account with a securities account component and a deposit account component, designated as described herein and subject to the other provisions hereof

(c) The Pledgor and the Secured Party expressly agree and acknowledge that the Custodian is not guaranteeing performance of or assuming any liability for the obligations of the Pledgor or the Secured Party hereunder, nor is it assuming any credit risk associated with transactions hereunder, which liabilities and risks are solely the responsibility of the Pledgor and the Secured Party, further, it is expressly agreed that the Custodian is not undertaking to make credit available to the Secured Party or the Pledgor to enable either of them to complete transactions hereunder

(d) Except for the indemnities provided herein, this Agreement shall terminate upon the Pledgor and the Secured Party providing joint written notice of such Termination to the Custodian

(e) The Custodian shall be entitled to assume that no Exclusive Control Event Period exists until and unless it has received an Exclusive Control Event Notice, and, upon such receipt, the Custodian shall be entitled to assume that such Exclusive Control Event Period has not terminated until and unless it has received a Termination of Exclusive Control Event Notice with respect thereto

#### Section 7 13 *Fees and Indemnification*

(a) *Fees Payable and Indemnification by the Pledgor* The Pledgor shall pay the Custodian, as compensation, a fee as agreed upon in writing between the Pledgor and the Custodian. The Pledgor shall pay or reimburse the Custodian (i) the reasonable, documented and foreseeable expenses and disbursements incurred by the Custodian in connection with the performance of its duties hereunder (including reasonable attorney's fees and expenses), *provided, however,* that such expenses and disbursements (which will not include the Custodian's fees set forth in the Fee Letter Agreement) will not exceed twenty thousand USD (USD\$20,000) in the aggregate over the full term of this Agreement, unless the Pledgor and the Custodian agree in writing to a higher amount), and (ii) the reasonable and documented unforeseeable expenses (it being understood that any costs or expenses in connection with any additional duty performed by the Custodian not expressly provided for herein, or any amendment, modification or supplement hereto, shall be unforeseeable expenses) incurred by the Custodian from time to time in connection with the performance of its duties hereunder, which shall include legal and other services to be communicated to the Pledgor and shall be based on reasonable fees for such services (such expenses and disbursements covered in clauses (i) and (ii), the "**Covered Expenses**"), except any such Covered Expenses as may arise from the Custodian's negligence, bad faith or willful misconduct. Except as provided in Section 7 13(b), the Pledgor hereby indemnifies the Custodian for, and holds it harmless against, any losses,

liabilities, costs or expenses (including reasonable attorney's fees and expenses but excluding the Covered Expenses) (the 'Losses') howsoever arising in connection herewith or the Custodian's performance of its obligations in accordance with the provisions hereof, including any loss, liability, costs or expenses arising out of or in connection with the status of the Custodian and its nominee as the holder of record of the assets held in the Cedant Experience Collateral Account, *provided, however*, that this indemnification shall not apply to the extent such Losses are caused by the Custodian's own negligence, bad faith or willful misconduct. The foregoing indemnities shall survive the resignation or discharge of the Custodian or the Termination.

(b) *Indemnification by the Secured Party* The Secured Party hereby indemnifies the Custodian for, and holds it harmless against, any loss, liability, costs or expenses (including reasonable attorney's fees and expenses) arising in connection herewith or the Custodian's performance of its obligations in accordance herewith to the extent relating to any unilateral action, inaction, instruction or direction by or on behalf of the Secured Party, including any loss, liability, cost or expense arising out of or in connection with the status of the Custodian and its nominee as the holder of record of the Cedant Experience Collateral, *provided, however*, that the indemnification pursuant to this Section 7 13(b) shall not apply to the extent such losses, liabilities, costs or expenses are caused by the Custodian's own negligence, bad faith or willful misconduct. The foregoing indemnities are for the period in which the Custodian serves as Custodian hereunder, and shall survive the resignation or discharge of the Custodian or the Termination.

(c) *Second-Priority Security Interest* Subject and subordinated to the security interest, Lien and right of setoff granted by the Pledgor to the Secured Party pursuant to Section 3 1, the Pledgor and the Secured Party hereby grant the Custodian a Lien, right of setoff and security interest in the funds in the Cedant Experience Collateral Account for the payment of any claim for compensation, reimbursement or indemnity hereunder. Other than in respect of any security interest granted in favor of the Custodian pursuant to Section 7 14, the Custodian (i) subordinates any security interest, Lien or other encumbrance it may have on the Cedant Experience Collateral by law, equity or otherwise to the Secured Party's security interest in the Cedant Experience Collateral and (ii) will not exercise any right of recoupment, setoff or debit against the Cedant Experience Collateral until the Termination.

Section 7 14 *Sufficient Funds* Notwithstanding any provision of this Agreement to the contrary, (i) the Custodian shall not make any payment with respect to Eligible Investments until sufficient immediately available and unencumbered funds are actually received by the Custodian with respect thereto, and (ii) to the extent the Custodian advances funds in connection with the settlement of purchases and sales of financial assets for the Cedant Experience Collateral Account, the Custodian shall have a first-priority security interest in the financial assets that are the subject of such purchase or sale and all the rights and remedies of a secured party under the UCC with respect to such assets until the Custodian has been repaid the amount of such advance plus reasonable interest thereon, *provided, however*, that the security interest of the Custodian in such financial assets pursuant to this Section 7 14 shall be released upon repayment of such advance by or on behalf of the Pledgor to the Custodian. The Custodian shall promptly notify the Pledgor and the Secured Party whenever any of its funds are advanced as described in this Section 7 14 by reflecting such advance in information posted online and accessible by the Pledgor and the Secured Party. To the extent the Custodian in its discretion Credits proceeds of



a sale or other disposition of income or principal to the Cedant Experience Collateral Account before its actual receipt of the same, such Crediting shall be provisional and revocable

Section 7.15 *Valuation Reports and the Duties of the Valuation Agent and Price Quotation Provider*

(a) *Appointment and Replacement of the Price Quotation Provider* At all times when any asset held in the Cedant Experience Collateral Account constitutes a Corporate Bond, the Secured Party shall cause there to be retained one or more persons to act as Price Quotation Provider hereunder for the purpose of providing valuations of Securities Collateral in connection with Disputed Collateral, calculations relating to Collateral Requirements Reports, Valuation Reports, Specified Termination Payments and as otherwise may be required by the Parties, subject to the following

(i) The Secured Party shall select only one (1) Price Quotation Provider for Corporate Bonds, *provided, however*, that the same Price Quotation Provider may be selected for more than one (1) of such asset types

(ii) The Market Value of each Corporate Bond provided by the applicable Price Quotation Provider shall be derived from the same standards and methods that such Price Quotation Provider generally uses for other clients that have contracted for similar valuation services, and the Secured Party shall provide reasonable evidence to the Valuation Agent to such effect

(iii) If the Secured Party disputes the Market Value of any Corporate Bond provided by the Valuation Agent, then the Secured Party shall cause the applicable Price Quotation Provider to provide updated Market Values for each Corporate Bond on each Business Day when such Market Value is so disputed

(iv) Whenever necessary pursuant to the terms hereof, the Secured Party shall either (x) cause the Price Quotation Provider to deliver the Market Values of Corporate Bonds directly to the Valuation Agent (via electronic or other reasonable means of written communication), or (y) provide the Valuation Agent with evidence reasonably satisfactory to the Valuation Agent that such Market Values were provided by the relevant Price Quotation Provider and are as of the applicable Business Day

(v) The Secured Party shall ensure that, at all times, the Valuation Agent has reasonable access to each Price Quotation Provider for purposes of understanding valuation methodologies for the Corporate Bonds and other items relevant to the purposes of the Transaction Documents

(vi) The Secured Party shall instruct the Price Quotation Provider to comply with all instructions to such Price Quotation Provider provided in accordance herewith and the Transaction Documents

(b) *Compensation of the Price Quotation Provider* All compensation of each Price Quotation Provider (including any indemnification of such Price Quotation Provider) in connection with its services hereunder as "Price Quotation Provider" shall be the responsibility

of the Secured Party. The Secured Party shall have the responsibility to enter into the relevant agreement(s) with each Price Quotation Provider, and the Valuation Agent need not be a party to, and shall in no event have any liability for any obligations under, any such agreement.

(c) *Preparation and Delivery of Valuation Reports*. The Valuation Agent shall, as promptly as practicable and in no event later than either (i) ten days following each Quarterly Collateral Review Date or (ii) two Business Days following each Special Collateral Review Date (as applicable), deliver to the Pledgor and the Secured Party, a Valuation Report. Each Valuation Report shall be dated as of the day such Valuation Report is delivered pursuant hereto. The Valuation Agent shall be responsible for determining the Market Value of each Collateral Asset in accordance with the terms hereof.

(d) *Valuation Agent*. The Valuation Agent will discharge its obligations as Valuation Agent hereunder in good faith, in a timely fashion and in a manner that is consistent with all prior resolutions of disputes (or agreements between or among the Pledgor, the Secured Party and the Valuation Agent) relating to any Valuation Report or other matter relating to the Valuation Agent's obligations and performance hereunder in its capacity as Valuation Agent.

(e) *Compensation of Valuation Agent*. Notwithstanding anything to the contrary herein or in any other Transaction Document, the Valuation Agent shall not receive any compensation for any services it provides in its capacity as Valuation Agent, except as provided in Section 7.15(f)(ii) with respect to any successor Valuation Agent.

(f) *Removal of the Valuation Agent*. The Secured Party may relieve the initial Valuation Agent of its duties hereunder for cause, in which case (i) the Pledgor and the Secured Party shall cooperate in good faith to retain a third party to act as Valuation Agent hereunder, (ii) the Pledgor shall bear the responsibility of compensating each successor Valuation Agent, and (iii) a successor Valuation Agent may be removed only at the joint election of the Pledgor and the Secured Party, after which the Pledgor and the Secured Party shall cooperate in good faith to retain a third party to act as successor Valuation Agent hereunder and the compensation of such successor hereunder shall be borne fifty percent (50%) by the Pledgor and fifty percent (50%) by the Secured Party. As used in this Section 7.15(f), "cause" means gross negligence, bad faith or willful misconduct by the Valuation Agent.

(g) *Management of Collateral Assets*. All Collateral Assets Credited to the Cedant Experience Collateral Account from time to time will be managed in accordance with the terms set forth in Exhibit I to this Agreement, *provided, however*, during an Exclusive Control Event Period the Custodian shall not comply with any instructions from the Pledgor, the Asset Manager or any other person and shall comply with any instruction originated by the Secured Party without further consent by the Pledgor, the Asset Manager or any other person.

## SECTION 8 MISCELLANEOUS

Section 8.1 *No Waiver, Cumulative Remedies*. No failure or delay on the part of the Secured Party, the Pledgor or the Custodian in exercising any right or remedy hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any such right or remedy

preclude any other exercise of that or any other right or remedy. The rights and remedies of the Secured Party, the Pledgor and the Custodian hereunder are cumulative and are not exclusive of any rights or remedies provided by law or equity or in any other contract between such parties. None of the terms or provisions hereof may be waived, modified or amended, except in writing duly signed by the Secured Party, the Pledgor and the Custodian.

**Section 8.2 Survival.** All warranties, representations and indemnities made by the Secured Party, the Pledgor, the Custodian or the Valuation Agent, as the case may be, herein or in any of the instruments or documents delivered pursuant hereto shall, regardless of any investigation, be considered to have been relied upon by the other Parties and shall survive the delivery of such instruments and documents and the execution hereof.

**Section 8.3 Successors and Assigns.** This Agreement and all obligations and rights arising hereunder shall inure to the benefit of and be binding upon the parties hereto and their permitted successors, assigns and beneficiaries. Notwithstanding the foregoing, this Agreement, and the obligations and rights arising out of this Agreement or any part hereof, shall not be further sold, pledged or assigned or otherwise transferred by the Secured Party, the Pledgor, the Custodian or the Valuation Agent without the prior written consent of all of the other Parties, and any such attempted sale, pledge, assignment or transfer shall be void ab initio.

**Section 8.4 Applicable Law, Jurisdiction, Waiver of Jury Trial**

(a) This Agreement shall be subject to and governed by the laws of the State of New York, without regard to conflict of law provisions thereof (other than Section 5-1401 of the New York General Obligations Law or any successor to such statute). Furthermore, with respect to the Cedant Experience Collateral Account and all Securities Collateral and Cash Collateral wherever located, the parties agree that regardless of any provision in any other document or agreement (including the Account Agreements), for the purposes of the UCC, the State of New York shall be deemed to be (i) the "bank's jurisdiction" within the meaning of UCC Section 9-304(b) of the Custodian in its capacity as the depository bank, and (ii) the "securities intermediary's jurisdiction" within the meaning of UCC Section 8-110(e) of the Custodian in its capacity as the securities intermediary. For purposes of the Hague Convention on the Law Applicable to Certain Rights in Respect of Securities Held with an Intermediary (the "**Hague Convention**"), the parties agree, and the Account Agreements are hereby amended to provide that, the law applicable to all the issues specified in Article 2(1) of the Hague Convention shall be the laws of the State of New York. This provision supersedes any contrary provision in all documents or agreements relating to (i) the establishment or opening of the Cedant Experience Collateral Account (the "**Account Agreements**") and (ii) the Securities Collateral.

(b) No demand, claim, counterclaim or dispute of any kind or nature whatsoever, whether at law or at equity, and whether seeking monetary damages or compulsory action or inaction, arising out of or in any way relating hereto (collectively, a "**Demand**") may be commenced, prosecuted or continued in any court other than the courts of the State of New York located in the City and County of New York or in the United States District Court for the Southern District of New York, which courts shall have exclusive jurisdiction over the adjudication of such matters, and the Parties each consent to the jurisdiction of such courts and

personal service with respect thereto. Each Party hereby covenants not to seek redress for a Demand in any other judicial forum, except (x) in connection with claims asserted in any insolvency proceeding, (y) as necessary to foreclose on any collateral assets held outside of such jurisdiction, or (z) pursuant to a direction from a court in such jurisdiction to seek redress for a Demand in a judicial forum outside of such jurisdiction. Each Party agrees to comply with all requirements necessary to give such courts such jurisdiction.

(c) The Pledgor hereby appoints CT Corporation System, at its offices at 111 8th Avenue, New York, New York 10011, USA, as its authorized agent for service of process with respect to any Demand, such appointment to remain effective until such time, if any, as the Pledgor exercises its rights pursuant to the immediately succeeding proviso, *provided, however*, that the Pledgor shall have the right, exercisable at any time and at the Pledgor's discretion, to irrevocably appoint a new agent within the State of New York as its authorized agent for service of process with respect to any Demand by written notice to the other Parties identifying such agent and its office, including the address thereof. The Pledgor also agrees that service of process mailed by first-class mail to the Pledgor in accordance with Section 8.11 shall be deemed in every respect effective service of process in any Demand. Nothing herein shall affect the right to serve process in any other manner permitted by law.

(d) EACH PARTY HERETO HEREBY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY LITIGATION DIRECTLY OR INDIRECTLY ARISING OUT OF, UNDER OR IN CONNECTION WITH THIS AGREEMENT. Except as prohibited by law, the Pledgor and the Secured Party each waives any right that it may have to claim or recover in any litigation referred to in the preceding sentence any special, exemplary, punitive or consequential damages or any damages other than, or in addition to, actual damages. The Pledgor and the Secured Party each (i) certifies that (x) neither the Secured Party nor any representative, agent or attorney of the Secured Party, (y) neither the Pledgor nor any representative, agent or attorney of the Pledgor, as applicable, has represented, expressly or otherwise, that the Secured Party or the Pledgor, as the case may be, would not, in the event of litigation, seek to enforce the foregoing waivers, and (ii) acknowledges that, in entering into this Agreement and the other Transaction Documents, the Secured Party or the Pledgor, as the case may be, is relying upon, among other things, the waivers and certifications contained in this Section 8.4.

(e) The Pledgor and the Secured Party hereby each acknowledges that the Custodian is subject to federal laws, including its Customer Identification Program ("CIP") requirements under the Patriot Act and its implementing regulations, pursuant to which the Custodian must obtain, verify and record information that allows the Custodian to identify the Pledgor and the Secured Party. Accordingly, before opening the Cedant Experience Collateral Account, the Custodian will ask the Pledgor and/or the Secured Party to provide certain information, including the Pledgor's and/or the Secured Party's name, physical address, tax identification number and other information that will help the Custodian identify and verify the Pledgor's and/or the Secured Party's identity, such as organizational documents, certificate of good standing, license to do business or other pertinent identifying information. The Pledgor and the Secured Party agree that the Custodian cannot open the Cedant Experience Collateral Account unless and until the Custodian verifies the Pledgor's and the Secured Party's identity in

accordance with its CIP. The Secured Party is not responsible for providing to the Custodian documents relating to the Pledgor. In accordance with the Unlawful Internet Gambling Enforcement Act (the "Act"), transactions associated with unlawful internet gambling are prohibited. Specifically, the Act "prohibits any person engaged in the business of betting or wagering from knowingly accepting payments in connection with the participation of another person in unlawful internet gambling." The Pledgor and the Secured Party hereby acknowledge and agree that the transactions contemplated hereunder do not involve, nor will they be used to support, debit or credit transactions that are restricted by the Act.

**Section 8.5 Severability of Provisions.** If, at any time, any provision hereof is or becomes illegal, invalid or unenforceable in any respect under the law of any jurisdiction, and the rights or obligations of the Pledgor or the Secured Party hereunder will not be materially and adversely affected thereby, then such illegality, invalidity or unenforceability shall not affect or impair

(a) the legality, validity or enforceability of any other provision of this Agreement in that jurisdiction, or

(b) the legality, validity or enforceability of that or any other provision of this Agreement under the law of any other jurisdiction. The Parties agree to attempt in good faith to reform such illegal, invalid or unenforceable provision to the extent necessary to render such provision enforceable and to carry out its original intent.

**Section 8.6 Counterparts.** This Agreement may be executed in any number of counterparts that together shall constitute a single instrument.

**Section 8.7 Interpretation.** The headings of the sections and other subdivisions hereof are for convenience of reference only and shall not affect the meaning or construction of any provision hereof.

**Section 8.8 Entire Agreement.** The Transaction Documents, the Experience Investment Guidelines Agreement and the Authorization Letters constitute the entire agreement between the Secured Party and the Pledgor with respect to the subject matter hereof. This Agreement, the Reinsurer Security Agreement, the Authorization Letters and the Account Agreements constitute the entire agreement among the Secured Party, the Pledgor and the Custodian with respect to the subject matter hereof.

**Section 8.9 Conflict with Other Agreements.** No other agreement shall be used to interpret this Agreement, and this Agreement shall not be used to interpret any other agreement, except that, as between the Pledgor and the Secured Party, (i) relevant portions of the other Transaction Documents, the Experience Investment Guidelines Agreement and the Authorization Letters may be used for interpretive purposes, and (ii) if any provision hereof (other than Sections 2.5 and 3.1) conflicts with any provisions of the Transaction Documents or other agreement executed by the Pledgor and the Secured Party after the Execution Date, the provisions of the applicable Transaction Documents or such agreement, as the case may be, shall control to the extent of such conflict. Without limitation of any remedies set forth in Section 4, in the event of any conflict between the provisions of Section 4 and any other

provisions of this Agreement, the provisions of Section 4 shall prevail. In the event of any conflict between any provision in this Agreement that provides for (i) perfection by control of the (a) Deposit Account pursuant to UCC Section 9-104 or (b) the Securities Account pursuant to UCC Sections 9-106 or 8-106 or the law applicable to perfection and control of the Cedant Experience Collateral Account (collectively, the “**Control Provisions**”) and any provision in any Transaction Document, Account Agreement or other agreement executed by the Pledgor, the Secured Party and/or the Custodian on or after the Execution Date, the Control Provisions shall prevail.

**Section 8.10 Amendments** This Agreement may be modified or otherwise amended, and the observance of any term of this Agreement may be waived, if such modification, amendment or waiver is in writing and signed by each of the Parties.

**Section 8.11 Notices** Subject to Section 7.6,

(a) Any notice under or in connection with this Agreement shall be in writing, in the English language, and may be delivered personally, emailed or sent by first class post, pre-paid recorded delivery (if within the United Kingdom) or sent by DHL or UPS or similar courier (if elsewhere) to the relevant email address(es), facsimile number(s) or address(es), as the case may be, of the other Party(ies) set forth in Section 8.11(c) (or to such other email address(es), facsimile number(s) or address(es) of which the sender shall have been duly notified in accordance with this Section 8.11(a)), *provided* that each notice sent by post, recorded delivery or courier shall be sent using a method which guarantees delivery of such notice within forty eight (48) hours from dispatch and at any rate within the period specified in this Agreement for such notice to be served.

(b) Any notice shall be deemed to have been duly given in the case of (i) personal delivery, when delivered, (ii) delivery by email, when time-stamped as having been received by the recipient's email server, (iii) delivery by facsimile, on the date it is delivered, and (iv) first class post, pre-paid recorded delivery (if within the United Kingdom) or sent by DHL or UPS or similar courier (if elsewhere), at 10.00 a.m. on the third (3rd) Business Day following the date of posting, *provided* that in each case where delivery occurs after 5.00 p.m. on a Business Day or on a day which is not a Business Day, service shall be deemed to occur at 10.00 a.m. on the following Business Day.

(c) For the purposes of this agreement, if any unilateral notice is given, or any other unilateral communication made by the Pledgor to the Custodian, a copy of each such notice or other communication will be simultaneously provided by the Pledgor to the Secured Party. For the purposes of this agreement, if any unilateral notice is given, or any other unilateral communication made by the Secured Party to the Custodian, a copy of each such notice or other communication will be simultaneously provided by the Secured Party to the Pledgor and the Asset Manager. Each notice provided by the Pledgor under this Agreement shall include the applicable date and time and be addressed in chronological order, such that the earliest delivered notice shall be addressed by the Custodian before addressing any other outstanding notice and to the extent applicable, be implemented pursuant to a Trade Ticket. Proof of posting or dispatch of any notice shall be deemed to be proof of receipt (x) in the case of a hand delivery, on the

Business Day after delivery and (y) in the case of email, courier or facsimile transmission, on the Business Day immediately following the date of dispatch

The Pledgor

*For Exclusive Control Event Notices and Termination Event Notices*

The Prudential Assurance Company Limited  
3 Sheldon Square  
London W2 6PR  
United Kingdom  
Attention Executive, Legal and Company Secretariat

With copies to

Email UK Secretariat@Prudential.co.uk,  
Email Guy Dunlop@Prudential.co.uk, and  
Email InvestmentLinkedFunds.Reinsurance@Prudential.co.uk

*For all other matters*

The Prudential Assurance Company Limited  
Lancing  
BN15 8GB  
Attention Craig Richmond, Reinsurance & Unit Linked Support

With copies to

Email InvestmentLinkedFunds.Reinsurance@Prudential.co.uk, and  
Email UK Secretariat@Prudential.co.uk

The Custodian

The Bank of New York Mellon  
Asset Servicing Global Service Delivery  
Attention Syracuse Prudential Team, or such other address or addresses as the  
Custodian may designate in writing  
111 Sanders Creek Parkway  
East Syracuse, New York 13057,  
E-mail syrpruteam@bnymellon.com  
Fax 315-414-5028  
Tel 315-414-3619

*The Secured Party*

For Monthly Documents

Prudential Retirement Insurance and Annuity Company  
c/o Prudential Retirement  
Attention Robert Loveless and Alan Shields  
30 Scranton Office Park  
Scranton, PA 18507-1755  
E-mail Robert loveless@prudential.com  
Alan shields@prudential.com

For collateral matters

Prudential Retirement Insurance and Annuity Company  
c/o Prudential Retirement

Attention PGIM Derivative Ops  
655 Broad St – 7<sup>th</sup> Floor  
Newark, NJ 07102

Fax 973-367-8648  
E-mail pimfiswaps@prudential.com

For mortality basis matters

Prudential Retirement Insurance and Annuity Company  
c/o Prudential Retirement  
Attention George Silos  
655 Broad St – 15<sup>th</sup> Floor  
Newark, NJ 07102

Fax 973-367-9986  
E-mail George silos@prudential.com

For other matters

Prudential Retirement Insurance and Annuity Company  
c/o Prudential Retirement  
Attention Nicholas Yevitz, Ed Swartz and Dennis Pante  
Nicholas Yevitz  
Relationship Manager  
Prudential Retirement/Pension Risk Transfer  
30 Scranton Office Park  
Mail Stop 200  
Scranton, PA 18507



Fax 877-418-2815  
E-mail [nicholas.yevitz@prudential.com](mailto:nicholas.yevitz@prudential.com)  
Ed Swartz  
Relationship Manager  
Prudential Retirement/Pension Risk Transfer  
30 Scranton Office Park  
Mail Stop 200  
Scranton, PA 18507  
Fax 570-341-6437  
E-mail [edward.swartz@prudential.com](mailto:edward.swartz@prudential.com)  
Dennis Pante  
655 Broad Street  
15<sup>th</sup> Floor  
Newark, NJ 07102  
Fax (973) 367-8718  
E-mail [dennis.pante@prudential.com](mailto:dennis.pante@prudential.com)

#### The Valuation Agent

M&G Investment Management Limited  
Governors House  
Laurence Pountney Hill  
London EC4R 0HH

Attention Jonathan McClelland / Derran Llewellyn – Investment Operations

With copies to  
Email [UK.Secretariat@Prudential.co.uk](mailto:UK.Secretariat@Prudential.co.uk),  
Email [DLMOINTCLIENTS@mandg.co.uk](mailto:DLMOINTCLIENTS@mandg.co.uk), and  
Email [InvestmentLinkedFunds.Reinsurance@Prudential.co.uk](mailto:InvestmentLinkedFunds.Reinsurance@Prudential.co.uk)

(d) Each Party may amend the contact information provided in Section 8.11(c) from time to time during the term of this Agreement, *provided that* such amendments are notified to the other Parties in writing as soon as reasonably practicable

**Section 8.12 *Good Faith and Commercially Reasonable Manner*** Performance of all obligations under this Agreement, including, all calculations, valuations and determinations made by all parties thereto (including the Valuation Agent), will be made in good faith and in a commercially reasonable manner

**Section 8.13 *Centralized Functions*** The Bank of New York Mellon Corporation is a global financial organization that provides services to clients through its Affiliates and subsidiaries in multiple jurisdictions (the “**BNY Mellon Group**”) The BNY Mellon Group may centralize functions, including audit, accounting, risk, legal, compliance, sales, administration, product communication, relationship management, storage, compilation and analysis of

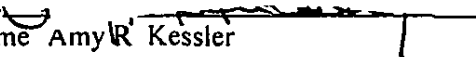
customer-related data, and other functions (the “**Centralized Functions**”) in one or more Affiliates, subsidiaries, and third-party service providers. Solely in connection with the Centralized Functions, (i) the Pledgor and the Secured Party consent to the disclosure of, and authorize the Custodian to disclose, information regarding the Pledgor and the Secured Party and their accounts (“**Customer-Related Data**”) to the BNY Mellon Group and to its third-party service providers who are subject to confidentiality obligations with respect to such information, and (ii) the Custodian may store the names and business addresses of employees of the Pledgor and the Secured Party on the systems or in the records of the BNY Mellon Group or its service providers. In addition, the BNY Mellon Group may aggregate Customer-Related Data with other data collected and/or calculated by the BNY Mellon Group, and the BNY Mellon Group will own all such aggregated data, *provided* that the BNY Mellon Group shall not distribute the aggregated data in a format that identifies Customer-Related Data with the Pledgor or the Secured Party. The Pledgor and the Secured Party are authorized to consent to the foregoing and confirm that the disclosure to and storage by the BNY Mellon Group of such information does not violate any relevant data protection legislation. In addition, Custodian may disclose Customer-Related Data as required by law or at the request of any governmental or regulatory authority.

Section 8.14 *Manifest Errors*. Notwithstanding anything to the contrary contained in this Agreement, if following the date hereof, the Pledgor, the Secured Party, the Valuation Agent, the Custodian or all Parties jointly, identify an obvious error or any error or omission of a technical or immaterial nature, in each case, in any provision of this Agreement, then the Pledgor, the Secured Party, the Valuation Agent and the Custodian may amend such provision by agreeing to substitute corrected pages in this Agreement or as otherwise mutually agreed.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed and delivered as of the date first above written.

PRUDENTIAL RETIREMENT INSURANCE AND  
ANNUITY COMPANY, *as Secured Party*

By:   
Name Amy R. Kessler  
Title Vice President  
In Newark, New Jersey

THE PRUDENTIAL ASSURANCE COMPANY LIMITED,  
*as Pledgor and Valuation Agent*

By: \_\_\_\_\_  
Name  
Title  
In

THE BANK OF NEW YORK MELLON, *as Custodian,  
Securities Intermediary and Depositary Bank*

By: \_\_\_\_\_  
Name  
Title.  
In:

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed and delivered as of the date first above written

PRUDENTIAL RETIREMENT INSURANCE AND  
ANNUITY COMPANY, *as Secured Party*

By \_\_\_\_\_  
Name Amy R. Kessler  
Title Vice President  
In Newark, New Jersey

THE PRUDENTIAL ASSURANCE COMPANY LIMITED,  
*as Pledgor and Valuation Agent*

By \_\_\_\_\_  
Name SEREMY DEEKS  
Title DIRECTOR  
In LONDON UK

THE BANK OF NEW YORK MELLON, *as Custodian,  
Securities Intermediary and Depository Bank*

By \_\_\_\_\_  
Name  
Title  
In

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed and delivered as of the date first above written

PRUDENTIAL RETIREMENT INSURANCE AND  
ANNUITY COMPANY, *as Secured Party*

By \_\_\_\_\_  
Name. Amy R Kessler  
Title Vice President  
In Newark, New Jersey

THE PRUDENTIAL ASSURANCE COMPANY LIMITED,  
*as Pledgor and Valuation Agent*

By \_\_\_\_\_  
Name  
Title  
In

THE BANK OF NEW YORK MELLON, *as Custodian,  
Securities Intermediary and Depositary Bank*

By \_\_\_\_\_  
Name: ~~Shawn~~ O'Sullivan  
Title. Vice President  
In New York, NY

EXHIBIT A  
CREDIT NOTICE

Date \_\_\_\_\_

Time \_\_\_\_\_

Reference is hereby made to that certain Cedant Experience Security and Control Agreement dated as of February 8, 2017 (as amended, restated, replaced, supplemented, replaced or otherwise modified from time to time, the "**Agreement**") by and among Prudential Retirement Insurance and Annuity Company (the "**Secured Party**"), The Prudential Assurance Company Limited (the "**Pledgor**"), The Bank of New York Mellon, as custodian, securities intermediary and depositary bank (in such capacities, the "**Custodian**"), and The Prudential Assurance Company Limited, as valuation agent. Capitalized terms used herein without definition shall have the respective meanings ascribed to them in the Agreement.

The Pledgor is hereby effecting a Credit of the Cedant Experience Collateral pursuant to Section 3.2(a) of the Agreement.

The Pledgor hereby instructs the Custodian to receive for Credit to the Cedant Experience Collateral Account [Identify Eligible Investment]

The Pledgor hereby represents that after giving effect to such Credit, the aggregate Cedant Experience Collateral Value of all Eligible Investments (determined by the Valuation Agent as of the most recent Collateral Review Date) Credited to the Cedant Experience Collateral Account is equal to or exceeds the Cedant Experience Collateral Requirement as of the most recent Collateral Review Date.

The Prudential Assurance Company Limited,  
as Pledgor

By \_\_\_\_\_

Name

Title

cc Prudential Retirement Insurance and Annuity Company

EXHIBIT B  
WITHDRAWAL NOTICE

Reference is hereby made to that certain Cedant Experience Security and Control Agreement dated as of February 8, 2017 (as amended, restated, supplemented, replaced or otherwise modified from time to time, the “**Agreement**”) by and among Prudential Retirement Insurance and Annuity Company (the “**Secured Party**”), The Prudential Assurance Company Limited (the “**Pledgor**”), The Bank of New York Mellon, as custodian, securities intermediary and depository bank (in such capacities, the “**Custodian**”), and The Prudential Assurance Company Limited, as valuation agent. Capitalized terms used herein without definition shall have the respective meanings ascribed to them in the Agreement.

[The Pledgor is hereby effecting a withdrawal of Cedant Experience Collateral pursuant to Section 3.2(b) of the Agreement. The Pledgor designates the following as the Cedant Experience Return Amount: [Identify the Collateral Asset]. Attached is a copy of the Valuation Report dated as of the immediately preceding Business Day, indicating that each item of Cedant Experience Collateral identified above is either a Non-Eligible Collateral Asset or an Excess Asset. The Pledgor and the Secured Party hereby instruct the Custodian to return to the Pledgor the Cedant Experience Return Amount.]

The Pledgor hereby represents that an Exclusive Control Event Period is not in effect and after giving effect to such withdrawal, the aggregate Cedant Experience Collateral Value of the Eligible Investments (determined by the Valuation Agent as of the most recent Collateral Review Date) Credited to the Cedant Experience Collateral Account equals or exceeds the Cedant Experience Collateral Requirement as of the most recent Collateral Review Date.

The Prudential Assurance Company Limited,  
as Pledgor

By \_\_\_\_\_

Name

Title

Date \_\_\_\_\_

Time \_\_\_\_\_

ACCEPTED AND AGREED TO BY

Prudential Retirement Insurance and Annuity  
Company, as Secured Party

By \_\_\_\_\_

Name

Title

Date \_\_\_\_\_

Time \_\_\_\_\_



**EXHIBIT C**  
**SUBSTITUTION NOTICE**  
**[THE PRIOR CEDANT COLLATERAL IS AN ELIGIBLE ASSET]**

*[THIS SUBSTITUTION NOTICE MUST BE DELIVERED AS AN ATTACHMENT TO AN EMAIL ADDRESSED TO THE CUSTODIAN]*

Reference is hereby made to that certain Cedant Security Agreement dated as of February 8, 2017 (as amended, restated, supplemented, replaced or otherwise modified from time to time, the “**Agreement**”) by and among Prudential Retirement Insurance and Annuity Company (the “**Secured Party**”), The Prudential Assurance Company Limited (the “**Pledgor**”), The Bank of New York Mellon, as custodian, securities intermediary and depositary bank (in such capacities, the “**Custodian**”), and The Prudential Assurance Company Limited, as valuation agent. Capitalized terms used herein without definition shall have the respective meanings ascribed to them in the Agreement.

The Pledgor is hereby effecting a substitution of Cedant Experience Collateral pursuant to Section 3.2(c) of the Agreement and is delivering herewith, and is hereby instructing the Custodian to cause to be Credited to the Cedant Experience Collateral Account, the following Substitute Cedant Experience Collateral [Identify new collateral]

The Pledgor hereby designates the following as the Prior Cedant Experience Collateral [Identify old collateral]

Attached is a copy of the Valuation Report dated as of the immediately preceding Business Day, indicating the Cedant Experience Collateral Value of the Prior Cedant Experience Collateral and the Substitute Cedant Experience Collateral (The Cedant Experience Collateral Value of a Non-Eligible Collateral Asset is zero)

The Pledgor hereby instructs the Custodian upon Credit of the Substitute Cedant Experience Collateral to the Cedant Experience Collateral Account to return to the Pledgor, the Prior Cedant Experience Collateral

The Pledgor hereby represents that (i) an Exclusive Control Event Period is not in effect, (ii) the Substitute Cedant Experience Collateral constitutes Eligible Investments, and (iii) after giving effect to such substitution, the sum of (a) the aggregate Cedant Experience Collateral Value (determined by the Valuation Agent as of the date hereof) of the non-substituted Eligible Investments, and (b) the aggregate Cedant Experience Collateral Value of the Substitute Cedant Experience Collateral (determined by the Valuation Agent as of the date hereof) is equal to or exceeds the Cedant Experience Collateral Requirement as of the most recent Collateral Review Date

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

The Prudential Assurance Company Limited,  
as Pledgor

By \_\_\_\_\_  
Name  
Title

Date \_\_\_\_\_  
Time \_\_\_\_\_

Prudential Retirement Insurance and Annuity  
Company, as Secured Party

By \_\_\_\_\_  
Name  
Title.

Date \_\_\_\_\_

Time \_\_\_\_\_

**EXHIBIT D**  
**NON-FAULT TERMINATION EVENT NOTICE**  
**(Termination Notice)**

*[The Default Termination Event or the delivery of this Termination Event Notice, as applicable, does not constitute an Exclusive Control Event ]*

Reference is hereby made to that certain Cedant Experience Security and Control Agreement dated as of February 8, 2017 (as amended, restated, supplemented, replaced or otherwise modified from time to time, the “**Agreement**”) by and among Prudential Retirement Insurance and Annuity Company (the “**Secured Party**”), The Prudential Assurance Company Limited (the “**Pledgor**”), The Bank of New York Mellon, as custodian, securities intermediary and depository bank (in such capacities, the “**Custodian**”), and The Prudential Assurance Company Limited, as valuation agent. Capitalized terms used herein without definition shall have the respective meanings ascribed to them in the Agreement.

This certificate is a “Termination Event Notice” and is being delivered to the Custodian pursuant to Section 4.1 of the Agreement. Capitalized terms used herein without definition shall have the respective meanings ascribed to them in the Agreement.

The undersigned, (i) the [Insert position] and a duly authorized officer of the Secured Party and (ii) the [Insert position] and a duly authorized officer of the Pledgor, do hereby certify, pursuant to Section 4.1 of the Agreement, as follows:

- (a) There has occurred a Non-Fault Termination Event.
- (b) The Termination Event Date is [Insert date no more than ten (10) Business Days after the service of this Termination Event Notice].

**The Prudential Assurance Company Limited,**  
as Pledgor

By \_\_\_\_\_

Name

Title

Date \_\_\_\_\_

Time \_\_\_\_\_

**Prudential Retirement Insurance and Annuity Company,** as Secured Party

By \_\_\_\_\_

Name

Title

Date \_\_\_\_\_

Time \_\_\_\_\_

EXHIBIT E  
EXCLUSIVE CONTROL EVENT NOTICE

*[The Default Termination Event or the delivery of this Termination Event Notice, as applicable, constitutes an Exclusive Control Event ]*

Date \_\_\_\_\_

Time \_\_\_\_\_

Reference is hereby made to that certain Cedant Experience Security and Control Agreement dated as of February 8, 2017 (as amended, restated, supplemented, replaced or otherwise modified from time to time, the “**Agreement**”) by and among Prudential Retirement Insurance and Annuity Company (the “**Secured Party**”), The Prudential Assurance Company Limited (the “**Pledgor**”), The Bank of New York Mellon, as custodian, securities intermediary and depositary bank (in such capacities, the “**Custodian**”), and The Prudential Assurance Company Limited, as valuation agent. This certificate is a “Termination Event Notice” and is being delivered to the Custodian pursuant to Section 4.1 of the Agreement. Capitalized terms used herein without definition shall have the respective meanings ascribed to them in the Agreement.

The undersigned, the *[Insert position]* and a duly authorized officer of the Secured Party, does hereby certify, pursuant to Section 4.1 of the Agreement, as follows:

- (i) There has occurred a Default Termination Event.
- (ii) The Termination Event Date is *[Insert date no more than ten (10) Business Days after the service of this Termination Event Notice]*
- (iii) Such Default Termination Event constitutes an Exclusive Control Event, and an Exclusive Control Event Period has begun on the Termination Event Date identified above.
- (iv) The Secured Party hereby instructs the Custodian to (i) continue to comply with Written Instructions including entitlement orders, disposition instructions and other instructions originated by the Secured Party without further consent of the Pledgor, the Asset Manager or any other person, (ii) not comply with any Written Instructions including entitlement orders, disposition instructions and other instructions originated by the Pledgor, and (iii) make all future transfers and Deliveries with respect to the Cedant Experience Collateral Account only in accordance with the Written Instructions originated by the Secured Party.

**Prudential Retirement Insurance and Annuity  
Company, as Secured Party**

By \_\_\_\_\_  
Name  
Title

cc The Prudential Assurance Company Limited  
M&G Investment Management Limited

EXHIBIT F  
TERMINATION OF EXCLUSIVE CONTROL EVENT NOTICE  
(Reinstatement Date Notice)

Date \_\_\_\_\_

Time \_\_\_\_\_

Reference is hereby made to that certain Cedant Experience Security and Control Agreement dated as of February 8, 2017 (as amended, restated, supplemented, replaced or otherwise modified from time to time, the "**Agreement**") by and among Prudential Retirement Insurance and Annuity Company (the "**Secured Party**"), The Prudential Assurance Company Limited (the "**Pledgor**"), The Bank of New York Mellon, as custodian, securities intermediary and depository bank (in such capacities, the "**Custodian**"), and The Prudential Assurance Company Limited, as valuation agent. Capitalized terms used herein without definition shall have the respective meanings ascribed to them in the Agreement.

Reference is hereby made to the Exclusive Control Event Notice dated *[Insert Date]*, notifying the Custodian that an Exclusive Control Event has occurred. The Secured Party hereby certifies to the Custodian that (i) such Exclusive Control Event is no longer continuing and (ii) the Reinstatement Date is the date hereof.

Prudential Retirement Insurance and Annuity  
Company, as Secured Party

By \_\_\_\_\_  
Name  
Title

cc The Prudential Assurance Company Limited

M&G Investment Management Limited

EXHIBIT G  
TERMINATION OF NON-FAULT TERMINATION EVENT NOTICE  
(Reinstatement Date Notice)

Reference is hereby made to that certain Cedant Experience Security and Control Agreement dated as of February 8, 2017 (as amended, restated, supplemented, replaced or otherwise modified from time to time, the "**Agreement**") by and among Prudential Retirement Insurance and Annuity Company (the "**Secured Party**"), The Prudential Assurance Company Limited (the "**Pledgor**"), The Bank of New York Mellon, as custodian, securities intermediary and depository bank (in such capacities, the "**Custodian**"), and The Prudential Assurance Company Limited, as valuation agent. Capitalized terms used herein without definition shall have the respective meanings ascribed to them in the Agreement.

Reference is hereby made to the Non-Fault Termination Event Notice dated *[Insert Date]*, notifying the Custodian that a Non-Fault Termination Event has occurred. The Secured Party hereby certifies to the Custodian that (i) such Non-Fault Termination Event has been cured and the Non-Fault Termination Event Notice is rescinded and (ii) the Reinstatement Date is the date hereof.

Prudential Retirement Insurance and Annuity  
Company, as Secured Party

By \_\_\_\_\_  
Name  
Title

Date \_\_\_\_\_

Time \_\_\_\_\_

The Prudential Assurance Company Limited,  
as Pledgor

By \_\_\_\_\_  
Name  
Title

Date \_\_\_\_\_

Time \_\_\_\_\_

EXHIBIT H  
TERMINATION WITHDRAWAL NOTICE

Reference is hereby made to that certain Cedant Experience Security and Control Agreement dated as of February 8, 2017 (as amended, restated, supplemented, replaced or otherwise modified from time to time, the “**Cedant Experience Security Agreement**”) by and among Prudential Retirement Insurance and Annuity Company (the “**Secured Party**”), The Prudential Assurance Company Limited (the “**Pledgor**”), The Bank of New York Mellon, as custodian, securities intermediary and depository bank (in such capacities, the “**Custodian**”), and The Prudential Assurance Company Limited, as valuation agent. This certificate is a “Termination Withdrawal Notice” delivered to the Custodian pursuant to Section 4 l(d) of the Cedant Experience Security Agreement. Capitalized terms used herein without definition shall have the respective meanings ascribed to them in the Cedant Experience Security Agreement.

The undersigned, the [Insert position] and a duly authorized officer of the Secured Party, does hereby certify, pursuant to Section 4 l(d) of the Cedant Experience Security Agreement, as follows:

- (a) The [Provisional Experience Termination Payment] [Experience Termination Payment Adjusting Amount] has been determined pursuant to the relevant provisions of the applicable Transaction Documents.
- (b) The [Provisional Experience Termination Payment] [Experience Termination Payment Adjusting Amount] that has not theretofore been paid in Cash by the Pledgor to the Secured Party is [Insert Amount] (the “**Withdrawal Amount**”).
- (c) The Market Value of the Payment in Kind Collateral Assets (as of the Business Day immediately before the date of this notice) is [equal to or less] [greater] than the Withdrawal Amount.
- (d) The Payment in Kind Collateral Assets to be released from the Cedant Experience Collateral Account and transferred to the Secured Party [Insert if the Market Value of the Payment in Kind Collateral Assets is equal to or less than the Withdrawal Amount constitutes all of the Payment in Kind Collateral Assets Credited to the Cedant Experience Collateral Account] [Insert if the Market Value of the Payment in Kind Collateral Assets is greater than the Withdrawal Amount consists of the following [Identify Collateral Assets and their respective Market Values].

Please Deliver the Collateral Assets identified above to the Secured Party at [state details]



Prudential Retirement Insurance and Annuity  
Company, as Secured Party

By \_\_\_\_\_

Name

Title

Date \_\_\_\_\_

Time \_\_\_\_\_

*[Signed by Pledgor only if no Exclusive Control Event has occurred]*

The Prudential Assurance Company Limited,  
as Pledgor

By \_\_\_\_\_

Name

Title

Date \_\_\_\_\_

Time \_\_\_\_\_

*[cc is included only if not signed by Pledgor/no Exclusive Control Event has occurred]*

cc The Prudential Assurance Company Limited

M&G Investment Management Limited

EXHIBIT I  
MANAGEMENT OF COLLATERAL ASSETS

- (a) *Investment Decisions Regarding Collateral Assets* The Asset Manager and the Pledgor may, from time to time (other than during any Exclusive Control Event Period), jointly direct the Custodian to settle transactions in connection with the exercise by the Asset Manager of any Investment Power with respect to any Collateral Asset. The Secured Party may, from time to time during any Exclusive Control Event Period, direct the Custodian to settle transactions in connection with the exercise of any Investment Power with respect to any Collateral Asset.
- (b) *Voting Decisions Regarding Collateral Assets* The Asset Manager and the Pledgor may, from time to time (other than during any Exclusive Control Event Period), jointly direct the Custodian to exercise any Voting Power with respect to any Collateral Asset (regardless of how such Collateral Asset is registered). The Secured Party may, from time to time during any Exclusive Control Event Period, direct the Custodian to exercise any Voting Power with respect to any Collateral Asset (regardless of how such Collateral Asset is registered).
- (c) *Execution and Delivery of Investment/Voting Orders* Each instruction by the Asset Manager, the Pledgor or the Secured Party pursuant to clauses (a) or (b) above regarding the exercise of Investment Power or Voting Power with respect to any Collateral Asset shall be in writing. Notwithstanding anything to the contrary, if any such instruction requires the exercise of any Investment Power or Voting Power with respect to a Collateral Asset and the Custodian has not received such instruction within a reasonable period of time in order to effect such instruction, then (x) the Custodian need not effect such instruction, and (y) subject to Sections 7.1 and 7.3 of this Agreement, the Custodian shall not be liable for any failure to take any action instructed in, or failure to exercise any rights conferred by, such instruction.
- (d) *Execution of Investment/Voting Orders* Upon the Custodian's receipt of any instruction or certificate pursuant to clauses (a) or (b) above regarding the exercise of Investment Power or Voting Power with respect to any Collateral Asset, the Custodian shall promptly (and in no event later than the third (3rd) New York Business Day after receipt of such instruction or other certificate) take any and all actions with respect to the Cedant Experience Collateral Account necessary to implement such instruction or other certificate. The Custodian shall settle securities transactions by itself or by means of an agent or broker in accordance with this Agreement and the instructions to the Custodian set forth in the applicable instruction.
- (e) *Limited Duties Relating to the Exercise of Voting Power* Notwithstanding anything herein to the contrary, to the extent any instruction directs the exercise of any Voting Power with respect to any Collateral Asset, (x) if such Collateral Asset is issued in the United States or the United Kingdom, then the Custodian's only duty with respect thereto shall be to mail, to the Pledgor or the Secured Party, as applicable, any documents (including proxy statements, annual reports and signed proxies) that relate to the exercise of such Voting Power, and (y) if such Collateral Asset is issued outside of the United States and the United Kingdom, then the Custodian's only duty with respect thereto shall be to provide, at the request of the Pledgor or the Secured Party, as applicable, access (without any liability therefor) to a provider of global proxy services (the cost of which will be paid by the Pledgor or the Secured Party, as applicable).

(f) *Notices with Respect to Investment Powers and Voting Powers* The Custodian shall transmit, to the Pledgor or the Secured Party, as applicable, notices it receives with respect to Investment Powers and Voting Powers relating to each Collateral Asset. If the Custodian shall not actually receive any such notice, then the Custodian shall have no liability for failing to so notify the Pledgor or the Secured Party.

(g) *Settlements*

- (1) *Settlements by the Custodian* If the Custodian is directed to Deliver Collateral Assets against payment, then such Delivery will be made by the Custodian in accordance with generally accepted market practice.
- (2) *Pending Delivery and Return of Collateral Assets* As between the Pledgor and the Secured Party only, Section 3.6(b) of this Agreement shall apply to any credit or other transfer of Collateral Assets that the Pledgor or the Secured Party is required to make hereunder.

(h) *Foreign Exchange Transactions* Upon its receipt of an instruction from the Asset Manager or the Pledgor, The Bank of New York Mellon, in its individual capacity (the “**Bank**”), shall be authorized to enter into spot or forward foreign exchange contracts as specified in such instruction (“**FX Transactions**”) with the Cedant Experience Collateral Account and may provide such foreign exchange services to the Cedant Experience Collateral Account through the Bank’s subsidiaries or BNYM Affiliates, or through Subcustodians. Such FX Transactions may be entered into with the Bank, any Subcustodian or any BNYM Affiliate or subsidiary thereof acting as principal or otherwise through customary banking channels, and they may retain any profits, to them, from such FX Transactions. Written instructions, including standing instructions, may be issued by the Pledgor with respect to such FX Transactions, but the Bank may establish rules or limitations concerning any foreign exchange facility made available. Neither the Bank nor any Subcustodian shall be liable for any fluctuations or changes in foreign exchange rates, which shall be the sole risk and liability of the Pledgor, nor shall the Bank or any Subcustodian be required to substitute one currency for any other currency.

(i) *The Custodian’s Obligations and Rights* The Custodian will indicate, where necessary or required by law or otherwise, that the Collateral Assets do not belong to the Custodian, and the Custodian shall not hold itself out as the beneficial owner of any Collateral Assets. The Custodian shall not interfere with title to any Collateral Assets nor shall any of them encumber any Collateral Assets (other than Cash) by means of any mortgage, pledge, Lien, security interest, charge, hypothecation, security agreement or arrangement, or other adverse claim against title of any kind. Notwithstanding anything herein to the contrary, to the extent that the Custodian utilizes a Clearing Corporation in connection with its performance of the services it provides under this Agreement, the Custodian may at any time and without notice to the Pledgor or the Secured Party and in order to effect transactions in securities through such Clearing Corporation, pledge or assign a security interest in the Collateral Assets that is the subject of such transactions in order to secure any advances made by, or amounts owed to such Clearing Corporation and specific to such transactions, but solely to the extent that the rules and

regulations of such Clearing Corporation require such security interest. The Custodian shall use reasonable care in the custody of the Collateral Assets, shall segregate such Collateral Assets from its own assets and shall maintain continuous custody in accordance with such standards as are customary for the Custodian's custody of similar assets, which standards shall at all times meet or exceed standards that are customary for such custody in the banking industry.

(j) *Risk of Loss*. Subject to Sections 7.1 and 7.3, any loss incurred from any investment pursuant to this Agreement shall be borne exclusively by the Cedant Experience Collateral Account.

(k) *Custodian Need Not Act Without Instructions*. In the absence of its receipt of Written Instructions with respect thereto pursuant to this Agreement, the Custodian shall have no duty to invest any Collateral Assets or otherwise exercise any Investment Power. In no event shall the Custodian be required to make any investment decision at its own discretion.

(l) *Redemption of Collateral Assets*. The Custodian shall surrender for payment all maturing Collateral Assets and, after its actual receipt of notice, all Collateral Assets called for redemption and shall Credit the proceeds of any such payment to the Cedant Experience Collateral Account.

(m) *Proceeds of Collateral Assets*. Except as otherwise provided in this Agreement, all payments of interest (including interest earned on Cash Collateral Assets and all proceeds from redemptions or maturities), dividends and other income in respect of, or proceeds and settlements (whether scheduled or pursuant to Early Termination Events or otherwise) of, Collateral Assets shall be Credited by the Custodian to the Cedant Experience Collateral Account.

(n) *Interest on Cash Collateral Assets*. Other than during an Exclusive Control Event Period, the Pledgor agrees to cause all Collateral Assets consisting of Cash to be invested in a manner so as to earn a compounded rate of return on a daily basis no less than the Federal Funds Effective Rate (in the case of USD) or SONIA (in the case of GBP). The Pledgor shall cause all such interest to be Credited to the Cedant Experience Collateral Account no less frequently than monthly. The Secured Party shall at its option cause, during all Exclusive Control Event Periods, all Collateral Assets consisting of Cash to be invested in a manner so as to earn a compounded rate of return on a daily basis no less than the Federal Funds Effective Rate (in the case of USD) or Sterling OverNight Index Average (in the case of GBP).

(o) *Concerning Income*. Subject to Sections 7.1 and 7.3, all interest (including interest earned on Cash Collateral Assets), dividends and other income that are Credited to the Cedant Experience Collateral Account, and any earnings thereon, shall be considered income attributable to the Pledgor. Notwithstanding the immediately preceding sentence, such income shall be subject to deduction of the Custodian's compensation and expenses, to the extent not otherwise paid by the Pledgor. Any proceeds, interest, dividend or other income on Collateral Assets automatically posted and credited on the payment date that is not received by the Custodian on such payment date shall be debited by the Custodian from the Cedant Experience Collateral Account promptly (and in no event later than five (5) New York Business Days after receipt, subject to customary market settlement practices and the Custodian's settlement procedures for such Collateral Assets), and no interest or other expense will be payable to the Custodian with respect to any such amount. If the Custodian is unable to debit such

automatically posted proceeds, interest, dividend or other income or is otherwise unable to collect such amount from the Cedant Experience Collateral Account, then the Pledgor agrees to reimburse such amount to the Custodian promptly upon request. If the Pledgor receives any such proceeds, interest, dividend or other income in respect of any Collateral Assets then Credited to the Cedant Experience Collateral Account for which the Bank has advanced funds, the Pledgor shall promptly Deliver such proceeds, interest, dividend or other income for Credit to the Cedant Experience Collateral Account.

(p) *Electronic Access* At all times during the term of this Agreement, the Custodian shall furnish, to the Pledgor and the Secured Party, access to the Custodian's then-existing on-line, electronic account reporting and information system. The Parties agree that the use of such system shall be subject to the Custodian's Data Terms and Conditions as posted on its Data Terms Website at [https // workbench bnymellon com/public/TermsConditions\\_12-01-09 pdf](https://workbench.bnymellon.com/public/TermsConditions_12-01-09.pdf) or any successor website the address of which is provided by the Custodian to the Pledgor and the Secured Party.

EXHIBIT J  
REHYPOTHECAATION NOTICE

Date \_\_\_\_\_

Time \_\_\_\_\_

Reference is hereby made to that certain Cedant Experience Security and Control Agreement dated as of February 8, 2017 (as amended, restated, supplemented, replaced or otherwise modified from time to time, the "**Agreement**") by and among Prudential Retirement Insurance and Annuity Company (the "**Secured Party**"), The Prudential Assurance Company Limited (the "**Pledgor**"), The Bank of New York Mellon, as custodian, securities intermediary and depository bank (in such capacities, the "**Custodian**"), and The Prudential Assurance Company Limited, as valuation agent. Capitalized terms used herein without definition shall have the respective meanings ascribed to them in the Agreement.

The Secured Party is hereby exercising its rehypothecation right pursuant to Section 3.3(a) of the Agreement and, in connection therewith, identifies the following Collateral Asset(s) held in the Cedant Experience Collateral Account to be rehypothecated, which Collateral Assets shall be the "Identified Rehypothecation Collateral Assets" for purposes thereof. [Identify Collateral Asset(s)]

PRUDENTIAL RETIREMENT INSURANCE AND  
ANNUITY COMPANY, *as Secured Party*

By \_\_\_\_\_  
Name  
Title

cc The Prudential Assurance Company Limited

M&G Investment Management Limited

EXHIBIT K  
REPOSTING DISPUTE NOTICE

*[FOR DELIVERY TO THE SECURED PARTY ONLY]*

Date \_\_\_\_\_

Time \_\_\_\_\_

Reference is hereby made to that certain Cedant Experience Security and Control Agreement dated as of February 8, 2017 (as amended, restated, supplemented, replaced or otherwise modified from time to time, the "**Agreement**") by and among Prudential Retirement Insurance and Annuity Company (the "**Secured Party**"), The Prudential Assurance Company Limited (the "**Pledgor**"), The Bank of New York Mellon, as custodian, securities intermediary and depository bank (in such capacities, the "**Custodian**"), and The Prudential Assurance Company Limited, as valuation agent. Capitalized terms used herein without definition shall have the respective meanings ascribed to them in the Agreement.

The Pledgor delivers this Reposting Dispute Notice to the Secured Party pursuant to Section 3.4(b) of the Agreement, and, hereby certifies that:

(a) the Secured Party has caused the following asset to be Credited to the Cedant Experience Collateral Account pursuant to the terms of the Agreement *[Identify asset]* (the "**Disputed Asset**"), and

(b) the Pledgor reasonably and in good faith believes that such Disputed Asset does not constitute either (x) the relevant Rehypothesized Collateral Asset or (y) an asset that is Equivalent to such Collateral Asset because *[describe reason(s) for Reposting Dispute]*

The Prudential Assurance Company Limited,  
as Pledgor

By \_\_\_\_\_

Name

Title

EXHIBIT L  
RESOLUTION NOTICE

Reference is hereby made to that certain Cedant Experience Security and Control Agreement dated as of February 8, 2017 (as amended, restated, supplemented, replaced or otherwise modified from time to time, the 'Agreement') by and among Prudential Retirement Insurance and Annuity Company (the "Secured Party"), The Prudential Assurance Company Limited (the "Pledgor"), The Bank of New York Mellon, as custodian, securities intermediary and depository bank (in such capacities, the "Custodian"), and The Prudential Assurance Company Limited, as valuation agent. Capitalized terms used herein without definition shall have the respective meanings ascribed to them in the Agreement.

The Pledgor and the Secured Party deliver this Resolution Notice pursuant to Section 3.4(b)(iii) of the Agreement, and, hereby certify that

(i) The Reposting Dispute described on the Reposting Dispute Notice dated [Insert Date] has been resolved on the following terms [Describe terms], and

(ii) [the following assets are to be withdrawn from the Cedant Experience Collateral Account pursuant to, and in accordance with the Withdrawal Notice and or Trade Ticket Delivered concurrently herewith and transferred to \_\_\_\_\_ Account No. designated by [Secured Party] [Pledgor]] [the following assets are to be Delivered by the [Secured Party] [Pledgor] and Credited to the Cedant Experience Collateral Account pursuant to, and in accordance with the Credit Notice and or Trade Ticket delivered concurrently herewith] [Identify assets][no assets are required to be withdrawn from or Credit to the Cedant Experience Collateral Account in connection with the resolution of this Reposting Dispute]

The Prudential Assurance Company Limited,  
as Pledgor

By \_\_\_\_\_

Name

Title

Date \_\_\_\_\_

Time \_\_\_\_\_

PRUDENTIAL RETIREMENT INSURANCE AND  
ANNUITY COMPANY, as Secured Party

By \_\_\_\_\_

Name

Title

Date \_\_\_\_\_

Time \_\_\_\_\_



EXHIBIT M  
REPOSTING NOTICE

Date \_\_\_\_\_

Time \_\_\_\_\_

Reference is hereby made to that certain Cedant Experience Security and Control Agreement dated as of February 8, 2017 (as amended, restated, supplemented, replaced or otherwise modified from time to time, the “**Agreement**”) by and among Prudential Retirement Insurance and Annuity Company (the “**Secured Party**”), The Prudential Assurance Company Limited (the “**Pledgor**”), The Bank of New York Mellon, as custodian, securities intermediary and depositary bank (in such capacities, the “**Custodian**”), and The Prudential Assurance Company Limited, as valuation agent. Capitalized terms used herein without definition shall have the respective meanings ascribed to them in the Agreement.

The Secured Party hereby exercises its right pursuant to Section 3.3(c) of the Agreement to cause the following Rehypothesized Collateral Asset (or assets that are Equivalent to such Rehypothesized Collateral Asset) to be Credited to the Cedant Experience Collateral Account [Identify Asset]

PRUDENTIAL RETIREMENT INSURANCE AND  
ANNUITY COMPANY, *as Secured Party*

By \_\_\_\_\_  
Name  
Title

cc. The Prudential Assurance Company Limited

M&G Investment Management Limited

EXHIBIT N  
AGREEMENT TERMINATION NOTICE

Reference is hereby made to (i) that certain Fixed Charge Security Deed dated February 8, 2017 between Prudential Retirement Insurance and Annuity Company, as chargee, and The Prudential Assurance Company Limited, as chargor (as amended, restated, supplemented, replaced or otherwise modified from time to time, the "**Cedant Fee Security Deed**"), (ii) the Cedant Fee Custody and Control Agreement dated February 8, 2017 (as amended, restated, supplemented, replaced or otherwise modified from time to time, the "**Cedant Fee Control Agreement**," and together with the Cedant Fee Security Deed, the "**Cedant Fee Security Agreements**") among Prudential Retirement Insurance and Annuity Company, as Secured Party, The Prudential Assurance Company Limited, as client, and The Bank of New York Mellon, London Branch, as custodian (the "**Fee Custodian**"), and The Prudential Assurance Company Limited, as valuation agent, (iii) that certain Cedant Experience Security and Control Agreement dated as of February 8, 2017 (as amended, restated, supplemented, replaced or otherwise modified from time to time, the "**Cedant Experience Security Agreement**") by and among Prudential Retirement Insurance and Annuity Company, as secured party, The Prudential Assurance Company Limited, as pledgor The Bank of New York Mellon, as custodian, securities intermediary and depository bank (the "**Experience Custodian**"), and The Prudential Assurance Company Limited, as valuation agent and (iv) that certain Reinsurer Security and Control Agreement dated as of February 8, 2017 (as amended, restated, supplemented, replaced or otherwise modified from time to time, the "**Reinsurer Security Agreement**" and together with the Cedant Fee Security Agreements and the Cedant Experience Security Agreement, the "**Reinsurance Security Agreements**") by and among Prudential Retirement Insurance and Annuity Company, as pledgor, The Prudential Assurance Company Limited, as secured party, Experience Custodian and The Prudential Assurance Company Limited, as valuation agent Capitalized terms used herein without definition shall have the respective meanings ascribed to them in the applicable Reinsurance Security Agreement

The undersigned

(a) hereby notify the Custodian pursuant to Section 4.4 of each Reinsurance Security Agreement that the (i) "Secured Obligations" as defined under each Reinsurance Security Agreement have been performed in full and paid in full in cash, (ii) each Reinsurance Security Agreement is terminated, (iii) the Lien of the Secured Party (as defined in the Cedant Fee Security Agreements) on and control of the Cedant Fee Collateral created by the Cedant Fee Security Agreements is automatically released and terminated, (iv) the Lien of the Secured Party (as defined in the Cedant Experience Security Agreement) on and control of the Cedant Experience Collateral created by the Cedant Experience Security Agreement is automatically released and terminated, (v) the Lien of the Secured Party (as defined in the Reinsurer Security Agreement) on and control of the Reinsurer Collateral (as defined in the Reinsurer Security Agreement) created by the Reinsurer Security Agreement is automatically released and terminated, and

(b) hereby instruct (i) the Fee Custodian, that in respect of the Cedant Fee Control Agreement, it shall hereafter only follow instructions of the Chargor and the Asset Manager (as each is defined therein) permitted pursuant thereto with respect to the Cedant Fee Collateral Account and the Collateral Assets Credited thereto, (ii) the Experience Custodian, that in respect of the Cedant Experience Security Agreement, it shall hereafter only follow instructions of the Pledgor and the Asset Manager (as each is defined therein) permitted pursuant to the Account Agreements with respect to the Cedant Experience Collateral Account and the Collateral Assets Credited thereto, and (iii) the Experience Custodian in respect of the Reinsurer Security Agreement, it shall hereafter only follow instructions of the Pledgor and the Asset Manager (as each is defined therein) permitted pursuant to the Account Agreements with respect to the Reinsurer Collateral Account (as defined in the Reinsurer Security Agreement) and the Collateral Assets Credited thereto

PRUDENTIAL RETIREMENT INSURANCE AND  
ANNUITY COMPANY, *as Chargee under the Cedant  
Fee Security Deed, as Secured Party under the  
Cedant Fee Control Agreement, as Secured Party  
under the Cedant Experience Security Agreement  
and as Pledgor under the Reinsurer Security  
Agreement*

By \_\_\_\_\_

Name

Title

Date \_\_\_\_\_

Time \_\_\_\_\_

The Prudential Assurance Company Limited,  
*as Chargor under the Cedant Fee Security Deed, as  
Client under the Cedant Fee Control Agreement, as  
Pledgor under the Cedant Experience Security  
Agreement and as Secured Party under the  
Reinsurer Security Agreement*

By \_\_\_\_\_

Name

Title

Date \_\_\_\_\_

Time \_\_\_\_\_

SCHEDULE I  
CEDANT EXPERIENCE COLLATERAL ACCOUNT

Cedant Experience Collateral Account means collectively, the following two accounts

- (i) The Bank of New York Mellon Account Number  
Account Name PAC FIXED COLL FBO PRIAC, and
  
- (ii) The Bank of New York Mellon Account Number  
Account Name PAC LINKED COLL FBO PRIAC