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### **Amendment No. 1 to Credit Agreement**

American International Group, Inc. (AIG)

Federal Reserve System: Federal Reserve Bank of New York

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## **AMENDMENT NO. 1 TO CREDIT AGREEMENT**

Reference is made to the Credit Agreement (the “**Credit Agreement**”) entered into as of September 22, 2008 between American International Group, Inc., as borrower, and Federal Reserve Bank of New York, as lender. Capitalized terms used but not defined herein shall have the meanings given to them in the Credit Agreement.

Each of the undersigned parties hereby agrees that the Credit Agreement (excluding the Schedules and Exhibits thereto) is hereby amended to read in its entirety as set forth on Exhibit A hereto.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed by their respective authorized officers as of September 25, 2008.

AMERICAN INTERNATIONAL  
GROUP, INC., as Borrower

By:



Name: Kathleen E. Shannon

Title: Senior Vice President & Secretary

FEDERAL RESERVE BANK OF NEW YORK,  
as Lender

Signature

By:

Name: Spence Hilton  
Title: Senior Vice President

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**EXHIBIT A  
CREDIT AGREEMENT**

[See Attached]

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**DEFINITIVE EXECUTION COPY**

**CREDIT AGREEMENT**

**dated as of**

**September 22, 2008,**

**between**

**AMERICAN INTERNATIONAL GROUP, INC.,  
as Borrower**

**and**

**FEDERAL RESERVE BANK OF NEW YORK,  
as Lender**

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Exhibit C            -    Form of Affiliate Subordination Agreement  
Exhibit D            -    Trust's Equity Interests

CREDIT AGREEMENT, dated as of September 22, 2008, between AMERICAN INTERNATIONAL GROUP, INC., a Delaware corporation (the “**Borrower**”), and FEDERAL RESERVE BANK OF NEW YORK, as lender (in such capacity, including any successor thereto, the “**Lender**”).

Unusual and exigent circumstances exist as determined by the Board, and the Board has authorized the Lender to extend credit to the Borrower, under the third paragraph of Section 13 of the Federal Reserve Act (12 U.S.C. § 343).

The Borrower has requested the Lender to extend credit in the form of Loans at any time and from time to time prior to the Maturity Date, in an Original Principal Amount not in excess of \$85,000,000,000. The proceeds of the Loans are to be used solely for the general corporate purposes of the Borrower and its Subsidiaries, including as a source of liquidity to pay principal, interest and other amounts under Indebtedness and other obligations as and when they become due and payable.

The Lender is willing to extend such credit to the Borrower, in each case on the terms and subject to the conditions set forth herein. Accordingly, the parties hereto agree as follows:

#### ARTICLE 1 DEFINITIONS

Section 1.01. *Defined Terms.* As used in this Agreement, the following terms shall have the meanings specified below:

“**Affiliate**” shall mean, when used with respect to a specified Person, another Person that directly, or indirectly through one or more intermediaries, Controls or is Controlled by or is under common Control with the Person specified; *provided* that for purposes of Section 6.07, the term “Affiliate” (i) shall include any Person that directly or indirectly owns 5% or more of any class of Equity Interests of the Person specified (excluding, however, any Person that is a beneficial owner of voting stock of the Borrower and who is eligible to report and reports such beneficial ownership on Schedule 13G promulgated under the Securities Exchange Act of 1934) or that is an executive officer or director of the Person specified and (ii) shall not include any Subsidiary. None of the Lender, the other Federal Reserve Banks nor the United States Treasury shall be deemed to be an “Affiliate” of any Loan Party for purposes of this Agreement.

“**Affiliate Subordination Agreement**” shall mean an Affiliate Subordination Agreement substantially in the form of Exhibit C pursuant to which intercompany obligations and advances owed by any Loan Party are subordinated to the Obligations.

“**Aggregate Liquidity**” shall mean, at any time, the sum of (i) the aggregate amount of unrestricted cash and cash equivalents on hand of the Borrower and each Restricted Subsidiary that is a Domestic Subsidiary and (ii) the Available Commitment at such time.

“**Agreement Value**” shall mean, for each Swap Contract, on any date of determination, the maximum aggregate amount (giving effect to any netting agreements and netting amounts arising out of intercompany Swap Agreements) that the Borrower or any Subsidiary would be required to pay if such Swap Contract were terminated on such date.

“**A.M. Best**” shall mean A.M. Best Company.

“**Annual Statement**” shall mean the annual statutory financial statement of any Insurance Subsidiary required to be filed with the insurance commissioner (or similar authority) of its jurisdiction of organization, which statement shall be in the form required by such Insurance Subsidiary’s jurisdiction of incorporation or, if no specific form is so required, in the form of financial statements permitted by such insurance commissioner (or such similar authority) to be used for filing annual statutory financial statements and shall contain the type of information permitted or required by such insurance commissioner (or such similar authority) to be disclosed therein, together with all exhibits or schedules filed therewith.

“**Applicable Margin**” shall mean 8.50% per annum.

“**Asset Sale**” shall mean the sale, transfer or other disposition (by way of merger, casualty, condemnation or otherwise) by the Borrower or any Subsidiary of (a) any Equity Interests of any Guarantor or Subject Issuer (other than directors’ qualifying shares) or (b) any other asset of the Borrower or any Subsidiary (including Equity Interests not covered by (a) but excluding (i) dispositions and securitizations in the ordinary course of business, (ii) dispositions between or among the Borrower and the Subsidiaries and (iii) any sale, transfer or other disposition or series of related sales, transfers or other dispositions having a value not in excess of \$15,000,000).

“**Available Commitment**” at any time shall mean an amount equal to (i) the Commitment at such time *minus* (ii) the Original Principal Amount at such time.

“**Available Commitment Fee**” shall have the meaning assigned to such term in Section 2.05(a).

“**Board**” shall mean the Board of Governors of the Federal Reserve System.

“**Borrower**” shall have the meaning assigned to such term in the introductory statement to this Credit Agreement.

“**Borrowing**” shall mean the borrowing of a Loan hereunder.

“**Borrowing Request**” shall mean a request by the Borrower in accordance with the terms of Section 2.03 and substantially in the form of Exhibit A, or such other form as shall be approved by the Lender.

“**Business Day**” shall mean any day other than a Saturday, Sunday or day on which banks in New York City are authorized or required by law to close; *provided* that when used in connection with the determination of a LIBO Rate, the term “**Business Day**” shall also exclude any day on which banks are not open for dealings in Dollar deposits in the London interbank market.

“**Capital Expenditure**” shall mean (a) additions to property, plant and equipment and other capital expenditures of the Borrower and its Subsidiaries that are (or should be) set forth in a consolidated statement of cash flows of the Borrower for such period prepared in accordance with GAAP and (b) Capital Lease Obligations incurred by the Borrower and its consolidated Subsidiaries during such period, but excluding in each case (i) any such expenditure made to restore, replace or rebuild property to the condition of such property immediately prior to any damage, loss, destruction or condemnation of such property, to the extent such expenditure is made with insurance proceeds, condemnation awards or damage recovery proceeds relating to any such damage, loss, destruction or condemnation and (ii) capital expenditures or Capital Lease Obligations incurred by International Lease Finance Corporation and its subsidiaries with respect to aircraft and aircraft-related equipment.

“**Capital Lease Obligations**” of any Person shall mean the obligations of such Person to pay rent or other amounts under any lease of (or other arrangement conveying the right to use) real or personal property, or a combination thereof, which obligations are required to be classified and accounted for as capital leases on a balance sheet of such Person under GAAP, and the amount of such obligations shall be the capitalized amount thereof determined in accordance with GAAP.

A “**Change in Control**” shall be deemed to have occurred if (a) any “person” or “group” (within the meaning of Rule 13d-5 of the Securities Exchange Act of 1934 as in effect on the date hereof), other than the Permitted Investors, shall own, directly or indirectly, beneficially or of record, shares representing more than 20% of the aggregate ordinary voting power represented by the issued and outstanding capital stock of the Borrower, (b) a majority of the seats (other than vacant seats) on the board of directors of the Borrower shall at any time be occupied by persons who were not (i) nominated by the board of directors of the Borrower, (ii) appointed by directors so nominated or (iii) elected with the favorable vote of the Permitted Investors and (c) any change in control (or similar event, however denominated) with respect to the Borrower shall occur under and as defined in any indenture or agreement in respect of Material Indebtedness to which the Borrower or any Subsidiary is a party.

“**Charges**” shall have the meaning assigned to such term in Section 8.09.

“**Closing Date**” shall mean September 22, 2008.

“**Code**” shall mean the Internal Revenue Code of 1986, as amended from time to time.

“**Collateral**” shall mean all the “Collateral” as defined in any Security Document and shall also include the Mortgaged Properties (if any).

“**Commitment**” shall mean the commitment of the Lender to make Loans hereunder in an Original Principal Amount at any one time not to exceed \$85,000,000,000, as such amount may be reduced from time to time pursuant to this Agreement.

“**Communications**” shall have the meaning assigned to such term in Section 8.01.

“**Control**” shall mean the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of a Person, whether through the ownership of voting securities, by contract or otherwise, and the terms “**Controlling**” and “**Controlled**” shall have meanings correlative thereto.

“**Default**” shall mean any event or condition that constitutes an Event of Default or that, upon notice, lapse of time or both, would constitute an Event of Default.

“**Default Rate**” shall have the meaning assigned to such term in Section 2.07.

“**Department**” shall mean, with respect to any Insurance Subsidiary, the Governmental Authority of such Insurance Subsidiary’s jurisdiction of domicile with which such Insurance Subsidiary is required to file its Annual Statement (including any jurisdiction of domicile deemed to be such by virtue of a “commercially domiciled” or similar standard).

“**Disqualified Stock**” shall mean any Equity Interest that, by its terms (or by the terms of any security into which it is convertible or for which it is exchangeable), or upon the happening of any event, (a) matures (excluding any maturity as the result of an optional redemption by the issuer thereof) or is mandatorily redeemable, pursuant to a sinking fund obligation or otherwise, or is redeemable at the option of the holder thereof, in whole or in part, or requires the payment of any cash dividend or any other scheduled payment constituting a return of capital, in each case at any time on or prior to the first anniversary of the Maturity Date, or (b) is convertible into or exchangeable (unless at the sole option of the issuer thereof) for (i) debt securities or (ii) any Equity Interest referred to in

clause (a) above, in each case at any time prior to the first anniversary of the Maturity Date.

“**Dollars**” or “**\$**” shall mean lawful money of the United States of America.

“**Domestic Subsidiary**” shall mean any Subsidiary other than a Foreign Subsidiary.

“**Environmental Laws**” shall mean all former, current and future federal, state, local, municipal and foreign laws (including common law), treaties, regulations, rules, ordinances, codes, decrees, judgments, injunctions, permits, directives, orders (including consent orders), requirements of any Governmental Authority and agreements, in each case relating to the environment, natural resources, human health and safety or the presence, Release of, or exposure to, Hazardous Materials, or the generation, manufacture, processing, distribution, use, treatment, storage, transport, recycling, disposal or handling of, or the arrangement for such activities with respect to, Hazardous Materials, in each case, other than with respect to Section 8.05, not relating to or arising out of the insurance or reinsurance activities of the Borrower or the Subsidiaries.

“**Environmental Liability**” shall mean all liabilities, obligations, damages, losses, claims, actions, suits, judgments, orders, fines, penalties, fees, expenses and costs (including administrative oversight costs, natural resource damages and remediation costs), whether contingent or otherwise, arising out of or relating to (a) actual or alleged compliance or noncompliance with any Environmental Law, (b) the generation, manufacture, processing, distribution, use, handling, transport, storage, treatment, recycling or disposal of, or the arrangement for such activities with respect to, any Hazardous Materials, (c) exposure to any Hazardous Materials, (d) the Release of any Hazardous Materials or (e) any contract, agreement or other consensual arrangement pursuant to which a liability or obligation is assumed or imposed with respect to any of the foregoing. Liabilities of the type described above arising out of the obligation of any Insurance Subsidiary with respect to its insurance operations shall not constitute “Environmental Liabilities” hereunder except with respect to Section 8.05.

“**Equity Interests**” shall mean shares of capital stock, partnership interests, membership interests in a limited liability company, beneficial interests in a trust or other equity interests in any Person, and any option, warrant or other right entitling the holder thereof to purchase or otherwise acquire any such equity interest.

“**Equity Issuance**” shall mean any issuance or sale by the Borrower or any Subsidiary of any Equity Interests of such Borrower or Subsidiary except (a) any issuance or sale to the Borrower or any Subsidiary, (b) any issuance of directors’ qualifying shares, (c) sales or issuances of equity securities of the Borrower under any employee benefit plan, employment agreement or similar arrangement in existence on the Closing Date and (d) issuance of Equity Interests

pursuant to the Borrower's or any Subsidiary's obligations under so-called "alternative payment mechanisms" or similar provisions in the Outstanding Hybrid Securities.

**"ERISA"** shall mean the Employee Retirement Income Security Act of 1974, as the same may be amended from time to time.

**"ERISA Affiliate"** shall mean any trade or business (whether or not incorporated) that, together with the Borrower, is treated as a single employer under Section 414(b) or (c) of the Code or, solely for purposes of Section 302 of ERISA and Section 412 of the Code, is treated as a single employer under Section 414 of the Code.

**"ERISA Event"** shall mean (a) any "reportable event", as defined in Section 4043 of ERISA or the regulations issued thereunder, with respect to a Plan (other than an event for which the 30-day notice period is waived), (b) the existence with respect to any Plan of an "accumulated funding deficiency" (as defined in Section 412 of the Code or Section 302 of ERISA), whether or not waived, (c) the filing pursuant to Section 412(d) of the Code or Section 303(d) of ERISA of an application for a waiver of the minimum funding standard with respect to any Plan, (d) the incurrence by the Borrower or any of its ERISA Affiliates of any liability under Title IV of ERISA with respect to the termination of any Plan or the withdrawal or partial withdrawal of the Borrower or any of its ERISA Affiliates from any Plan or Multiemployer Plan, (e) the receipt by the Borrower or any of its ERISA Affiliates from the PBGC or a plan administrator of any notice relating to the intention to terminate any Plan or Plans or to appoint a trustee to administer any Plan, (f) the adoption of any amendment to a Plan that would require the provision of security pursuant to Section 401(a)(29) of the Code or Section 307 of ERISA, (g) the receipt by the Borrower or any of its ERISA Affiliates of any notice, or the receipt by any Multiemployer Plan from the Borrower or any of its ERISA Affiliates of any notice, concerning the imposition of Withdrawal Liability or a determination that a Multiemployer Plan is, or is expected to be, insolvent or in reorganization, within the meaning of Title IV of ERISA, (h) the occurrence of a "prohibited transaction" with respect to which the Borrower or any of the Subsidiaries is a "disqualified person" (within the meaning of Section 4975 of the Code) or with respect to which the Borrower or any such Subsidiary could otherwise be liable, (i) any Foreign Benefit Event or (j) any other event or condition with respect to a Plan or Multiemployer Plan that could reasonably be expected to result in liability of the Borrower or any Subsidiary.

**"Events of Default"** shall have the meaning assigned to such term in Article 7.

**"Excess Cash on Hand"** shall mean the excess of aggregate cash and cash equivalents on hand of the Borrower and each Restricted Subsidiary that is a Domestic Subsidiary over an amount to be set by the Lender in its reasonable discretion and following consultation with the Borrower on or before the date that



is 15 Business Days following the Closing Date (or such longer period as the Lender shall determine in its discretion).

“**Excluded Property**” shall have the meaning assigned to such term in the Guarantee and Pledge Agreement.

“**Excluded Subsidiary**” shall have the meaning assigned to such term in the Guarantee and Pledge Agreement.

“**Excluded Taxes**” shall mean, with respect to the Lender or any other recipient of any payment to be made by or on account of any obligation of the Borrower hereunder, (a) income or franchise taxes imposed on (or measured by) its net income by the United States of America, or by the jurisdiction under the laws of which such recipient is organized or in which its principal office is located or, in the case of the Lender, in which its applicable lending office is located and (b) any branch profits taxes imposed by the United States of America or any similar tax imposed by any other jurisdiction described in clause (a) above.

“**Existing Demand Notes**” shall mean each demand promissory note of the Borrower evidencing a borrowing by the Borrower from the Lender on or prior to the Closing Date.

“**Extraordinary Receipt**” shall mean any cash in excess of \$1,000,000 received by or paid to or for the account of the Borrower or any Subsidiary not in the ordinary course of business, including, without limitation, purchase price adjustments, tax refunds, judgments and litigation settlements, pension plan reversions and indemnity payments.

“**Fees**” shall mean the Available Commitment Fees.

“**Financial Officer**” of any Person shall mean the chief financial officer, principal accounting officer, treasurer or controller of such Person.

“**Foreign Benefit Event**” shall mean, with respect to any Foreign Pension Plan, (a) the existence of unfunded liabilities in excess of the amount permitted under any applicable law or in excess of the amount that would be permitted absent a waiver from a Governmental Authority, (b) the failure to make the required contributions or payments, under any applicable law, on or before the due date for such contributions or payments, (c) the receipt of a notice by a Governmental Authority relating to the intention to terminate any such Foreign Pension Plan or to appoint a trustee or similar official to administer any such Foreign Pension Plan, or alleging the insolvency of any such Foreign Pension Plan, (d) the incurrence of any liability by the Borrower or any Subsidiary under applicable law on account of the complete or partial termination of such Foreign Pension Plan or the complete or partial withdrawal of any participating employer therein or (e) the occurrence of any transaction that is prohibited under any applicable law and that could reasonably be expected to result in the incurrence of

any liability by the Borrower or any of the Subsidiaries, or the imposition on the Borrower or any of the Subsidiaries of any fine, excise tax or penalty resulting from any noncompliance with any applicable law.

**“Foreign Pension Plan”** shall mean any benefit plan that under applicable law is required to be funded through a trust or other funding vehicle other than a trust or funding vehicle maintained exclusively by a Governmental Authority.

**“Foreign Subsidiary”** shall mean any Subsidiary that is a “controlled foreign corporation” within the meaning of the Code. For this purpose, a “controlled foreign corporation” includes any Subsidiary substantially all of the assets of which are the stock of one or more controlled foreign corporations.

**“Fund”** shall mean any investment vehicle managed by the Borrower or an Affiliate of the Borrower and created in the ordinary course of the Borrower’s asset management business for the purpose of selling Equity Interests in such investment vehicle to third parties.

**“GAAP”** shall mean United States generally accepted accounting principles applied on a consistent basis.

**“Governmental Authority”** shall mean any federal, state, local, municipal or foreign court or governmental agency, authority, instrumentality or regulatory body, including any board of insurance, insurance department or insurance commissioner.

**“Guarantee”** of or by any Person shall mean any obligation, contingent or otherwise, of such Person guaranteeing or having the economic effect of guaranteeing any Indebtedness or other obligation of any other Person (the **“primary obligor”**) in any manner, whether directly or indirectly, and including any obligation of such Person, direct or indirect, (a) to purchase or pay (or advance or supply funds for the purchase or payment of) such Indebtedness or other obligation or to purchase (or to advance or supply funds for the purchase of) any security for the payment of such Indebtedness or other obligation, (b) to purchase or lease property, securities or services for the purpose of assuring the owner of such Indebtedness or other obligation of the payment of such Indebtedness or other obligation or (c) to maintain working capital, equity capital or any other financial statement condition or liquidity of the primary obligor so as to enable the primary obligor to pay such Indebtedness or other obligation; *provided* that the term “Guarantee” shall not include endorsements for collection or deposit in the ordinary course of business.

**“Guarantee and Pledge Agreement”** shall mean the Guarantee and Pledge Agreement, substantially in the form of Exhibit B, among the Borrower, the Subsidiaries party thereto and the Lender.

“**Guarantor**” shall mean each Subsidiary listed on Schedule 1 to the Guarantee and Pledge Agreement and each other Subsidiary that is or becomes a party to the Guarantee and Pledge Agreement.

“**Hazardous Materials**” shall mean any pollutant, contaminant, waste or chemical or any toxic, radioactive, ignitable, corrosive, reactive or otherwise hazardous substance, waste or material, or any substance, waste or material having any constituent elements displaying any of the foregoing characteristics, including, without limitation, petroleum, its derivatives, by-products and other hydrocarbons, coal ash, radon gas, asbestos, asbestos-containing materials, urea formaldehyde foam insulation, polychlorinated biphenyls, chlorofluorohydrocarbons, and any substance, waste or material regulated under any environmental law.

“**Indebtedness**” of any Person shall mean, without duplication, (a) all obligations of such Person for borrowed money or with respect to deposits or advances of any kind, (b) all obligations of such Person evidenced by bonds, debentures, notes or similar instruments, (c) all obligations of such Person upon which interest charges are customarily paid, (d) all obligations of such Person under conditional sale or other title retention agreements relating to property or assets purchased by such Person, (e) all obligations of such Person issued or assumed as the deferred purchase price of property or services (excluding trade accounts payable and accrued obligations incurred in the ordinary course of business), (f) all Indebtedness of others secured by (or for which the holder of such Indebtedness has an existing right, contingent or otherwise, to be secured by) any Lien on property owned or acquired by such Person, whether or not the obligations secured thereby have been assumed, (g) all Guarantees by such Person of Indebtedness of others, (h) all Capital Lease Obligations of such Person, (i) all Synthetic Lease Obligations of such Person, (j) all obligations of such Person to purchase, redeem, retire, defease or otherwise make any payment in respect of any Equity Interests of such Person or any other Person or any warrants, rights or options to acquire such Equity Interests, valued, in the case of redeemable preferred interests, at the greater of its voluntary or involuntary liquidation preference *plus* accrued and unpaid dividends, (k) all obligations of such Person as an account party in respect of letters of credit, (l) all obligations of such Person in respect of bankers’ acceptances and (m) all obligations of such person in respect of Disqualified Stock. Indebtedness shall not include (i) any obligation of any Person to make any payment, hold funds or securities in trust or to segregate funds or securities for the benefit of one or more third parties pursuant to any insurance or reinsurance contract or any annuity contract, variable annuity contract or other similar agreement or instrument, including any policyholder account, (ii) obligations under Swap Agreements, (iii) obligations under or arising out of any employee benefit plan, employment contract or other similar arrangement in existence as of the Closing Date, or (iv) obligations under any severance or termination of employment agreement or plan. The Indebtedness of any Person shall include the Indebtedness of any partnership (other than

Indebtedness that is nonrecourse to such Person) in which such Person is a general partner.

“**Indemnified Taxes**” shall mean Taxes other than Excluded Taxes.

“**Indemnitee**” shall have the meaning assigned to such term in Section 8.05(b).

“**Insurance License**” shall mean any license, certificate of authority, permit or other authorization that is required to be obtained from any Governmental Authority in connection with the operation, ownership or transaction of insurance or reinsurance business.

“**Insurance Subsidiary**” shall mean (i) any Subsidiary that is required to be licensed as an insurer or reinsurer and (ii) any Subsidiary of a Person described in clause (i) above.

“**Insurance Subsidiary Extraordinary Dividend**” shall mean any extraordinary dividend or other distribution by any Insurance Subsidiary to the Borrower or any other Subsidiary (other than an Insurance Subsidiary), except dividends or other distributions which the Lender agrees from time to time shall be excluded from this definition.

“**Interest Period**” shall mean, (i) with respect to the initial Interest Period, the period commencing on the Closing Date and ending on the last Business Day of September 2008; and (ii) with respect to each subsequent Interest Period, the period commencing on the day following the last day of the preceding Interest Period and ending on the next Quarterly Payment Date (or, if earlier, the Maturity Date).

“**Investment Commitments**” shall mean “Investment Commitments” of the type referred to under the heading “Off Balance Sheet Arrangements and Commercial Commitments” on page 102 of the Borrower’s Form 10-Q for the fiscal quarter ended June 30, 2008.

“**Lender**” shall have the meaning specified in the introductory statement to this Credit Agreement.

“**LIBO Rate**” shall mean, (a) with respect to the initial Interest Period, 3.50%; and (b) with respect to each subsequent Interest Period, the greater of (i) 3.50% per annum and (ii) the rate per annum determined by the Lender on the last day of the preceding Interest Period by reference to the British Bankers’ Association LIBO Rate for three-month deposits in Dollars (as set forth by any service selected by the Lender that has been nominated by the British Bankers’ Association as an authorized information vendor for the purpose of displaying such rates); *provided* that to the extent that an interest rate is not ascertainable pursuant to the foregoing provisions of this definition, the “LIBO Rate” shall be

the interest rate per annum determined by the Lender to be representative of the rates per annum at which three-month deposits in Dollars are offered to major banks in the London interbank market in London, England by the Lender on the last day of the preceding Interest Period.

“**Lien**” shall mean, with respect to any asset, (a) any mortgage, deed of trust, lien, pledge, encumbrance, charge or security interest in or on such asset, (b) the interest of a vendor or a lessor under any conditional sale agreement, capital lease or title retention agreement (or any financing lease having substantially the same economic effect as any of the foregoing) relating to such asset and (c) in the case of securities, any purchase option, call or similar right of a third party with respect to such securities.

“**Loan Documents**” shall mean this Agreement, the Security Documents, the promissory notes, if any, executed and delivered pursuant to Section 2.04(d), documents entered into in connection with the issuance of the Trust Equity pursuant to Section 5.11 and any other document executed in connection with the foregoing.

“**Loan Parties**” shall mean the Borrower and the Guarantors.

“**Loans**” shall mean the loans made by the Lender to the Borrower pursuant to Section 2.01.

“**Material Adverse Effect**” shall mean (a) a material adverse effect on the business, assets, liabilities, operations, condition (financial or otherwise), operating results or prospects of the Borrower and the Subsidiaries, taken as a whole, (b) a material impairment of the ability of the Borrower or any other Loan Party to perform any of its obligations under any Loan Document to which it is or will be a party, (c) a material impairment of the totality of the rights and remedies of, or benefits available to the Lender under, the Loan Documents taken as a whole or (d) a material adverse effect on the value of the Collateral.

“**Material Adverse Regulatory Event**” shall mean the occurrence of any of the following events: (a) the applicable Department of any Material Insurance Subsidiary or a court of competent jurisdiction finds that any Material Insurance Subsidiary is in hazardous financial condition or is insolvent, (b) any Material Insurance Subsidiary is required to comply with any letter, bulletin or order of a state insurance regulator materially restricting its operations or business, or the Borrower or any Subsidiary enters into an agreement (whether oral or written) with any state insurance regulator for substantially the same purpose, (c) any insurance commissioner or other state insurance regulatory official intervenes in the management of the business of any Material Insurance Subsidiary, or the Borrower or any Subsidiary otherwise intentionally facilitates or takes any affirmative action towards facilitating, such intervention, (d) any Material Insurance Subsidiary becomes subject to orders of supervision, conservation, rehabilitation or liquidation, by agreement or otherwise, or has a receiver or

supervisor appointed or (e) any material Insurance License of any Material Insurance Subsidiary is suspended or revoked and such suspension or revocation continues for 30 days, or any renewal application by any Material Insurance Subsidiary for any material Insurance License is disapproved or ultimately fails to be approved.

“**Material Indebtedness**” shall mean Indebtedness (other than the Loans), or obligations in respect of one or more Swap Contracts, of any one or more of the Borrower or any Subsidiary in an aggregate principal amount exceeding \$25,000,000. For purposes of determining Material Indebtedness, the “principal amount” of the obligations of the Borrower or any Subsidiary in respect of any Swap Contract at any time shall be the Agreement Value of such Swap Contract at such time.

“**Material Insurance Subsidiary**” shall mean any Insurance Subsidiary that is a Material Subsidiary.

“**Material Subsidiary**” shall mean any Subsidiary that owns (i) total assets in excess of \$50,000,000 or (ii) Equity Interests in or Indebtedness of any other Material Subsidiary.

“**Maturity Date**” shall mean September 22, 2010.

“**Maximum Rate**” shall have the meaning assigned to such term in Section 8.09.

“**Moody’s**” shall mean Moody’s Investors Service, Inc., or any successor thereto.

“**Mortgaged Properties**” shall mean each parcel of owned real property and improvements thereto with respect to which a Mortgage is granted pursuant to Section 5.10(b).

“**Mortgages**” shall mean the mortgages, deeds of trust, leasehold mortgages, assignments of leases and rents, modifications and other security documents delivered pursuant to Section 5.10(b), each in form and substance satisfactory to the Lender.

“**Multiemployer Plan**” shall mean a multiemployer plan as defined in Section 4001(a)(3) of ERISA.

“**NAIC**” shall mean the National Association of Insurance Commissioners or any successor thereto, or in the absence of the National Association of Insurance Commissioners or such successor, any other association, agency or other organization performing advisory, coordination or other like functions among insurance departments, insurance commissioners and similar

Governmental Authorities of the various states of the United States toward the promotion of uniformity in the practices of such Governmental Authorities.

**“Net Cash Proceeds”** shall mean, subject to the last sentence of this definition, (a) with respect to any Asset Sale, the cash proceeds (including cash proceeds subsequently received (as and when received) in respect of noncash consideration initially received and including insurance proceeds), net of (i) all expenses (including broker’s fees or commissions, legal fees, transfer and similar taxes and the Borrower’s good-faith estimate of income taxes paid or payable in connection with such sale) incurred or assumed in connection with such Asset Sale, (ii) amounts provided as a reserve, in accordance with GAAP, against any liabilities associated with the asset subject to such Asset Sale or under any indemnification obligations or purchase price adjustment associated with such Asset Sale; *provided* that to the extent and at the time any such amounts are released from such reserve, such amounts shall constitute Net Cash Proceeds, (iii) the principal amount, premium or penalty, if any, interest and other amounts on any Indebtedness that is secured by the asset sold in such Asset Sale and that is required to be repaid with such proceeds (other than any such Indebtedness assumed by the purchaser of such asset), (iv) the proceeds thereof required to be paid to employees pursuant to any employee benefit plan, employment contract or other similar arrangement in effect on the Closing Date and (v) amounts required to be paid to any Person (other than the Borrower or any Subsidiary) owning an interest in the asset subject to such Asset Sale; (b) with respect to any issuance or incurrence of Indebtedness or any Equity Issuance, the cash proceeds thereof, net of all taxes and customary fees, commissions, costs and other expenses incurred in connection therewith; (c) with respect to any Extraordinary Receipt, the cash proceeds received by or paid to or for the account of the Borrower or any Subsidiary net of expenses attributable to collecting the Extraordinary Receipt (including reasonable fees or commissions, legal fees, documentary and similar taxes and the Borrower’s good-faith estimate of income taxes paid or payable in connection with such receipt); and (d) with respect to any Insurance Subsidiary Extraordinary Dividend, the cash proceeds received by or paid to or for the account of the Borrower or any other Subsidiary (other than an Insurance Subsidiary) net of withholding and similar taxes and the Borrower’s good-faith estimate of income taxes paid or payable in connection with such dividend. Notwithstanding the foregoing, Net Cash Proceeds arising from any Asset Sale, issuance or incurrence of any Indebtedness, issuance of any Equity Interests or Extraordinary Receipt by any Insurance Subsidiary shall be determined net of any amount which (i) the Department will not permit such Insurance Subsidiary to distribute, or which it would otherwise be illegal to distribute (whether as a dividend or otherwise), directly or indirectly to the Borrower or any Guarantor, and (ii) the Borrower, in consultation with the Lender and appropriate rating agencies, reasonably determines the distribution of which would cause the Insurance Subsidiary’s ratings to be downgraded; *provided* that in both cases the Borrower agrees that it shall use its best efforts to obtain any rating agency, regulatory or other approvals or assurances as may be necessary to permit such

distribution of Net Cash Proceeds in compliance with applicable law and without a credit rating downgrade.

**“Obligations”** shall mean all principal of all Loans outstanding from time to time hereunder, all interest (including Post-Petition Interest) on such Loans and all other amounts now or hereafter payable by the Borrower under the Loan Documents.

**“OFAC”** shall have the meaning assigned to such term in Section 3.18.

**“Original Principal Amount”** shall mean at any time the aggregate principal amount of all Loans outstanding at such time excluding any portion thereof attributable to Fees, interest or other amounts capitalized on or prior to such time pursuant to Section 2.05, Section 2.06, Section 4.02(e) or Section 4.03.

**“Other Taxes”** shall mean any and all present or future stamp or documentary taxes or any other excise or property taxes, charges or similar levies arising from any payment made under any Loan Document or from the execution, delivery or enforcement of, or otherwise with respect to, any Loan Document.

**“Outstanding Hybrid Securities”** shall mean equity units, junior subordinated debt or trust preferred securities issued by the Borrower or its Subsidiaries having hybrid equity treatment from major rating agencies and outstanding as of the Closing Date.

**“PBGC”** shall mean the Pension Benefit Guaranty Corporation referred to and defined in ERISA.

**“Permitted Investments”** shall mean (i) prior to the date that is five days (or such longer period as the Lender may agree) following the delivery of the Permitted Investment Policy to the Lender, any cash equivalent investments made in the ordinary course of business by the Borrower and its Subsidiaries consistent with prudent business practice for the short-term investment of cash balances and (ii) thereafter, investments described on the Permitted Investment Policy, excluding investments that, on or prior to the date that is five days (or such longer period as the Lender may agree) following the delivery of such Permitted Investment Policy to the Lender, the Lender determines shall not be a “Permitted Investment” for the purpose of this Agreement.

**“Permitted Investments Policy”** shall mean the policy or policies of the Borrower and its Subsidiaries for the short-term investment of cash balances.

**“Permitted Investors”** shall mean the Trust and any other Person designated by the Lender as a Permitted Investor for the purposes hereof by notice in writing to the Borrower.



“**Person**” shall mean any natural person, corporation, business trust, joint venture, association, company, limited liability company, partnership, Governmental Authority or other entity.

“**Plan**” shall mean any employee pension benefit plan (other than a Multiemployer Plan) subject to the provisions of Title IV of ERISA or Section 412 of the Code or Section 307 of ERISA, and in respect of which the Borrower or any ERISA Affiliate is (or, if such plan were terminated, would under Section 4069 of ERISA be deemed to be) an “employer” as defined in Section 3(5) of ERISA.

“**Post-Petition Interest**” shall mean any interest that accrues after the commencement of any case, proceeding or other action relating to the bankruptcy, insolvency or reorganization of any one or more of the Loan Parties (or would accrue but for the operation of applicable bankruptcy or insolvency laws), whether or not such interest is allowed or allowable as a claim in any such proceeding.

“**Quarterly Payment Date**” shall mean the last Business Day of each March, June, September and December.

“**Quarterly Statement**” shall mean the quarterly statutory financial statement of any Insurance Subsidiary required to be filed with the insurance commissioner (or similar authority) of its jurisdiction of organization or, if no specific form is so required, in the form of financial statements permitted by such insurance commissioner (or such similar authority) to be used for filing quarterly statutory financial statements and containing the type of financial information permitted by such insurance commissioner (or such similar authority) to be disclosed therein, together with all exhibits or schedules filed therewith.

“**Regulation T**” shall mean Regulation T of the Board as from time to time in effect and all official rulings and interpretations thereunder or thereof.

“**Regulation U**” shall mean Regulation U of the Board as from time to time in effect and all official rulings and interpretations thereunder or thereof.

“**Regulation X**” shall mean Regulation X of the Board as from time to time in effect and all official rulings and interpretations thereunder or thereof.

“**Reinsurance Agreements**” shall mean any agreement, contract, treaty, certificate or other arrangement by which any Insurance Subsidiary agrees to transfer or cede to another insurer that is not an Affiliate of the Borrower all or part of the liability assumed or assets held by it under one or more insurance, annuity, reinsurance or retrocession policies, agreements, contracts, treaties, certificates or similar arrangements. Reinsurance Agreements shall include, but not be limited to, any agreement, contract, treaty, certificate or other arrangement that is treated as such by the applicable Department.

“**Release**” shall mean any release, spill, emission, leaking, dumping, pumping, emptying, escaping, injection, pouring, deposit, disposal, discharge, dispersal, leaching or migration into or through the environment or within, at, to, under, from or upon any building, structure, facility or fixture.

“**Representatives**” shall mean, with respect to any specified Person, such Person’s Affiliates and the respective directors, officers, employees, agents, attorneys, accountants and other professional advisers of such Person and such Person’s Affiliates.

“**Required Number of Days**” shall mean (i) in the case of any Borrowing or prepayment of Loans in an aggregate principal amount not greater than \$5,000,000,000, one Business Day, (ii) in the case of any Borrowing or prepayment of Loans in an aggregate principal amount of greater than \$5,000,000,000 but not greater than \$10,000,000,000, two Business Days and (iii) in the case of any Borrowing or prepayment of Loans in an aggregate principal amount of greater than \$10,000,000,000, three Business Days.

“**Responsible Officer**” of any Person shall mean any executive officer or Financial Officer of such Person and any other officer or similar official thereof responsible for the administration of the obligations of such Person in respect of this Agreement.

“**Restricted Indebtedness**” shall mean Indebtedness of the Borrower or any Subsidiary, the payment, prepayment, repurchase or defeasance of which is restricted under Section 6.09(b).

“**Restricted Payment**” shall mean any dividend or other distribution (whether in cash, securities or other property) with respect to any Equity Interests in the Borrower or any Subsidiary, or any payment (whether in cash, securities or other property), including any sinking fund or similar deposit, on account of the purchase, redemption, retirement, acquisition, cancellation or termination of any Equity Interests in the Borrower or any Subsidiary; *provided* that the term “Restricted Payment” shall not include dividends or other distributions made to coventurers or to other third parties by special purpose joint venture or financing vehicles in accordance with requirements in effect on the Closing Date under the transaction documents applicable to such vehicles.

“**Restricted Subsidiary**” shall mean any Material Subsidiary that is not an Insurance Subsidiary.

“**S&P**” shall mean Standard & Poor’s Ratings Services, a division of The McGraw-Hill Companies, Inc., or any successor thereto.

“**SAP**” shall mean, with respect to any Insurance Subsidiary, the statutory accounting practices prescribed or permitted by the insurance commissioner (or other similar authority) in the domicile of such Insurance Subsidiary for the

preparation of annual statements and other financial reports by insurance companies of the same type as such Insurance Subsidiary, which are applicable to the circumstances as of the date of filing of such statement or report.

“**Security Documents**” shall mean the Mortgages, if any, the Guarantee and Pledge Agreement and each of the security agreements, control agreements and other instruments and documents executed and delivered pursuant to any of the foregoing or pursuant to Section 5.10.

“**Subject Issuer**” shall have the meaning assigned to that term in the Guarantee and Pledge Agreement.

“**subsidiary**” shall mean, with respect to any Person (herein referred to as the “**parent**”), any corporation, partnership, limited liability company, association or other business entity of which securities or other ownership interests representing more than 50% of the ordinary voting power or more than 50% of the general partnership or managing limited liability company interests (as applicable) are, at the time any determination is being made, owned, Controlled or held directly or indirectly by such parent; *provided* that no Fund shall be a “subsidiary” for the purpose hereof.

“**Subsidiary**” shall mean any direct or indirect subsidiary of the Borrower.

“**Swap Contract**” shall mean (a) any and all rate swap transactions, basis swaps, credit derivative transactions, forward rate transactions, commodity swaps, commodity options, forward commodity contracts, equity or equity index swaps or options, bond or bond price or bond index swaps or options or forward bond price or forward bond index transactions, interest rate options, forward foreign exchange transactions, cap transactions, floor transactions, collar transactions, currency swap transactions, cross-currency rate swap transactions, currency options, emission rights, spot contracts, or any other similar transactions or any combination of any of the foregoing (including any options to enter into any of the foregoing), whether or not any such transaction is governed by or subject to any master agreement and (b) any and all transactions of any kind, and the related confirmations, which are subject to the terms and conditions of, or governed by, any form of master agreement published by the International Swaps and Derivatives Association, Inc., any International Foreign Exchange Master Agreement, or any other master agreement (any such master agreement, together with any related schedules, a “**Master Agreement**”), including any such obligations or liabilities under any Master Agreement; *provided* that Swap Agreements shall not include (i) the stock purchase contracts that constitute a component of the Borrower’s Outstanding Hybrid Securities issued in the form of equity units, (ii) any right, option, warrant or other award made under an employee benefit plan, employment contract or other similar arrangement or (iii) any right, warrant or option or other convertible or exchangeable security or other instrument issued by the Borrower or any Subsidiary or Affiliate of the Borrower or any Subsidiary for capital raising purposes.

“**Synthetic Lease**” shall mean, as to any Person, any lease (including leases that may be terminated by the lessee at any time) of any property (whether real, personal or mixed) (a) that is accounted for as an operating lease under GAAP and (b) in respect of which the lessee retains or obtains ownership of the property so leased for U.S. federal income tax purposes, other than any such lease under which such Person is the lessor.

“**Synthetic Lease Obligations**” shall mean, as to any Person, an amount equal to the capitalized amount of the remaining lease payments under any Synthetic Lease that would appear on a balance sheet of such Person in accordance with GAAP if such obligations were accounted for as Capital Lease Obligations.

“**Synthetic Purchase Agreement**” shall mean any swap, derivative or other agreement or combination of agreements pursuant to which the Borrower or any Subsidiary is or may become obligated to make (a) any payment in connection with a purchase by any third party from a Person other than the Borrower or any Subsidiary of any Equity Interest or Restricted Indebtedness or (b) any payment (other than on account of a permitted purchase by it of any Equity Interest or Restricted Indebtedness) the amount of which is determined by reference to the price or value at any time of any Equity Interest or Restricted Indebtedness; *provided* that (i) no grant or award under any employee benefit plan, employment agreement or similar arrangement or (ii) any exchange traded or equity-linked note or other similar instrument issued by a third party shall be deemed to be a Synthetic Purchase Agreement.

“**Taxes**” shall mean any and all present or future taxes, levies, imposts, duties, deductions, charges or withholdings imposed by any Governmental Authority.

“**Transactions**” shall mean, collectively (a) the execution, delivery and performance by the Loan Parties of the Loan Documents to which they are a party and the making of the Borrowings hereunder, (b) the repayment of all amounts due or outstanding under or in respect of, and the termination of, the Existing Demand Notes, (c) the issuance of the Equity Interests referred to in Section 5.11 and (d) the payment of related fees and expenses.

“**Treasury Regulations**” shall mean the regulations promulgated under the Code.

“**Trust**” shall mean the trust or other entity formed for the purpose of holding the Trust Equity.

“**Trust Equity**” shall have the meaning assigned to such term in Section 5.11.

**“Wholly Owned Subsidiary”** of any Person shall mean a subsidiary of such Person of which securities (except directors’ qualifying shares) or other ownership interests representing 100% of the Equity Interests of such subsidiary are, at the time any determination is being made, owned, Controlled or held by such Person or one or more wholly owned Subsidiaries of such Person or by such Person and one or more wholly owned Subsidiaries of such Person.

**“Withdrawal Liability”** shall mean liability to a Multiemployer Plan as a result of a complete or partial withdrawal from such Multiemployer Plan, as such terms are defined in Part I of Subtitle E of Title IV of ERISA.

Section 1.02. *Terms Generally.* The definitions in Section 1.01 shall apply equally to both the singular and plural forms of the terms defined. Whenever the context may require, any pronoun shall include the corresponding masculine, feminine and neuter forms. The words “include,” “includes” and “including” shall be deemed to be followed by the phrase “without limitation.” The word “will” shall be construed to have the same meaning and effect as the word “shall”; and the words “asset” and “property” shall be construed as having the same meaning and effect and to refer to any and all tangible and intangible assets and properties, including cash, securities, accounts and contract rights. All references herein to Articles, Sections, Exhibits and Schedules shall be deemed references to Articles and Sections of, and Exhibits and Schedules to, this Agreement unless the context shall otherwise require. Except as otherwise expressly provided herein, (a) any reference in this Agreement to any Loan Document shall mean such document as amended, restated, supplemented or otherwise modified from time to time, in each case, in accordance with the express terms of this Agreement and (b) all terms of an accounting or financial nature shall be construed in accordance with GAAP, as in effect from time to time; *provided* that if the Borrower notifies the Lender that the Borrower wishes to amend any covenant in Article 6 or any related definition to eliminate the effect of any change in GAAP occurring after the date of this Agreement on the operation of such covenant (or if the Lender notifies the Borrower that it wishes to amend Article 6 or any related definition for such purpose), then the Borrower’s compliance with such covenant shall be determined on the basis of GAAP in effect immediately before the relevant change in GAAP became effective, until either such notice is withdrawn or such covenant is amended in a manner satisfactory to the Borrower and the Lender. Any reference to any law shall, unless otherwise specified, refer to such law or regulation as amended, modified or supplemented from time to time.

## ARTICLE 2 THE CREDITS

Section 2.01. *Commitment.* Subject to the terms and conditions and relying upon the representations and warranties herein set forth, the Lender agrees

to make revolving Loans to the Borrower, at any time and from time to time on or after the date hereof, and until the earlier of the Maturity Date and the termination of the Commitment in accordance with the terms hereof; *provided* that the Original Principal Amount at any time shall not exceed the Commitment at such time. Within the limits set forth in the preceding sentence and subject to the terms, conditions and limitations set forth herein, the Borrower may borrow, pay or prepay and reborrow Loans.

Section 2.02. *Loans.* (a) The Loans constituting any Borrowing shall be in an aggregate principal amount that is an integral multiple of \$10,000,000 and not less than \$50,000,000. No more than two Borrowings each having an aggregate principal amount in excess of \$10,000,000,000 may be requested by the Borrower in any period of five consecutive Business Days without the prior written consent of the Lender.

(b) Subject to the satisfaction of the applicable conditions set forth herein, the Lender shall make each Loan to be made by it hereunder on the proposed date thereof by wire transfer of immediately available funds to an account designated by the Borrower in the applicable Borrowing Request.

Section 2.03. *Borrowing Procedure.* Subject to Section 4.03, the Borrower shall request each Borrowing by giving telephonic notice to the Lender not later than 3:00 p.m., New York City time, the Required Number of Days prior to such proposed Borrowing; *provided* that the Borrower agrees to use good-faith efforts to provide the Lender earlier notice of such Borrowings when practicable; *provided further* that in the case of a serious and unanticipated liquidity need, the Borrower may request up to \$3,000,000,000 by giving telephonic notice to the Lender not later than 9:00 a.m., New York City time, on the date of such proposed Borrowing. Each such telephonic request shall be irrevocable, and shall be confirmed promptly by e-mail to the Lender of a written Borrowing Request specifying the following information: (i) the date of such Borrowing (which shall be a Business Day) (ii) the ABA number, account name, account number and reference number of the account to which funds are to be disbursed and (iii) the amount of such Borrowing; *provided* that notwithstanding any contrary specification in any Borrowing Request, each requested Borrowing shall comply with the requirements set forth in Section 2.02.

Section 2.04. *Evidence of Debt; Repayment of Loans.* (a) The Borrower hereby unconditionally promises to pay to the Lender the then-unpaid principal amount of each Loan, together with accrued and unpaid interest thereon and fees hereunder, on the Maturity Date.

(b) The Lender shall maintain an account or accounts evidencing the indebtedness of the Borrower to the Lender resulting from each Loan made by the Lender from time to time, including the amounts of principal and interest (including any capitalized interest or Fees and the interest thereon) payable and paid to the Lender from time to time under this Agreement.

(c) The entries made in the accounts maintained pursuant to paragraph (b) above shall be prima facie evidence of the existence and amounts of the obligations therein recorded; *provided* that the failure of the Lender to maintain such accounts or any error therein shall not in any manner affect the obligations of the Borrower to repay the Loans in accordance with their terms.

(d) The Lender may request that Loans made by it hereunder be evidenced by a promissory note. In such event, the Borrower shall execute and deliver to the Lender a promissory note payable to the Lender and in a form and substance reasonably acceptable to the Lender and the Borrower (including, without limitation, a legend in compliance with section 1.1275-3 of the Treasury Regulations).

Section 2.05. *Fees.* (a) The Borrower agrees to pay to the Lender on each Quarterly Payment Date and on each date on which any portion of the Commitment shall expire or be terminated as provided herein, a fee (an “**Available Commitment Fee**”) equal to 8.50% per annum on the daily amount of the Available Commitment during the preceding quarter (or other period commencing with the date hereof or ending with the Maturity Date or the date on which the Commitment of the Lender shall expire or be terminated). All Available Commitment Fees shall be computed on the basis of the actual number of days elapsed in a year of 365 or 366 days, as the case may be.

(b) Subject to Section 2.11(c), all Fees shall be paid on the dates due by increasing the outstanding principal amount of the Loans by the amount of such Fees. Any Fees so added to the principal amount of the Loans shall bear interest as provided in Section 2.06 from the date on which such Fee has been so added. Once paid or capitalized, none of the Fees shall be refundable under any circumstances.

Section 2.06. *Interest on Loans.* (a) Subject to the provisions of Section 2.07, the Loans constituting each Borrowing shall bear interest (computed on the basis of the actual number of days elapsed over a year of 365 or 366 days, as the case may be) at a rate per annum equal to the LIBO Rate for the Interest Period in effect for such Borrowing *plus* the Applicable Margin.

(b) Subject to Section 2.11(c), interest on each Loan shall be payable by increasing the outstanding principal amount of the Loans by the amount of interest on each Quarterly Payment Date. Any interest so added to the principal amount of the Loans shall bear interest as provided in this Section 2.06 from the date on which such interest has been so added. The obligation of the Borrower to pay interest shall be automatically evidenced by this Agreement or, if applicable, any promissory notes issued pursuant to this Agreement. Unless the context otherwise requires, and except for the purposes of calculating the Original Principal Amount, for all purposes hereof, references to “principal amount” of the Loans refers to the face amount of the Loans and not to gross proceeds funded hereunder and includes any interest pursuant to this Section 2.06 and Section 4.03,

any Fees pursuant to Section 2.05 and any amount pursuant to Section 4.02(e) capitalized and added to the principal amount of the Loans from the date on which such interest or Fees have been so added. The applicable LIBO Rate for each Interest Period or day within an Interest Period, as the case may be, shall be determined by the Lender, and such determination shall be conclusive absent manifest error.

Section 2.07. *Default Interest.* If any amount payable in cash by the Borrower under any Loan Document is not paid when due (without regard to any applicable grace periods), whether at stated maturity, by acceleration or otherwise, such amount shall thereafter bear interest at an interest rate per annum at all times equal to the Default Rate to the fullest extent permitted by applicable law. Furthermore, while any Event of Default is continuing, the Borrower shall pay interest on the principal amount of all outstanding obligations hereunder at an interest rate per annum equal to the Default Rate. For the purpose of the foregoing, “**Default Rate**” shall mean an interest rate equal to the interest rate (including any Applicable Margin) otherwise applicable to Loans *plus* 2% per annum. Interest required to be paid at the Default Rate as described in this Section 2.07 shall be payable on demand in immediately available funds.

Section 2.08. *Termination and Reduction of Commitment.* (a) The Commitment shall automatically terminate on the Maturity Date.

(b) The Borrower may, with the prior written consent of the Lender, at any time in whole permanently terminate, or from time to time in part permanently reduce, the Commitment; *provided* that (i) each partial reduction of the Commitment shall be in an integral multiple of \$10,000,000 and in a minimum amount of \$50,000,000, and (ii) the Commitment shall not be reduced to an amount at any time that is less than the Original Principal Amount at such time.

(c) The Borrower shall pay to the Lender, on the date of each termination or reduction, the Fees on the amount of the Commitment so terminated or reduced accrued and unpaid to but excluding the date of such termination or reduction.

Section 2.09. *Voluntary Prepayment.* (a) The Borrower shall have the right at any time and from time to time to prepay the Loans, in whole or in part, by giving telephonic notice to the Lender not later than 12:00 noon, New York City time the Required Number of Days prior to the proposed date of such prepayment; *provided* that the Borrower agrees to use good-faith efforts to provide the Lender earlier notice of such prepayments when practicable. Each such telephonic notice of prepayment shall be confirmed promptly by e-mail to the Lender. Each partial voluntary prepayment shall be in an amount that is an integral multiple of \$10,000,000 and not less than \$50,000,000. Notwithstanding the foregoing, no more than two repayments each in an aggregate principal amount of more than \$10,000,000,000 may be made by the Borrower in any



period of five consecutive Business Days without the written approval of the Lender.

(b) Each notice of prepayment shall specify the prepayment date and the aggregate amount to be prepaid, shall be irrevocable and shall commit the Borrower to prepay the amount stated therein on the date stated therein. All prepayments under this Section 2.09 shall be without premium or penalty. All prepayments under this Section 2.09 shall be applied in accordance with Section 2.10(i).

Section 2.10. *Mandatory Prepayments.* (a) In the event of any termination of the Commitment, the Borrower shall, on the date of such termination, repay or prepay all its outstanding Loans. If, after giving effect to any partial reduction of the Commitment or at any other time, the Original Principal Amount at such time would exceed the Commitment at such time, then the Borrower shall, on the date of such reduction or at such other time, repay or prepay Borrowings in an amount sufficient to eliminate such excess.

(b) As soon as practicable and in any case not later than the fifth Business Day following the receipt of Net Cash Proceeds in respect of any Asset Sale, the Borrower shall apply an amount equal to 100% of such Net Cash Proceeds to prepay outstanding Loans and accrued and unpaid interest thereon.

(c) As soon as practicable and in any event not later than the fifth Business Day following the receipt of Net Cash Proceeds in respect of an Equity Issuance, the Borrower shall apply an amount equal to 100% of such Net Cash Proceeds to prepay outstanding Loans and accrued and unpaid interest thereon.

(d) As soon as practicable and in any event not later than the fifth Business Day following the receipt of Net Cash Proceeds in respect of an issuance or incurrence of indebtedness for borrowed money by the Borrower or any Subsidiary (other than any Net Cash Proceeds from the issuance of Indebtedness for money borrowed permitted pursuant to Section 6.01(a) through Section 6.01(e)), the Borrower shall apply an amount equal to 100% of such Net Cash Proceeds to prepay outstanding Loans and accrued and unpaid interest thereon.

(e) As soon as practicable and in any event not later than the fifth Business Day following the receipt of Net Cash Proceeds in respect of any (i) Extraordinary Receipt by the Borrower or any Subsidiary or (ii) Insurance Subsidiary Extraordinary Dividend received by the Borrower or any Subsidiary (other than an Insurance Subsidiary), the Borrower shall apply an amount equal to 100% of such Net Cash Proceeds to prepay outstanding Loans and accrued and unpaid interest thereon.

(f) No later than the fifth Business Day following the last Business Day of each month commencing with October 2008 (or such later month as the Lender shall determine in its sole discretion), the Borrower shall prepay outstanding

Loans and accrued and unpaid interest thereon in an aggregate amount equal to 100% of Excess Cash on Hand as of the close of business on the last Business Day of such month.

(g) The Borrower shall deliver to the Lender, at the time of each prepayment required under this Section 2.10, a certificate signed by a Financial Officer of the Borrower setting forth in reasonable detail the calculation of the amount of such prepayment. The Borrower shall give telephonic notice to the Lender of any proposed payment required by this Section 2.10 not less than the Required Number of Days prior to the proposed date of such prepayment; *provided* that (i) the Borrower shall notify the Lender of the amount of Excess Cash on Hand as of last Business Day of each month no later than the second Business Day following such last Business Day and (ii) the Borrower agrees to use good-faith efforts to provide the Lender earlier notice of such prepayments when practicable. Each such telephonic notice of prepayment shall be confirmed promptly by email to the Lender. All prepayments of Borrowings under this Section 2.10 shall be without premium or penalty.

(h) Simultaneously with any prepayment required by paragraph (b), (c) or (d) of this Section 2.10, the Commitment shall be automatically and permanently reduced by an amount equal to that portion of Net Cash Proceeds required to be applied to prepay the Original Principal Amount of Loans pursuant to such paragraphs.

(i) The gross amount of any prepayment pursuant to Section 2.09 or this Section 2.10 shall be allocated between the Original Principal Amount and accrued interest on the Original Principal Amount for the period ending on the next following Quarterly Payment Date (“current interest”) as follows: The portion of the gross amount of any prepayment to be allocated to current interest will be (i) the amount of the gross prepayment times (ii) a fraction (x) the numerator of which is the amount of interest accrued on the Original Principal Amount from and including the last Quarterly Payment Date on or prior to the date the related prepayment is to be made to but not including such date of prepayment and (y) the denominator of which is the sum of the Original Principal Amount immediately prior to giving effect to such prepayment plus the amount in (ii)(x). The balance of the gross prepayment shall be applied to the Original Principal Amount. In the event any prepayment reduces the Original Principal Amount to zero, the balance of such amount shall be applied to pay the remaining principal amount of and current interest on the Loans outstanding in the manner and order as described in this paragraph. For avoidance of doubt, the amount referred to in clause (ii)(x) in the case of a prepayment on a Quarterly Payment Date will be zero, so that 100% of any prepayment on any Quarterly Payment Date will be applied pursuant to the second and third sentences of this clause(i).

Section 2.11. *Payments.* (a) Except as otherwise provided herein, the Borrower shall make each payment (including principal of or interest on any Loan or any Fees or other amounts) hereunder and under any other Loan Document not

later than 12:00 noon, New York City time, on the date when due in immediately available Dollars, without setoff, defense or counterclaim. Each such payment shall be made in accordance with the procedures established by the Lender's discount window desk.

(b) Except as otherwise expressly provided herein, whenever any payment (including principal of or interest on any Loan or any Fees or other amounts) hereunder or under any other Loan Document shall become due, or otherwise would occur, on a day that is not a Business Day, such payment may be made on the next succeeding Business Day, and such extension of time shall in such case be included in the computation of interest or Fees, if applicable.

(c) The Borrower may from time to time elect to pay all or any portion of the Fees and interest payable on any Quarterly Payment Date pursuant to Section 2.05 and Section 2.06, respectively, in cash by giving notice of such election to the Lender no later than two Business Days prior to such Quarterly Payment Date. If the Borrower makes such an election, or if at the time of such Quarterly Payment Date any Event of Default shall have occurred and be continuing, any Fees and interest payable on such Quarterly Payment Date pursuant to Section 2.05 and Section 2.06, respectively, shall be paid in accordance with paragraph (a) above, and shall not be added to the principal amount of the Loans as described in Section 2.05 and Section 2.06.

Section 2.12. *Taxes.* (a) Any and all payments by or on account of any obligation of the Borrower or any other Loan Party hereunder or under any other Loan Document shall be made free and clear of and without deduction for any Indemnified Taxes or Other Taxes; *provided* that if the Borrower or any other Loan Party shall be required to deduct any Indemnified Taxes or Other Taxes from such payments, then (i) the sum payable shall be increased as necessary so that after making all required deductions (including deductions applicable to additional sums payable under this Section) the Lender receives an amount equal to the sum it would have received had no such deductions been made, (ii) the Borrower or such Loan Party shall make such deductions and (iii) the Borrower or such Loan Party shall pay the full amount deducted to the relevant Governmental Authority in accordance with applicable law.

(b) In addition, the Borrower shall pay any Other Taxes to the relevant Governmental Authority in accordance with applicable law.

(c) The Borrower shall indemnify the Lender, within ten days after written demand therefor, for the full amount of any Indemnified Taxes or Other Taxes paid by the Lender on or with respect to any payment by or on account of any obligation of the Borrower or any other Loan Party hereunder or under any other Loan Document (including Indemnified Taxes or Other Taxes imposed or asserted on or attributable to amounts payable under this Section) and any penalties, interest and reasonable expenses arising therefrom or with respect thereto, whether or not such Indemnified Taxes or Other Taxes were correctly or

legally imposed or asserted by the relevant Governmental Authority. A certificate as to the amount of such payment or liability delivered to the Borrower by the Lender shall be conclusive absent manifest error.

(d) As soon as practicable after any payment of Indemnified Taxes or Other Taxes by the Borrower or any other Loan Party to a Governmental Authority, the Borrower shall deliver to the Lender the original or a certified copy of a receipt issued by such Governmental Authority evidencing such payment, a copy of the return reporting such payment or other evidence of such payment reasonably satisfactory to the Lender.

### ARTICLE 3 REPRESENTATIONS AND WARRANTIES

The Borrower represents and warrants to the Lender that:

Section 3.01. *Organization; Powers.* The Borrower and each Material Subsidiary (a) is duly organized, validly existing and in good standing under the laws of the jurisdiction of its organization, (b) has all requisite power and authority to own its property and assets and to carry on its business as now conducted and as proposed to be conducted, (c) is qualified to do business in, and is in good standing in, every jurisdiction where such qualification is required, except where the failure so to qualify could not reasonably be expected to result in a Material Adverse Effect and (d) has the power and authority to execute, deliver and perform its obligations under each of the Loan Documents and each other agreement or instrument contemplated thereby to which it is or will be a party and, in the case of the Borrower, to borrow hereunder.

Section 3.02. *Authorization.* The Transactions (a) have been duly authorized by all requisite corporate and, if required, stockholder action and (b) will not (i) subject, in the case of the issuance of the Trust Equity, to the receipt of Governmental Approvals required therefor, result in the violation by the Borrower or any Material Subsidiary of (A) any provision of law, statute, rule or regulation, or of the certificate or articles of incorporation or other constitutive documents or bylaws of the Borrower or any Material Subsidiary, (B) any order of any Governmental Authority or (C) any provision of any indenture, agreement or other instrument to which the Borrower or any Material Subsidiary is a party or by which any of them or any of their property is or may be bound, (ii) be in conflict with, result in a breach of or constitute (alone or with notice or lapse of time or both) a default under, or give rise to any right to accelerate or to require the prepayment, repurchase or redemption of any obligation under any such indenture, agreement or other instrument or (iii) result in the creation or imposition of any Lien upon or with respect to any property or assets now owned or hereafter acquired by the Borrower or any Material Subsidiary (other than any Lien created hereunder or under the Security Documents).

Section 3.03. *Enforceability.* This Agreement has been duly executed and delivered by the Borrower and constitutes, and each other Loan Document when executed and delivered by each Loan Party party thereto will constitute, a legal, valid and binding obligation of such Loan Party enforceable against such Loan Party in accordance with its terms.

Section 3.04. *Governmental Approvals.* No action, consent or approval of, registration or filing with or any other action by any Governmental Authority is or will be required to be taken, obtained or made by the Borrower or any Material Subsidiary in connection with the Transactions, except (a) the filing of Uniform Commercial Code financing statements and filings with the United States Copyright Office, (b) recordation of the Mortgages, if any, (c) such as have been made or obtained and are in full force and effect, (d) as may be required in connection with the purchase or sale of Collateral following an Event of Default, (e) with respect to any Government Authority other than a Government Authority of the United States or any state thereof, if the failure to take such action, obtain such consent or approval or register or file with such Governmental Authority could not reasonably be expected to have a Material Adverse Effect and (f) as may be required in connection with the issuance of the Trust Equity.

Section 3.05. *Financial Statements.* The Borrower has heretofore furnished to the Lender its consolidated balance sheets and related statements of income, stockholders' equity and cash flows (i) as of and for the fiscal year ended December 31, 2007, audited by and accompanied by the report of PricewaterhouseCoopers LLP, independent public accountants, and (ii) as of and for the fiscal quarter and the portion of the fiscal year ended June 30, 2008. Such financial statements present fairly the financial condition and results of operations and cash flows of the Borrower and its consolidated Subsidiaries as of such dates and for such periods. Such balance sheets and the notes thereto disclose all material liabilities, direct or contingent, of the Borrower and its consolidated Subsidiaries as of the dates thereof. Such financial statements were prepared in accordance with GAAP applied on a consistent basis, subject, in the case of unaudited financial statements, to year-end audit adjustments and the absence of footnotes.

Section 3.06. *No Material Adverse Change.* No event, change or condition has occurred that has had, or could reasonably be expected to have, a Material Adverse Effect since the Closing Date.

Section 3.07. *Title to Properties; Possession Under Leases.* (a) Each of the Borrower and the Subsidiaries has good and marketable title to, or valid leasehold interests in, all of its material properties and assets, except minor defects in title that do not interfere with its ability to conduct its business as currently conducted or to utilize such properties and assets for their intended purposes. All such material properties and assets are free and clear of Liens, other than Liens expressly permitted by Section 6.02.

(b) Each of the Borrower and the Material Subsidiaries has complied in all material respects with all obligations under all material leases to which it is a party and all such leases are in full force and effect. Each of the Borrower and the Material Subsidiaries has the right to possession provided by such material leases.

Section 3.08. *Subsidiaries.* The shares of capital stock or other ownership interests of each Subject Issuer are fully paid and non assessable and are owned by the Borrower, directly or indirectly, free and clear of all Liens (other than Liens created under the Security Documents).

Section 3.09. *Litigation; Compliance with Laws.* (a) Except as set forth in the financial statements referred to in Section 3.05, there are no actions, suits or proceedings at law or in equity or by or before any Governmental Authority now pending or, to the knowledge of the Borrower, threatened against or affecting the Borrower or any Subsidiary or any business, property or rights of any such Person (i) that involve any Loan Document or the Transactions or (ii) as to which there is a reasonable possibility of an adverse determination and that, if adversely determined, could reasonably be expected, individually or in the aggregate, to result in a Material Adverse Effect.

(b) Neither the Borrower nor any of the Subsidiaries or any of their respective material properties or assets is in violation of, nor will the continued operation of their material properties and assets as currently conducted violate, any law, rule or regulation (including any zoning, building, Environmental Law, ordinance, code or approval or any building permits) or any restrictions of record or is in default with respect to any judgment, writ, injunction, decree or order of any Governmental Authority, where such violation or default could reasonably be expected to result in a Material Adverse Effect.

Section 3.10. *Agreements.* (a) Neither the Borrower nor any of the Subsidiaries is a party to any agreement or instrument or subject to any corporate restriction that has resulted or could reasonably be expected to result in a Material Adverse Effect.

(b) Both before and after giving effect to the Transactions, neither the Borrower nor any of the Subsidiaries is in default in any manner under any provision of any indenture or other agreement or instrument evidencing Indebtedness, or any other material agreement or instrument to which it is a party or by which it or any of its properties or assets are or may be bound, where such default could reasonably be expected to result in a Material Adverse Effect.

Section 3.11. *Margin Regulations.* No part of the proceeds of any Loan will be used, whether directly or indirectly, and whether immediately, incidentally or ultimately, for any purpose that entails a violation of, or that is inconsistent with, the provisions of the regulations of the Board, including Regulation T, Regulation U or Regulation X.

Section 3.12. *Investment Company Act.* None of the Borrower or any Guarantor is, and after application of the proceeds of the Loans none will be, required to register as an “investment company” as such term is defined in the Investment Company Act of 1940, as amended.

Section 3.13. *Tax Returns.* Each of the Borrower and the Subsidiaries has filed or caused to be filed all federal, state, local and foreign tax returns or materials required to have been filed by it and has paid or caused to be paid all taxes due and payable by it and all assessments received by it, except taxes that are being contested in good faith by appropriate proceedings and for which the Borrower or such Subsidiary, as applicable, shall have set aside on its books adequate reserves in accordance with GAAP.

Section 3.14. *No Material Misstatements.* No information, report, financial statement, exhibit or schedule furnished by or on behalf of the Borrower to the Lender in connection with the negotiation of any Loan Document or included therein or delivered pursuant thereto contained, when taken as a whole, contains or will contain any material misstatement of fact or omitted, omits or will omit to state any material fact necessary to make the statements therein, in the light of the circumstances under which they were, are or will be made, not misleading; *provided* that to the extent any such information, report, financial statement, exhibit or schedule was based upon or constitutes a forecast or projection, the Borrower represents only that it acted in good faith and utilized assumptions reasonable at the time made (based upon accounting principles consistent with the historical audited financial statements of the Borrower) and exercised due care in the preparation of such information, report, financial statement, exhibit or schedule.

Section 3.15. *Employee Benefit Plans.* (a) Each of the Borrower and its ERISA Affiliates is in compliance in all material respects with the applicable provisions of ERISA and the Code and the regulations and published interpretations thereunder as relates to each Plan. No ERISA Event has occurred or is reasonably expected to occur that, when taken together with all other such ERISA Events, could reasonably be expected to result in material liability of the Borrower or any of its ERISA Affiliates. The present value of all benefit liabilities of all underfunded Plans (determined based on the projected benefit obligation with respect to such underfunded Plans based on the assumptions used for purposes of Statement of Financial Accounting Standards No. 87) did not, as of the last annual valuation dates applicable thereto, exceed by more than \$300,000,000 the fair market value of the assets of all such underfunded Plans.

(b) Each Foreign Pension Plan is in compliance in all material respects with all requirements of law applicable thereto and the respective requirements of the governing documents for such plan. With respect to each Foreign Pension Plan, none of the Borrower, its Affiliates or any of their respective directors, officers, employees or agents has engaged in a transaction that would subject the Borrower or any Subsidiary, directly or indirectly, to a tax or civil penalty that

could reasonably be expected, individually or in the aggregate, to result in a Material Adverse Effect. With respect to each Foreign Pension Plan, reserves have been established in the financial statements furnished to the Lender in respect of any unfunded liabilities in accordance with applicable law and prudent business practice or, where required, in accordance with ordinary accounting practices in the jurisdiction in which such Foreign Pension Plan is maintained. The aggregate unfunded liabilities with respect to such Foreign Pension Plans could not reasonably be expected to result in a Material Adverse Effect. The present value of the aggregate accumulated benefit liabilities of all such Foreign Pension Plans (based on those assumptions used to fund each such Foreign Pension Plan) did not, as of the last annual valuation date applicable thereto, exceed by more than \$900,000,000 the fair market value of the assets held in trust under all such Foreign Pension Plans.

Section 3.16. *Environmental Matters.* Except with respect to any matters that, individually or in the aggregate, could not reasonably be expected to result in a Material Adverse Effect, neither the Borrower nor any of the Subsidiaries (i) has failed to comply with any Environmental Law or to obtain, maintain or comply with any permit, license or other approval required under any Environmental Law, (ii) has become subject to any Environmental Liability, (iii) has received notice of any claim with respect to any Environmental Liability or (iv) knows of or expects that it will incur any Environmental Liability.

Section 3.17. *Labor Matters.* As of the date hereof and the Closing Date, there are no material strikes, lockouts or slowdowns against the Borrower or any Subsidiary pending or, to the knowledge of the Borrower, threatened. The consummation of the Transactions will not give rise to any right of termination or right of renegotiation on the part of any union under any collective bargaining agreement to which the Borrower or any Subsidiary is bound, the termination or renegotiation of which could reasonably be expected to have a Material Adverse Effect. Any payments due from the Borrower or any Subsidiary, or for which any claim may be made against the Borrower or any Subsidiary, on account of wages and employee health and welfare insurance and other benefits, have been paid or accrued as a liability on the books of the Borrower or such Subsidiary except to the extent that such nonpayment or nonaccrual relates to amounts which are, in the aggregate, immaterial.

Section 3.18. *Sanctioned Persons.* None of the Borrower or any Subsidiary nor, to the knowledge of the Borrower, any director, officer, agent, employee or Affiliate of the Borrower or any Subsidiary is currently subject to any U.S. sanctions administered by the Office of Foreign Assets Control of the U.S. Treasury Department (“OFAC”); and the Borrower will not directly or indirectly use the proceeds of the Loans or otherwise make available such proceeds to any Person, for the purpose of financing the activities of any Person currently subject to any U.S. sanctions administered by OFAC.



Section 3.19. *Insurance Licenses.* No Insurance License of any Insurance Subsidiary, the loss of which individually or in the aggregate could reasonably be expected to have a Material Adverse Effect, is the subject of a proceeding for suspension or revocation. To the Borrower's knowledge, there is no basis for such suspension or revocation, and no such suspension or revocation has been threatened by any Governmental Authority, with respect to any Insurance License, the loss of which could reasonably be expected to have a Material Adverse Effect.

Section 3.20. *Inadequate Credit Accommodations.* The Borrower is unable to secure adequate credit accommodations from other banking institutions and such credit is not available from other sources.

#### ARTICLE 4 CONDITIONS OF LENDING

The obligations of the Lender to make Loans hereunder is subject to the satisfaction of the following conditions:

Section 4.01. *All Borrowings.* On the date of each Borrowing:

- (a) The Lender shall have received a notice of such Borrowing as required by Section 2.03.
- (b) The representations and warranties set forth in Article 3 and in each other Loan Document shall be true and correct on and as of the date of such Borrowing with the same effect as though made on and as of such date, except to the extent such representations and warranties expressly relate to an earlier date.
- (c) At the time of and immediately after such Borrowing, no Default shall have occurred and be continuing.
- (d) The Lender shall be satisfied in its sole discretion with the Collateral (including the value of such Collateral) securing the Obligations at the time of such Borrowing.
- (e) The Lender shall be reasonably satisfied in all respects with the corporate governance of the Borrower after giving effect to the Transactions then consummated.

Each Borrowing shall be deemed to constitute a representation and warranty by the Borrower on the date of such Borrowing as to the matters specified in paragraphs (b) and (c) of this Section 4.01.

Section 4.02. *First Borrowing.* On the Closing Date (or within such period of time thereafter as may be acceptable to the Lender in its discretion):

(a) The Lender shall have received a favorable written opinion of (i) Sullivan & Cromwell, LLP, external counsel for the Borrower and (ii) Kathleen E. Shannon, Senior Vice President, Secretary and Deputy General Counsel for the Borrower, and such other counsel as may be reasonably acceptable to the Lender, each in form and substance satisfactory to the Lender, (A) dated the Closing Date, (B) addressed to the Lender and (C) covering such matters relating to the Loan Documents and the Transactions as the Lender shall reasonably request, and the Borrower hereby requests such counsel to deliver such opinions.

(b) All legal matters incident to this Agreement, the Loans and extensions of credit hereunder and the other Loan Documents shall be satisfactory to the Lender.

(c) The Lender shall have received (i) a copy of the certificate or articles of incorporation, formation or organization (as applicable), including all amendments thereto, of each Loan Party, certified as of a recent date by the Secretary of State of the state of its organization, and a certificate as to the good standing of each Loan Party as of a recent date, from such Secretary of State or evidence that such a certificate has been requested; (ii) a certificate of the Secretary or Assistant Secretary of each Loan Party dated the Closing Date and certifying (A) that attached thereto is a true and complete copy of the bylaws, operating agreement, partnership agreement or other applicable constitutive document of such Loan Party as in effect on the Closing Date and at all times since a date prior to the date of the resolutions described in clause (B) below, (B) that attached thereto is a true and complete copy of resolutions duly adopted by the Board of Directors or equivalent body of such Loan Party authorizing the execution, delivery and performance of the Loan Documents to which such Person is a party and, in the case of the Borrower, the borrowings hereunder, and that such resolutions have not been modified, rescinded or amended and are in full force and effect, (C) that the certificate or articles of incorporation, formation or organization (as applicable) of such Loan Party have not been amended since the date of the last amendment thereto furnished pursuant to clause (i) above and (D) as to the incumbency and specimen signature of each officer executing any Loan Document or any other document delivered in connection herewith on behalf of such Loan Party; (iii) a certificate of another officer as to the incumbency and specimen signature of the Secretary or Assistant Secretary executing the certificate pursuant to clause (ii) above; and (iv) such other documents as the Lender may reasonably request.

(d) The Lender shall have received a certificate, dated the Closing Date and signed by a Financial Officer of the Borrower, confirming compliance, to the actual knowledge of such Financial Officer after such investigation as he or she has deemed to be reasonable and appropriate under the circumstances, with the conditions precedent set forth in paragraphs (b) and (c) of Section 4.01.

(e) The Lender shall have received all Fees and other amounts due and payable on or prior to the Closing Date in immediately available funds, including

(i) an amount equal to 2.0% of the aggregate amount of the Commitment on the Closing Date; *provided* that the Borrower shall retain \$500,000 as a credit against such fee, such amount to be applied by the Borrower as payment of the aggregate par value of the Trust's Equity Interest and (ii) to the extent invoiced, reimbursement or payment of all out-of-pocket expenses required to be reimbursed or paid by the Borrower hereunder or under any other Loan Document. The amount payable pursuant to clause (i) above may be paid on the Closing Date by increasing the outstanding principal amount of the Loans on the Closing Date by such amount. Any amount so added to the principal amount of the Loans shall bear interest as provided in Section 2.06 from the date on which such Fee has been so added to the principal amount of the Loans.

(f) The Guarantee and Pledge Agreement and, to the extent required thereby, the other Security Documents shall have been duly executed by each Loan Party that is to be a party thereto and shall be in full force and effect on the Closing Date. The Lender shall have a security interest in the Collateral of the type and priority described in each Security Document.

(g) The Lender shall have received the results of a search of the Uniform Commercial Code filings (or equivalent filings) made with respect to the Loan Parties in the states (or other jurisdictions) of formation of such Persons as indicated on Schedule 1 of the Guarantee and Pledge Agreement together with copies of the financing statements (or similar documents) disclosed by such search, and, to the extent requested, accompanied by evidence satisfactory to the Lender that the Liens indicated in any such financing statement (or similar document) would be permitted under Section 6.02 or have been or will be contemporaneously released or terminated.

(h) Except with respect to the issuance of the Trust Equity, all requisite Governmental Authorities and third parties shall have approved or consented to the Transactions and the other transactions contemplated hereby to the extent required, all applicable appeal periods shall have expired and there shall not be any pending or threatened litigation, governmental, administrative or judicial action that could reasonably be expected to restrain, prevent or impose burdensome conditions on the Transactions or the other transactions contemplated hereby.

(i) The Lender shall have received from the Borrower a cash flow forecast and liquidity analysis in form and substance satisfactory to the Lender setting forth expected cash receipts and cash payments for the period ended December 31, 2008.

Section 4.03. *Certain Consequences of Closing.* On the Closing Date, without any other action being required under this Agreement, the Existing Demand Notes or any other agreement between the Borrower and the Lender (including the giving of a Borrowing Request pursuant to Section 2.03 or a demand for payment by the Lender under the Existing Demand Notes), the

Existing Demand Notes shall be deemed to have been repaid in full and the Lender shall be deemed to have made a Loan hereunder in a principal amount equal to the outstanding principal amount of such Existing Demand Notes as of the Closing Date. Interest due and payable on such Existing Demand Notes shall be paid on the Closing Date by increasing the outstanding principal amount of the Loans on the Closing Date by the amount of such interest. Any amount so added to the principal amount of the Loans shall bear interest as provided in Section 2.06 from the date on which such interest has been so added to the principal amount of the Loans. The Lender shall, on the Closing Date, cancel the Existing Demand Notes and, promptly following the Closing Date, return such Existing Demand Notes to the Borrower.

ARTICLE 5  
AFFIRMATIVE COVENANTS

The Borrower covenants and agrees with the Lender that so long as this Agreement shall remain in effect and until the Commitment has been terminated and the principal of and interest on each Loan, all Fees and all other expenses or amounts payable under any Loan Document shall have been paid in full, unless the Lender shall otherwise consent in writing, the Borrower will, and will cause each Material Subsidiary to:

Section 5.01. *Existence; Compliance with Laws; Businesses and Properties.* (a) Do or cause to be done all things necessary to preserve, renew and keep in full force and effect its legal existence, except as otherwise expressly permitted under Section 6.05.

(b) Do or cause to be done all things necessary to obtain, preserve, renew, extend and keep in full force and effect the rights, licenses, permits, franchises, authorizations, patents, copyrights, trademarks and tradenames material to the conduct of its business; maintain and operate such business in substantially the manner in which it is conducted and operated as of the Closing Date; comply in all material respects with all applicable laws, rules, regulations, decrees and orders of any Governmental Authority, whether now in effect or hereafter enacted; and at all times maintain and preserve all property material to the conduct of such business and keep such property in good repair, working order and condition and from time to time make, or cause to be made, all needful and proper repairs, renewals, additions, improvements and replacements thereto necessary in order that the business carried on in connection therewith may be properly conducted at all times; *provided* that nothing in this Section 5.01 shall prevent the Borrower or any Material Subsidiary from discontinuing the operation and maintenance of any of its rights, licenses, permits, franchises, authorizations, patents, copyrights, trademarks, tradenames or properties not necessary for the conduct of the business of the Borrower and its Subsidiaries if (i) in the reasonable judgment of the Borrower or such Material Subsidiary, such

discontinuance is desirable in the conduct of its business and not disadvantageous in any material respect to the Lender and (ii) the Borrower gives prior written notice to the Lender of such discontinuance.

Section 5.02. *Insurance.* Keep its insurable properties adequately insured at all times by financially sound and reputable insurers; maintain such other insurance, to such extent and against such risks, including fire and other risks insured against by extended coverage, as is customary with companies in the same or similar businesses operating in the same or similar locations, including public liability insurance against claims for personal injury or death or property damage occurring upon, in, about or in connection with the use of any properties owned, occupied or controlled by it; and maintain such other insurance as may be required by law.

Section 5.03. *Obligations and Taxes.* Pay its Indebtedness and other obligations promptly and in accordance with their terms, and file, or cause to be filed, all federal and all other material tax returns when due and pay and discharge promptly when due all taxes, assessments and governmental charges or levies shown to be due and payable on such returns or otherwise imposed upon it or upon its income or profits or in respect of its property, before the same shall become delinquent or in default, as well as all lawful claims for labor, materials and supplies or otherwise that, if unpaid, might give rise to a Lien upon such properties or any part thereof; *provided* that such payment and discharge shall not be required with respect to any such tax, assessment, charge, levy or claim so long as the validity or amount thereof shall be contested in good faith by appropriate proceedings and the Borrower shall have set aside on its books adequate reserves with respect thereto in accordance with GAAP and such contest operates to suspend collection of the contested obligation, tax, assessment or charge and enforcement of a Lien.

Section 5.04. *Financial Statements, Reports, etc.* In the case of the Borrower, furnish to the Lender:

(a) within 90 days after the end of each fiscal year, its consolidated balance sheet and related statements of income, stockholders' equity and cash flows showing the financial condition of the Borrower and its consolidated Subsidiaries as of the close of such fiscal year and the consolidated results of its operations during such year, together with comparative figures for the immediately preceding fiscal year, all audited by PricewaterhouseCoopers LLP or other independent public accountants of recognized national standing and accompanied by an opinion of such accountants (which opinion shall be without qualification or exception as to the scope of such audit) to the effect that such consolidated financial statements fairly present in all material respects the financial condition and results of operations of the Borrower and its consolidated Subsidiaries on a consolidated basis in accordance with GAAP consistently applied, together with a customary "management discussion and analysis" section;

(b) within 45 days after the end of each of the first three fiscal quarters of each fiscal year, its unaudited consolidated balance sheet and related statements of income, stockholders' equity and cash flows showing the financial condition of the Borrower and its consolidated Subsidiaries as of the close of such fiscal quarter and the consolidated results of its operations during such fiscal quarter and the then-elapsed portion of the fiscal year, and comparative figures for the same periods in the immediately preceding fiscal year, all certified by one of its Financial Officers as fairly presenting in all material respects the financial condition and results of operations of the Borrower and its consolidated Subsidiaries on a consolidated basis in accordance with GAAP consistently applied, subject to normal year-end audit adjustments, together with a customary "management discussion and analysis" section;

(c) within 30 days after the end of the first two fiscal months of each fiscal quarter, the Borrower's estimate of its consolidated financial results for the current quarter and the full fiscal year in which such fiscal month occurs, in total and by segment and individual reporting units (i.e., subsegment), together with comparison to the Borrower's budgets of comparable information for such periods;

(d) concurrently with any delivery of financial statements under paragraph (a) or (b) above, a certificate of a Financial Officer in form reasonably satisfactory to the Lender (i) certifying that no Default has occurred or, if such a Default has occurred, specifying the nature and extent thereof and any corrective action taken or proposed to be taken with respect thereto and (ii) setting forth computations in reasonable detail satisfactory to the Lender demonstrating compliance with the covenants contained in Section 6.11 and Section 6.12;

(e) (i) within 15 days following the Closing Date, (A) an annual budget for fiscal year 2008 in form satisfactory to the Lender, (B) a corporate outlook report for fiscal year 2009 in form satisfactory to the Lender and (C) a briefing paper on the proposed divestiture program, identifying businesses expected to be sold, the anticipated value of those businesses and the expected timing of those sales, (ii) within 45 days following the end of each fiscal quarter of each fiscal year, an update to the budget for the then-current fiscal year, an updated corporate outlook report for the following fiscal year and an updated briefing report on the proposed divestiture program and (iii) promptly and in any event within five days, notice of any material changes to any of the reports or updated reports referred to in this paragraph (e);

(f) promptly after the same become publicly available, copies of all periodic and other reports, proxy statements and other materials filed by the Borrower or any Subsidiary with the U.S. Securities and Exchange Commission, or any Governmental Authority succeeding to any or all of the functions of said Commission, or with any national securities exchange, or distributed to its shareholders generally, as the case may be (except that the Borrower and its Subsidiaries shall not be obligated to furnish to the Lender copies of such materials so long as (i) such materials are publicly available as posted on the

Electronic Data Gathering, Analysis, and Retrieval system (“EDGAR”) or are on the Borrower’s website and (ii) the Borrower has provided the Lender with notice that such materials have been so posted);

(g) promptly following delivery thereof to the board of directors of the Borrower, copies of board packages and presentations;

(h) promptly after the receipt thereof by the Borrower or any of their respective subsidiaries, a copy of any “management letter” received by any such Person from its certified public accountants and the management’s response thereto;

(i) as soon as available but not later than 150 days after the close of each fiscal year of each Insurance Subsidiary, copies of the unaudited Annual Statement of such Insurance Subsidiary (if applicable), the Annual Statement to be certified by a Responsible Officer of such Insurance Subsidiary, all such statements to be prepared in accordance with SAP consistently applied throughout the periods reflected therein and, if required by the applicable Governmental Authority, audited and certified by independent certified public accountants of recognized national standing;

(j) as soon as available but not later than 75 days after the close of each of the first three fiscal quarters of each fiscal year of each Insurance Subsidiary, copies of the Quarterly Statement of such Insurance Subsidiary (if applicable), the Quarterly Statement to be certified by a Responsible Officer of such Insurance Subsidiary, all such statements to be prepared in accordance with SAP consistently applied throughout the period reflected therein;

(k) promptly following the delivery thereof to, or receipt thereof by the Borrower or any of its Subsidiaries, any draft or final examination reports, risk-adjusted capital reports or results of any market conduct examination or examination by any Department or the NAIC of the financial condition and operations of, or any notice of any assertion as to violation of any applicable law, rule or regulation, or any other report with respect to, any Insurance Subsidiary;

(l) within 90 days after the close of each Fiscal Year of each Insurance Subsidiary, a copy of the “Statement of Actuarial Opinion” and “Management Discussion and Analysis” for each such Insurance Subsidiary which is provided to the applicable Department (or equivalent information should such Department no longer require such a statement) as to the adequacy of loss reserves of such Insurance Subsidiary, such opinion to be in the format prescribed by the insurance code of the state of domicile of such Insurance Subsidiary;

(m) promptly after filing thereof, copies of all annual Form B amendments and all other material amendments to the registration statement of any Insurance Subsidiary that the Borrower or such Insurance Subsidiary may file with the applicable Department;

(n) prior to the filing thereof, copies of any proposed filing on Form D and any supporting materials that the Borrower or any Insurance Subsidiary intends to file with any applicable Department;

(o) not later than 10:00 a.m., New York City time, on Monday of each week (or more frequently as the Lender may request from time to time in its sole discretion) (i) a cash report in a form satisfactory to the Lender evidencing compliance with Section 6.12 as at the close of business on the immediately preceding Business Day and (ii) a statement of projected cash receipts and cash disbursements for the Borrower and its Subsidiaries for each week in the period of 13 weeks commencing with the immediately following week, in a form satisfactory to the Lender;

(p) not later than five days following the Closing Date (i) a copy of the Permitted Investments Policy, and (ii) a schedule, in form satisfactory to the Lender, of all Investment Commitments outstanding on the Closing Date;

(q) commencing five days following the Closing Date, daily risk assessment profile reports in form satisfactory to the Lender; and

(r) promptly, from time to time, such other information, including such additional regular financial, management and other reports, as the Lender shall request in consultation with the Borrower to enable the Lender to monitor the business, assets, liabilities, operations, condition, results and prospects of the Borrower and its Subsidiaries, their compliance with the terms of the Loan Documents, and the regulatory environment in which the Borrower and its Subsidiaries operate. The Borrower shall take all steps necessary or requested by the Lender to establish a reporting regime that satisfies the objective of the preceding sentence as promptly as practicable following the Closing Date.

Section 5.05. *Litigation and Other Notices.* Furnish to the Lender prompt written notice of the following:

(a) any Default, specifying the nature and extent thereof and the corrective action (if any) taken or proposed to be taken with respect thereto;

(b) the filing or commencement of, or any threat or notice of intention of any Person to file or commence, any action, suit or proceeding, whether at law or in equity or by or before any Governmental Authority, against the Borrower or any Affiliate thereof that could reasonably be expected to result in a Material Adverse Effect;

(c) any development that has resulted in, or could reasonably be expected to result in, (i) a Material Adverse Effect or (ii) a failure to satisfy the covenant set forth in Section 6.12 at any time;



(d) any change in the Borrower's corporate rating by Moody's or S&P, or any change in any Insurance Subsidiary's rating by A.M. Best, or any notice from any such agency indicating its intent to effect such a change or to place the Borrower or such Insurance Subsidiary, as applicable, on a "CreditWatch" or "WatchList" or any similar list, in each case with negative implications, or its cessation of, or its intent to cease, rating the Borrower or such Insurance Subsidiary, as applicable;

(e) the receipt of any notice from any Governmental Authority of the expiration without renewal, revocation, suspension or restriction of, or the institution of any proceedings to revoke, suspend or restrict, any material Insurance License now or hereafter held by any Insurance Subsidiary that is required to conduct insurance business in compliance with all applicable laws and regulations and provide a copy of such notice;

(f) the receipt of any notice from any Governmental Authority of the institution of any material disciplinary proceedings against or in respect of any Insurance Subsidiary, or the issuance of any material order, the taking of any material action or any request for an extraordinary audit for cause by any Governmental Authority and provide a copy of such notice;

(g) any material judicial or administrative order limiting or controlling the insurance business of any Insurance Subsidiary (and not the insurance industry generally) that has been issued or adopted; or

(h) the receipt by any Material Insurance Subsidiary of any notice of termination, cancellation (which cancellation notice is not accompanied by a corresponding request for renewal), commutation or recapture of any Reinsurance Agreement that (i) occurs pursuant to a special termination or similar clause or is otherwise outside the ordinary course of business or (ii) could reasonably be expected to have a Material Adverse Effect.

Section 5.06. *Maintaining Records; Access to Properties and Inspections.* Keep proper books of record and account in which full, true and correct entries in conformity with GAAP or SAP (as required) and all requirements of law are made of all dealings and transactions in relation to its business and activities. At the Borrower's expense, each Loan Party will, and will cause each of its subsidiaries to, permit any officers, employees, agents, representatives or third-party contractor designated by the Lender to visit, audit and inspect the financial records, collateral and properties of such Person from time to time as requested and to make extracts from and copies of such financial records, and permit any such Person designated by the Lender to discuss the affairs, finances and condition of such Person with the directors, officers and employees thereof and independent accountants therefor.

Section 5.07. *Use of Proceeds.* Use the proceeds of the Loans only for the purposes specified in the introductory statement to this Agreement.

Section 5.08. *Employee Benefits.* (a) Comply in all material respects with the applicable provisions of ERISA and the Code applicable with respect to any Plan and the laws applicable to any Foreign Pension Plan and (b) furnish to the Lender as soon as possible, and in any event within ten days after any responsible officer of the Borrower or any ERISA Affiliate knows or has reason to know that any ERISA Event has occurred that, alone or together with any other ERISA Event, could reasonably be expected to result in a Material Adverse Effect, a statement of a Financial Officer of the Borrower setting forth details as to such ERISA Event and the action, if any, that the Borrower proposes to take with respect thereto.

Section 5.09. *Compliance with Environmental Laws.* Comply, and use commercially reasonable efforts to cause all lessees and other Persons occupying its properties to comply, in all material respects with all Environmental Laws applicable to its operations and properties; obtain and renew all material environmental permits, licenses or other approvals necessary for its operations and properties; and conduct any remedial action in accordance with Environmental Laws; *provided* that none of the Borrower nor any Subsidiary shall be required to undertake any remedial action required by Environmental Laws to the extent that its obligation to do so is being contested in good faith and by proper proceedings, and appropriate reserves are being maintained by the Borrower with respect to such circumstances in accordance with GAAP.

Section 5.10. *Further Assurances.* (a) Execute any and all further documents, financing statements, agreements and instruments, and take all further action (including filing Uniform Commercial Code and other financing statements) that may be required under applicable law, or that the Lender may reasonably request, in order to effectuate the transactions contemplated by the Loan Documents and in order to grant, preserve, protect and perfect the validity and first priority of the security interests created or intended to be created by the Security Documents. The Borrower will as promptly as practicable cause (i) each Material Subsidiary (other than an Excluded Subsidiary or a Foreign Subsidiary organized or incorporated in a foreign jurisdiction) which is not a party to the Guarantee and Pledge Agreement on the Closing Date and (ii) any subsequently acquired or organized Material Subsidiary (other than an Excluded Subsidiary or a Foreign Subsidiary organized or incorporated in a foreign jurisdiction) to become a Loan Party by executing the Guarantee and Pledge Agreement and each applicable Security Document in favor of the Lender. In addition, from time to time, the Borrower will, at its cost and expense, promptly secure the Obligations by pledging or creating, or causing to be pledged or created, perfected security interests with respect to such of the Loan Parties' assets and properties as the Lender shall designate (it being understood that, subject to the limitations specified in the Guarantee and Pledge Agreement, it is the intent of the parties that the Obligations shall be secured by substantially all the assets (other than Excluded Property) of the Borrower and its Material Subsidiaries (other than an Excluded Subsidiary or a Foreign Subsidiary organized or incorporated in a

foreign jurisdiction) (including properties acquired subsequent to the Closing Date)). Such security interests and Liens will be created under the Security Documents and other security agreements and other instruments and documents in form and substance satisfactory to the Lender, and the Borrower shall deliver or cause to be delivered to the Lender all such instruments and documents (including legal opinions and lien searches) as the Lender shall reasonably request to evidence compliance with this Section. The Borrower agrees to provide such evidence as the Lender shall reasonably request as to the perfection and priority status of each such security interest and Lien.

(b) Within 25 days following the Closing Date, the Borrower shall deliver to the Lender a detailed list of all real estate owned by the Borrower and its Subsidiaries, identifying the location, owner and estimated value of such real estate, any known liens against such real estate, and such other information with respect to such real estate as the Lender may reasonably request. As soon as reasonably practicable and in any case within 45 days (or such longer period as the Lender may agree in its sole discretion) of receipt of a written request therefor from the Lender (and subject to the applicable restrictions set forth in the Borrower's restated certificate of incorporation), the Borrower shall provide the Lender with Mortgages with respect to owned real estate identified by the Lender in such request (other than real estate owned by an Excluded Subsidiary or Foreign Subsidiary), together with (i) evidence that counterparts of such Mortgages have been duly executed, acknowledged and delivered and are in form reasonably satisfactory to the Lender, (ii) a policy or policies of title insurance or unconditional commitments therefor issued by a nationally recognized title insurance company in form and substance, with endorsements and in an amount reasonably acceptable to the Lender and (iii) such surveys, abstracts, appraisals and legal opinions as the Lender may reasonably request with respect to such real estate.

Section 5.11. *Trust Equity*. Subject to (i) receipt of all material approvals of Governmental Authorities required therefor and (ii) payment in cash (or other consideration having in the judgment of the board of directors of the Borrower at least equivalent value) of the par value thereof, the Borrower shall issue to the Trust Equity Interests in the Borrower having the principal terms and conditions specified in Exhibit D (the "**Trust Equity**"), evidenced by documentation in form and substance satisfactory to the Lender and accompanied by such officers' certificates, opinions of counsel and other customary closing documentation as the Lender may require. In furtherance of the foregoing, the Borrower shall (A) enter into such agreements and take such other actions as shall in the judgment of the Lender be necessary to effect the issuance of the Trust Equity, (B) use its best efforts to obtain all material approvals from Governmental Authorities required for the issuance of the Trust Equity, (C) comply with any instructions or directions provided to the Borrower by the Lender in connection with obtaining the approvals referred to in clause (B) above and (D) not take any actions that are inconsistent with obtaining the approvals referred to in clause (B) above. The

Borrower shall use all reasonable efforts to cause the composition of the board of directors of the Borrower to be, on or prior to the date that is ten days after the formation of the Trust, satisfactory to the Trust in its sole discretion.

ARTICLE 6  
NEGATIVE COVENANTS

The Borrower covenants and agrees with the Lender that, so long as this Agreement shall remain in effect and until the Commitment has been terminated and the principal of and interest on each Loan, all Fees and all other expenses or amounts payable under any Loan Document have been paid in full, unless the Lender shall otherwise consent in writing, the Borrower will not, nor will it cause or permit any Restricted Subsidiary to:

Section 6.01. *Indebtedness.* Incur, create, assume or permit to exist any Indebtedness, except:

(a) Indebtedness existing on the date hereof and reflected in the most recent balance sheet of the Borrower referred to in Section 3.05 or incurred after the date hereof under credit facilities in effect on the date hereof, and any extensions, renewals, exchanges or replacements of such Indebtedness to the extent (i) the principal amount of such Indebtedness is not increased (except by an amount equal to unpaid accrued interest and premium thereon plus other reasonable fees and expenses incurred in connection with such extension, renewals or replacement), (ii) neither the final maturity nor the weighted average life to maturity of such Indebtedness is decreased, (iii) such Indebtedness, if subordinated to the Obligations, remains so subordinated on terms no less favorable to the Lender and (iv) the original obligors in respect of such Indebtedness remain the only obligors thereon;

(b) Indebtedness created hereunder and under the other Loan Documents;

(c) intercompany Indebtedness of the Borrower and the Subsidiaries to the extent permitted by Section 6.04(c);

(d) Indebtedness (including Capital Lease Obligations) of the Borrower or any Subsidiary incurred to finance the acquisition, construction or improvement of any fixed or capital assets (other than aircraft and aircraft-related equipment purchased by International Lease Finance Corporation and its subsidiaries), and extensions, renewals and replacements of any such Indebtedness that do not increase the outstanding principal amount thereof; *provided* that (i) such Indebtedness is incurred prior to or within 90 days after such acquisition or the completion of such construction or improvement and (ii) the aggregate principal amount of Indebtedness permitted by this Section 6.01(d) shall not exceed \$25,000,000 at any time outstanding;

(e) other Indebtedness incurred or assumed in the ordinary course of business of the Borrower and its Subsidiaries to finance the conduct of such business in the ordinary course; and

(f) other unsecured Indebtedness of the Borrower or the Subsidiaries; *provided* that (i) the proceeds thereof are applied to prepay the Loans as required by Section 2.10(d) and (ii) such Indebtedness shall not mature, and there shall be no scheduled principal payments due under such Indebtedness, prior to the date that is 30 months after the Closing Date.

Section 6.02. *Liens.* Create, incur, assume or permit to exist any Lien on any property or assets (including Equity Interests, Indebtedness or other securities of any Person) now owned or hereafter acquired by it or on any income or revenues or rights in respect of any thereof, except:

(a) Liens on property or assets of the Borrower and its Subsidiaries existing on the date hereof; *provided* that such Liens shall secure only those obligations that they secure on the date hereof and extensions, renewals and replacements thereof permitted hereunder;

(b) any Lien created under the Loan Documents;

(c) any Lien existing on any property or asset prior to the acquisition thereof by the Borrower or any Subsidiary or existing on any property or assets of any Person that becomes a Subsidiary after the date hereof prior to the time such Person becomes a Subsidiary, as the case may be; *provided* that (i) such Lien is not created in contemplation of or in connection with such acquisition or such Person becoming a Subsidiary, (ii) such Lien does not apply to any other property or assets of the Borrower or any Subsidiary and (iii) such Lien secures only those obligations that it secures on the date of such acquisition or the date such Person becomes a Subsidiary, as the case may be;

(d) Liens for taxes not yet due or that are being contested in compliance with Section 5.03;

(e) carriers', warehousemen's, mechanics', materialmen's, repairmen's or other like Liens arising in the ordinary course of business and securing obligations that are not due and payable or that are being contested in compliance with Section 5.03;

(f) pledges and deposits made in the ordinary course of business in compliance with workmen's compensation, unemployment insurance and other social security laws or regulations;

(g) deposits to secure the performance of bids, trade contracts (other than for Indebtedness), leases (other than Capital Lease Obligations), statutory

obligations, surety and appeal bonds, performance bonds and other obligations of a like nature incurred in the ordinary course of business;

(h) zoning restrictions, easements, rights-of-way, restrictions on use of real property and other similar encumbrances incurred in the ordinary course of business that, in the aggregate, are not substantial in amount and do not materially detract from the value of the property subject thereto or interfere with the ordinary conduct of the business of the Borrower or any of its Subsidiaries;

(i) purchase money security interests in real property, improvements thereto or equipment hereafter acquired (or, in the case of improvements, constructed) by the Borrower or any Subsidiary; *provided* that (i) such security interests secure Indebtedness permitted by Section 6.01, (ii) such security interests are incurred, and the Indebtedness secured thereby is created, within 90 days after such acquisition (or construction), (iii) the Indebtedness secured thereby does not exceed the lesser of the cost or the fair market value of such real property, improvements or equipment at the time of such acquisition (or construction) and (iv) such security interests do not apply to any other property or assets of the Borrower or any Subsidiary;

(j) judgment Liens securing judgments not constituting an Event of Default under Article 7; and

(k) other Liens created or assumed in the ordinary course of business of the Borrower and its Subsidiaries.

Section 6.03. *Sale and Lease-back Transactions.* Enter into any arrangement, directly or indirectly, with any Person whereby it shall sell or transfer any property, real or personal, used or useful in its business, whether now owned or hereafter acquired, and thereafter rent or lease such property or other property that it intends to use for substantially the same purpose or purposes as the property being sold or transferred unless (a) the sale or transfer of such property is permitted by Section 6.05 and (b) any Capital Lease Obligations or Liens arising in connection therewith are permitted by Sections 6.01 and 6.02, as the case may be.

Section 6.04. *Investments, Loans and Advances.* Purchase, hold or acquire any Equity Interests, evidences of indebtedness or other securities of, make or permit to exist any loans or advances to, or make or permit to exist any investment or any other interest in, any other Person, except:

(a) (i) investments by the Borrower and the Subsidiaries existing on the date hereof in the Equity Interests of the Subsidiaries, and (ii) additional investments by the Borrower and the Subsidiaries in the Equity Interests of the Subsidiaries; *provided* that (A) any such Equity Interests held by a Loan Party shall be pledged pursuant to the Guarantee and Pledge Agreement (subject to the limitations and exceptions referred to therein) and (B) investments made after the

Closing Date by Loan Parties in, and loans and advances made after the Closing Date by Loan Parties to, Subsidiaries that are not Loan Parties (determined without regard to any write-downs or write-offs of such investments, loans and advances) shall only be permitted (x) pursuant to funding commitments in effect on, and disclosed to the Lender on or prior to, the Closing Date or (y) with the prior written consent of the Lender;

(b) investments in cash and Permitted Investments;

(c) loans or advances made by the Borrower to any Subsidiary and made by any Subsidiary to the Borrower or any other Subsidiary; *provided* that (i) any such loans and advances made to a Loan Party shall be unsecured, (ii) any such loans and advances made to any Loan Party shall be subordinated to the Obligations pursuant to an Affiliate Subordination Agreement and (iii) the amount of such loans and advances made by Loan Parties to Subsidiaries that are not Loan Parties shall be subject to the limitation set forth in paragraph (a) above;

(d) investments received in connection with the bankruptcy or reorganization of, or settlement of delinquent accounts and disputes with, customers and suppliers, in each case in the ordinary course of business; and

(e) other loans, advances and investments made in the ordinary course of business of the Borrower and its Subsidiaries.

Notwithstanding the foregoing, the Borrower and its Subsidiaries shall not be permitted to make any material investment in illiquid, complex structured products for which no external market price, liquid market quotes or price based on common agreed modeling is available except (i) pursuant to Investment Commitments in effect on the Closing Date and entered into in the ordinary course of business or (ii) with the prior written consent of the Lender.

Section 6.05. *Mergers, Consolidations, Sales of Assets and Acquisitions.*

(a) Merge into or consolidate with any other Person, or permit any other Person to merge into or consolidate with it, or sell, transfer, lease or otherwise dispose of (in one transaction or in a series of transactions) all or substantially all the assets (whether now owned or hereafter acquired) of the Borrower or less than all the Equity Interests of any Subsidiary, or purchase, lease or otherwise acquire (in one transaction or a series of transactions) all or any substantial part of the assets of any other Person, except that (i) the Borrower and any Subsidiary may purchase and sell assets in the ordinary course of business and (ii) if at the time thereof and immediately after giving effect thereto no Default shall have occurred and be continuing, (A) any Wholly Owned Subsidiary may merge into the Borrower in a transaction in which the Borrower is the surviving corporation and (B) any Wholly Owned Subsidiary may merge into or consolidate with any other Wholly Owned Subsidiary in a transaction in which the surviving entity is a Wholly Owned Subsidiary and no Person other than the Borrower or a Wholly Owned Subsidiary receives any consideration (*provided* that if any party to any such

transaction is a Loan Party, the surviving entity of such transaction shall be a Loan Party).

(b) Without the Lender's approval, make any Asset Sale otherwise permitted under paragraph (a) above unless (i) such Asset Sale is for consideration at least 90% of which is cash, (ii) such consideration is at least equal to the fair market value of the assets being sold, transferred, leased or disposed of and (iii) the Net Cash Proceeds of such Asset Sale are applied as provided in Section 2.10.

Section 6.06. *Restricted Payments; Restrictive Agreements.* (a) Declare or make, or agree to declare or make, directly or indirectly, any Restricted Payment (including pursuant to any Synthetic Purchase Agreement), or incur any obligation (contingent or otherwise) to do so; *provided* that (i) any Subsidiary may declare and pay dividends or make other distributions ratably to its equity holders and (ii) so long as no Default shall have occurred and be continuing or would result therefrom, the Borrower may repurchase its Equity Interests owned by employees of the Borrower or the Subsidiaries or make payments to employees of the Borrower or the Subsidiaries upon termination of employment in connection with the exercise of stock options, stock appreciation rights or similar equity incentives or equity-based incentives pursuant to management incentive plans or in connection with the death or disability of such employees in an aggregate amount not to exceed \$300,000,000.

(b) Enter into, incur or permit to exist any agreement or other arrangement that prohibits, restricts or imposes any condition upon (i) the ability of the Borrower or any Restricted Subsidiary to create, incur or permit to exist any Lien upon any of its property or assets or (ii) the ability of any Restricted Subsidiary to pay dividends or other distributions with respect to any of its Equity Interests or to make or repay loans or advances to the Borrower or any other Subsidiary or to Guarantee Indebtedness of the Borrower or any other Subsidiary; *provided* that (A) the foregoing shall not apply to restrictions and conditions existing on the Closing Date, (B) the foregoing shall not apply to restrictions and conditions imposed by law or by any Loan Document, (C) the foregoing shall not apply to customary restrictions and conditions contained in agreements relating to the sale of a Subsidiary pending such sale; *provided* that such restrictions and conditions apply only to the Subsidiary that is to be sold and such sale is permitted hereunder, (D) the foregoing shall not apply to restrictions and conditions imposed on any Foreign Subsidiary by the terms of any Indebtedness of such Foreign Subsidiary permitted to be incurred hereunder, (E) clause (i) of the foregoing shall not apply to restrictions or conditions imposed by any agreement relating to secured Indebtedness permitted by this Agreement if such restrictions or conditions apply only to the property or assets securing such Indebtedness and (F) clause (i) of the foregoing shall not apply to customary provisions in leases and other contracts restricting the assignment thereof.



Section 6.07. *Transactions with Affiliates.* Sell or transfer any property or assets to, or purchase or acquire any property or assets from, or otherwise engage in any other transactions with, any of its Affiliates, except that the Borrower or any Subsidiary may engage in any of the foregoing transactions on terms and conditions not less favorable to the Borrower or such Subsidiary than could be obtained on an arm's-length basis from unrelated third parties.

Section 6.08. *Business of the Borrower and Subsidiaries.* Engage at any time in any material business or business activity other than the businesses conducted by them as of the Closing Date and business activities reasonably incidental thereto without the prior written consent of the Lender.

Section 6.09. *Other Indebtedness and Agreements.* (a) Permit (i) any waiver, supplement, modification, amendment, termination or release of any indenture, instrument or agreement pursuant to which any Material Indebtedness of the Borrower or any of the Subsidiaries is outstanding if the effect of such waiver, supplement, modification, amendment, termination or release would materially increase the obligations of the obligor or confer additional material rights on the holder of such Indebtedness in a manner adverse to the Borrower, any of the Subsidiaries or the Lender or (ii) any waiver, supplement, modification or amendment of its certificate of incorporation, bylaws, operating, management or partnership agreement or other organizational documents, to the extent any such waiver, supplement, modification or amendment would be adverse to the Lender in any material respect.

(b) (i) Make any distribution, whether in cash, property, securities or a combination thereof, other than regular scheduled payments of principal and interest as and when due (to the extent not prohibited by applicable subordination provisions), in respect of, or pay, or commit to pay, or directly or indirectly (including pursuant to any Synthetic Purchase Agreement) redeem, repurchase, retire or otherwise acquire for consideration, or set apart any sum for the aforesaid purposes, any Indebtedness except (A) the payment of the Indebtedness created hereunder, (B) refinancings of Indebtedness permitted by Section 6.01 and (C) the payment of secured Indebtedness that becomes due as a result of the voluntary sale or transfer of the property or assets securing such Indebtedness or (ii) pay in cash any amount in respect of any Indebtedness (other than the Loans) or preferred Equity Interests that may at the obligor's option be paid in kind or in other securities.

Section 6.10. *Hedging Arrangements.* Enter into any Swap Contract except (a) in the case of any Swap Contract constituting a credit default swap or other similar credit derivative transaction, to the extent consistent with policies approved by the Lender from time to time and (b) otherwise, Swap Contracts entered into in the ordinary course of business and consistent with prudent business practice to hedge or mitigate risks to which the Borrower or its Subsidiaries are exposed in the conduct of their business or management of their liabilities.

Section 6.11. *Capital Expenditures*. Make or commit to make Capital Expenditures in an amount greater than \$10,000,000 for any single or series of related Capital Expenditures if the Lender shall have notified the Borrower of its objection thereto following receipt of the notice referred to below. The Borrower shall, to the extent reasonably practicable, allow the Lender to participate in the Borrower's usual process for evaluating material capital expenditures projects, including by providing the Lender information and notice consistent with the Lender's participation in that process, but in any case shall give the Lender not less than ten Business Days' prior written notice of any such Capital Expenditure.

Section 6.12. *Minimum Liquidity*. Permit Aggregate Liquidity to be less than \$15,000,000,000 at any time.

## ARTICLE 7 EVENTS OF DEFAULT

In case of the happening of any of the following events ("**Events of Default**"):

(a) any representation or warranty made or deemed made in or in connection with any Loan Document or the borrowings hereunder, or any representation, warranty, statement or information contained in any report, certificate, financial statement or other instrument furnished in connection with or pursuant to any Loan Document, shall prove to have been false or misleading in any material respect when so made, deemed made or furnished;

(b) default shall be made in the payment of any principal of any Loan when and as the same shall become due and payable, whether at the due date thereof or at a date fixed for prepayment thereof or by acceleration thereof or otherwise;

(c) default shall be made in the payment of any interest on any Loan or any Fee or any other amount (other than an amount referred to in paragraph (b) above) due under any Loan Document, when and as the same shall become due and payable, and such default shall continue unremedied for a period of three Business Days;

(d) default shall be made in the due observance or performance by the Borrower or any Subsidiary of any covenant, condition or agreement contained in Sections 5.01(a), 5.02, 5.04 and 5.05 and in Article 6;

(e) default shall be made in the due observance or performance by the Borrower or any Subsidiary of any covenant, condition or agreement contained in any Loan Document (other than those specified in paragraphs (b), (c) or (d) above) and such default shall continue unremedied for a period of ten days after the

earlier of (i) notice thereof from the Lender to the Borrower or (ii) knowledge thereof of the Borrower;

(f) (i) the Borrower or any Subsidiary shall fail to pay any principal or interest, regardless of amount, due in respect of any Material Indebtedness, when and as the same shall become due and payable or (ii) any other event or condition occurs that results in any Material Indebtedness becoming due prior to its scheduled maturity or that enables or permits (with or without the giving of notice, the lapse of time or both) the holder or holders of any Material Indebtedness or any trustee or agent on its or their behalf to cause any Material Indebtedness to become due, or to require the prepayment, repurchase, redemption or defeasance thereof, prior to its scheduled maturity; *provided* that this clause (ii) shall not apply to secured Indebtedness that becomes due as a result of the voluntary sale or transfer of the property or assets securing such Indebtedness;

(g) an involuntary proceeding shall be commenced or an involuntary petition shall be filed in a court of competent jurisdiction seeking (i) relief in respect of the Borrower or any Material Subsidiary, or of a substantial part of the property or assets of the Borrower or a Material Subsidiary, under Title 11 of the United States Code, as now constituted or hereafter amended, or any other federal, state or foreign bankruptcy, insolvency, receivership or similar law, (ii) the appointment of a receiver, trustee, custodian, sequestrator, conservator or similar official for the Borrower or any Material Subsidiary or for a substantial part of the property or assets of the Borrower or a Material Subsidiary or (iii) the winding-up or liquidation of the Borrower or any Material Subsidiary; and such proceeding or petition shall continue undismissed for 60 days or an order or decree approving or ordering any of the foregoing shall be entered;

(h) the Borrower or any Material Subsidiary shall (i) voluntarily commence any proceeding or file any petition seeking relief under Title 11 of the United States Code, as now constituted or hereafter amended, or any other federal, state or foreign bankruptcy, insolvency, receivership or similar law, (ii) consent to the institution of, or fail to contest in a timely and appropriate manner, any proceeding or the filing of any petition described in (g) above, (iii) apply for or consent to the appointment of a receiver, trustee, custodian, sequestrator, conservator or similar official for the Borrower or any Material Subsidiary or for a substantial part of the property or assets of the Borrower or any Material Subsidiary, (iv) file an answer admitting the material allegations of a petition filed against it in any such proceeding, (v) make a general assignment for the benefit of creditors, (vi) become unable, admit in writing its inability or fail generally to pay its debts as they become due or (vii) take any action for the purpose of effecting any of the foregoing;

(i) one or more judgments shall be rendered against the Borrower, any Material Subsidiary or any combination thereof and the same shall remain undischarged for a period of 30 consecutive days during which execution shall not be effectively stayed, or any action shall be legally taken by a judgment creditor

to levy upon assets or properties of the Borrower or any Subsidiary to enforce any such judgment and such judgment either is for (i) the payment of money in an aggregate amount in excess of \$25,000,000 or (ii) injunctive relief and could reasonably be expected to result in a Material Adverse Effect;

(j) an ERISA Event shall have occurred that, in the opinion of the Lender, when taken together with all other such ERISA Events, could reasonably be expected to result in a Material Adverse Effect;

(k) any Guarantee under the Guarantee and Pledge Agreement for any reason shall cease to be in full force and effect (other than in accordance with its terms), or any Guarantor shall deny in writing that it has any further liability under the Guarantee and Pledge Agreement (other than as a result of the discharge of such Guarantor in accordance with the terms of the Loan Documents);

(l) any security interest purported to be created by any Security Document shall cease to be, or shall be asserted by the Borrower or any other Loan Party not to be, a valid, perfected, first priority (except as otherwise expressly provided in this Agreement or such Security Document) security interest in the securities, assets or properties covered thereby;

(m) (i) any Insurance Subsidiary shall not make a scheduled payment of interest or principal on any surplus note or similar form of indebtedness (due to actions of any Governmental Authority or otherwise), (ii) any Insurance Subsidiary's ability to pay fees to its Affiliates under existing agreements (or extensions of existing agreements) shall be restricted (due to actions of any Governmental Authority or otherwise), (iii) in any fiscal year, an Insurance Subsidiary's ability to pay dividends to its stockholders is materially restricted due to actions of any Governmental Authority or (iv) any other Material Adverse Regulatory Event occurs, and (x) in the cases of clauses (i) through (iii) above, such event or condition, together with all other such events or conditions, could reasonably be expected to result in a Material Adverse Effect and (y) in each case, such event or condition was not in effect as of the date hereof;

(n) the Indebtedness under any subordinated Indebtedness of the Borrower and its Subsidiaries constituting Material Indebtedness shall cease (or any Loan Party or an Affiliate of any Loan Party shall so assert), for any reason, to be validly subordinated to the Obligations as provided in the subordinated agreements evidencing such subordinated Indebtedness, except to the extent such Indebtedness, by its terms, provides that such Indebtedness will automatically cease to be subordinated upon a remarketing or similar event;

(o) the Trust Equity shall not have been issued on or prior to the day that is 45 days following the Closing Date; or

(p) there shall have occurred a Change in Control;

then, and in every such event (other than an event with respect to the Borrower described in paragraph (g) or (h) above), and at any time thereafter during the continuance of such event, the Lender may take either or both of the following actions, at the same or different times: (i) terminate forthwith the Commitment and (ii) declare the Loans then outstanding to be forthwith due and payable in whole or in part, whereupon the principal of the Loans so declared to be due and payable, together with accrued interest thereon and any unpaid accrued Fees and all other liabilities of the Borrower accrued hereunder and under any other Loan Document, shall become forthwith due and payable, without presentment, demand, protest or any other notice of any kind, all of which are hereby expressly waived by the Borrower, anything contained herein or in any other Loan Document to the contrary notwithstanding; and in any event with respect to the Borrower described in paragraph (g) or (h) above, the Commitment shall automatically terminate and the principal of the Loans then outstanding, together with accrued interest thereon and any unpaid accrued Fees and all other liabilities of the Borrower accrued hereunder and under any other Loan Document, shall automatically become due and payable, without presentment, demand, protest or any other notice of any kind, all of which are hereby expressly waived by the Borrower, anything contained herein or in any other Loan Document to the contrary notwithstanding.

ARTICLE 8  
MISCELLANEOUS

Section 8.01. *Notices; Electronic Communications.* Except in the case of notices and other communications expressly permitted to be given by telephone, notices and other communications provided for herein shall be in writing and shall be delivered by hand or overnight courier service, mailed by certified or registered mail or sent by fax or e-mail shall be delivered, and all notices and other communications expressly permitted hereunder to be given by telephone shall be made, to the applicable address, fax number, e-mail address or telephone number specified for the applicable Person in Schedule 8.01.

All notices and other communications given to any party hereto in accordance with the provisions of this Agreement shall be deemed to have been given on the date of receipt if delivered by hand or overnight courier service or sent by fax or on the date five Business Days after dispatch by certified or registered mail if mailed, in each case delivered, sent or mailed (properly addressed) to such party as provided in this Section 8.01 or in accordance with the latest unrevoked direction from such party given in accordance with this Section 8.01. As agreed to among the Borrower and the Lender from time to time, notices and other communications may also be delivered by e-mail to the e-mail address of a representative of the applicable Person provided from time to time by such Person.

The Borrower may, unless directed otherwise by the Lender or unless the e-mail address referred to below has not been provided by the Lender to the Borrower, and may cause its Subsidiaries to, provide to the Lender information, documents and other materials that it is obligated to furnish to the Lender pursuant to the Loan Documents or to the Lender under Article 5, including all notices, requests, financial statements, financial and other reports, certificates and other information materials (all such communications being referred to herein collectively as “**Communications**”), by transmitting the Communications in an electronic/soft medium that is properly identified in a format acceptable to the Lender to an e-mail address as directed by the Lender. In addition, the Borrower shall, and shall cause its Subsidiaries to, continue to provide the Communications to the Lender, as the case may be, in the manner specified in the Loan Documents to the extent requested by the Lender.

The Lender agrees that the receipt of the Communications by the Lender at its e-mail address set forth above shall constitute effective delivery of the Communications to the Lender for purposes of the Loan Documents.

Nothing herein shall prejudice the right of the Lender to give any notice or other communication pursuant to any Loan Document in any other manner specified in such Loan Document.

Section 8.02. *Survival of Agreement.* All covenants, agreements, representations and warranties made by the Borrower herein and in the certificates or other instruments prepared or delivered in connection with or pursuant to this Agreement or any other Loan Document shall be considered to have been relied upon by the Lender and shall survive the making by the Lender of the Loans, regardless of any investigation made by the Lender or on its behalf, and shall continue in full force and effect as long as the principal of or any accrued interest on any Loan or any Fee or any other amount payable under this Agreement or any other Loan Document is outstanding and unpaid and so long as the Commitment has not been terminated. Notwithstanding anything to the contrary herein, the provisions of Sections 2.12, 5.11 and 8.05 shall remain operative and in full force and effect regardless of the expiration of the term of this Agreement, the consummation of the transactions contemplated hereby, the repayment of any of the Loans, the termination of the Commitment, the invalidity or unenforceability of any term or provision of this Agreement or any other Loan Document or any investigation made by or on behalf of the Lender.

Section 8.03. *Binding Effect.* This Agreement shall become effective when it shall have been executed by the Borrower and the Lender.

Section 8.04. *Successors and Assigns.* (a) Whenever in this Agreement any of the parties hereto is referred to, such reference shall be deemed to include the permitted successors and assigns of such party; and all covenants, promises and agreements by or on behalf of the Borrower or the Lender that are contained

in this Agreement shall bind and inure to the benefit of their respective successors and assigns.

(b) The Lender may assign to one or more Persons all or a portion of its interests, rights and obligations under this Agreement (including all or a portion of its Commitment and the Loans at the time owing to it), pursuant to documentation acceptable to the Lender and the assignee. From and after the effective date specified in such documentation, such assignee shall be a party hereto and, to the extent of the interest assigned by the Lender, have the rights and obligations of the Lender under this Agreement and the assigning Lender thereunder shall, to the extent of the interest assigned by the Lender, be released from its obligations under this Agreement (and, in the case of an assignment of all or the remaining portion of the Lender's rights and obligations under this Agreement, the Lender shall cease to be a party hereto but shall continue to be entitled to the benefits of Sections 2.12 and 8.05, as well as to any Fees accrued for its account and not yet paid). Upon request, the Borrower at its expense shall execute and deliver new or replacement promissory notes to the Lender and the assignee, and shall execute and deliver any other documents reasonably necessary or appropriate to give effect to such assignment and provide for the administration of this Agreement after giving effect thereto.

(c) The Lender may sell participations to one or more banks or other Persons in all or a portion of its rights and obligations under this Agreement (including all or a portion of its Commitment and the Loans owing to it); *provided* that (i) the Lender's obligations under this Agreement shall remain unchanged, (ii) the Lender shall remain solely responsible to the other parties hereto for the performance of such obligations, (iii) the participating banks or other Persons shall be entitled to the benefit of the cost protection provisions contained in Section 2.12 to the same extent as if they were the Lender, (iv) the Borrower shall continue to deal solely and directly with the Lender in connection with the Lender's rights and obligations under this Agreement, and the Lender shall retain the sole right to enforce the obligations of the Borrower relating to the Loans and to approve any amendment, modification or waiver of any provision of this Agreement (other than amendments, modifications or waivers decreasing any fees payable to such participating bank or Person hereunder or the amount of principal of or the rate at which interest is payable on the Loans in which such participating bank or Person has an interest, extending any scheduled principal payment date or date fixed for the payment of interest on the Loans in which such participating bank or Person has an interest, increasing or extending the Commitment in which such participating bank or Person has an interest or releasing any Guarantor (other than in connection with the sale of such Guarantor in a transaction permitted by Section 6.05) or all or substantially all of the Collateral) and (v) the Lender shall act as the Borrower's agent for the sole purpose (subject to any other provision of this Agreement) of ensuring that any participation is in registered form for United States federal tax purposes if the Lender determines that such participation is a "registration-required obligation" as defined by the Treasury Regulations. To the

extent permitted by law, each participating bank or other Person also shall be entitled to the benefits of Section 8.06 as though it were the Lender.

(d) The Lender may, in connection with any assignment or participation or proposed assignment or participation pursuant to this Section 8.04, disclose to the assignee or participant or proposed assignee or participant any information relating to the Borrower furnished to the Lender by or on behalf of the Borrower.

(e) The Lender may at any time assign all or any portion of its rights under this Agreement to secure extensions of credit to the Lender or in support of obligations owed by the Lender; *provided* that no such assignment shall release the Lender from any of its obligations hereunder or substitute any such assignee for the Lender as a party hereto.

(f) The Borrower shall not assign or delegate any of its rights or duties hereunder without the prior written consent of the Lender and any attempted assignment without such consent shall be null and void.

Section 8.05. *Expenses; Indemnity.* (a) The Borrower agrees to pay all reasonable out-of-pocket expenses incurred by the Lender in connection with its due diligence and the financial analysis of the Borrower, the preparation and administration of this Agreement and the other Loan Documents, any amendments, modifications or waivers of the provisions hereof or thereof (whether or not the transactions hereby or thereby contemplated shall be consummated) or incurred by the Lender in connection with the enforcement or protection of its rights in connection with this Agreement and the other Loan Documents or in connection with the Loans made hereunder, including in each case the fees, charges and disbursements of counsel, accountants, financial advisers and other experts engaged by the Lender (including the allocated fees of in-house counsel).

(b) The Borrower agrees to indemnify the Lender and each of its Representatives (each such Person being called an “**Indemnitee**”) against, and to hold each Indemnitee harmless from, any and all losses, claims, damages, liabilities and related expenses, including reasonable counsel fees, charges and disbursements, incurred by or asserted against any Indemnitee arising out of, in any way connected with or as a result of (i) the execution or delivery of this Agreement or any other Loan Document or any agreement or instrument contemplated thereby, the performance by the parties thereto of their respective obligations thereunder or the consummation of the Transactions and the other transactions contemplated thereby, (ii) the use of the proceeds of the Loans, (iii) any claim, litigation, investigation or proceeding relating to any of the foregoing, whether or not any Indemnitee is a party thereto (and regardless of whether such matter is initiated by a third party or by the Borrower, any other Loan Party or any of their respective Affiliates) or (iv) any actual or alleged presence or Release of Hazardous Materials on any property currently or formerly owned, leased, operated or used by the Borrower or any of the Subsidiaries, or any



Environmental Liability related in any way to the Borrower or the Subsidiaries; *provided* that such indemnity shall not, as to any Indemnitee, be available to the extent that such losses, claims, damages, liabilities or related expenses are determined by a court of competent jurisdiction by final and nonappealable judgment to have resulted primarily from the gross negligence or willful misconduct of such Indemnitee.

(c) To the extent permitted by applicable law, the Borrower shall not assert, and each hereby waives, any claim against any Indemnitee, on any theory of liability, for special, indirect, consequential or punitive damages (as opposed to direct or actual damages) arising out of, in connection with, or as a result of, this Agreement or any agreement or instrument contemplated hereby, the Transactions, any Loan or the use of the proceeds thereof.

(d) The provisions of this Section 8.05 shall remain operative and in full force and effect regardless of the expiration of the term of this Agreement, the consummation of the transactions contemplated hereby, the repayment of any of the Loans, the expiration of the Commitment, the invalidity or unenforceability of any term or provision of this Agreement or any other Loan Document or any investigation made by or on behalf of the Lender. All amounts due under this Section 8.05 shall be payable on written demand therefor.

Section 8.06. *Right of Setoff.* If an Event of Default shall have occurred and be continuing, the Lender and its Affiliates are authorized, to the fullest extent permitted by law, to set off and apply any and all deposits (general or special, time or demand, provisional or final) at any time held and other obligations at any time owing by the Lender and its Affiliates to or for the credit or the account of any Loan Party against the obligations of such Loan Party hereunder and under the other Loan Documents, irrespective of whether or not the Lender shall have made any demand thereunder and although such obligations may be unmaturing. The rights of the Lender under this subsection are in addition to all other rights and remedies (including other rights of set off) that the Lender may have.

Section 8.07. *Applicable Law.* THIS AGREEMENT AND THE OTHER LOAN DOCUMENTS SHALL BE CONSTRUED IN ACCORDANCE WITH AND GOVERNED BY THE LAWS OF THE STATE OF NEW YORK.

Section 8.08. *Waivers; Amendment.* (a) No failure or delay of the Lender in exercising any power or right hereunder or under any other Loan Document shall operate as a waiver thereof, nor shall any single or partial exercise of any such right or power, or any abandonment or discontinuance of steps to enforce such a right or power, preclude any other or further exercise thereof or the exercise of any other right or power. The rights and remedies of the Lender hereunder and under the other Loan Documents are cumulative and are not exclusive of any rights or remedies that it would otherwise have. No waiver of any provision of this Agreement or any other Loan Document or consent to any

departure by the Borrower or any other Loan Party therefrom shall in any event be effective unless the same shall be permitted by paragraph (b) below, and then such waiver or consent shall be effective only in the specific instance and for the purpose for which given. No notice or demand on the Borrower in any case shall entitle the Borrower to any other or further notice or demand in similar or other circumstances.

(b) Neither this Agreement nor any provision hereof may be waived, amended or modified except pursuant to an agreement or agreements in writing entered into by the Borrower and the Lender.

Section 8.09. *Interest Rate Limitation.* Notwithstanding anything herein to the contrary, if at any time the interest rate applicable to any Loan, together with all fees, charges and other amounts that are treated as interest on such Loan under applicable law (collectively, the “**Charges**”), shall exceed the maximum lawful rate (the “**Maximum Rate**”) that may be contracted for, charged, taken, received or reserved by the Lender holding such Loan or participation in accordance with applicable law, the rate of interest payable in respect of such Loan or participation hereunder, together with all Charges payable in respect thereof, shall be limited to the Maximum Rate and, to the extent lawful, the interest and Charges that would have been payable in respect of such Loan or participation but were not payable as a result of the operation of this Section 8.09 shall be cumulated and the interest and Charges payable to the Lender in respect of other Loans or participations or periods shall be increased (but not above the Maximum Rate therefor) until such cumulated amount shall have been received by the Lender.

Section 8.10. *Entire Agreement.* This Agreement and the other Loan Documents constitute the entire contract between the parties relative to the subject matter hereof. Any other previous agreement among the parties with respect to the subject matter hereof is superseded by this Agreement and the other Loan Documents. Nothing in this Agreement or in the other Loan Documents, expressed or implied, is intended to confer upon any Person (other than the parties hereto and thereto, their respective successors and assigns permitted hereunder and, to the extent expressly contemplated hereby, the Representatives of the Lender) any rights, remedies, obligations or liabilities under or by reason of this Agreement or the other Loan Documents.

Section 8.11. *WAIVER OF JURY TRIAL.* 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 OR ANY OF THE OTHER LOAN DOCUMENTS. EACH PARTY HERETO (A) CERTIFIES THAT NO REPRESENTATIVE, AGENT OR ATTORNEY OF ANY OTHER PARTY HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PARTY WOULD NOT, IN THE EVENT OF

LITIGATION, SEEK TO ENFORCE THE FOREGOING WAIVER AND (B) ACKNOWLEDGES THAT IT AND THE OTHER PARTIES HERETO HAVE BEEN INDUCED TO ENTER INTO THIS AGREEMENT AND THE OTHER LOAN DOCUMENTS, AS APPLICABLE, BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION 8.11.

Section 8.12. *Severability.* In the event that any one or more of the provisions contained in this Agreement or in any other Loan Document should be held invalid, illegal or unenforceable in any respect to the extent permitted by applicable law, the validity, legality and enforceability of the remaining provisions contained herein and therein shall not in any way be affected or impaired thereby (it being understood that the invalidity of a particular provision in a particular jurisdiction shall not in and of itself affect the validity of such provision in any other jurisdiction). The parties shall endeavor in good-faith negotiations to replace the invalid, illegal or unenforceable provisions with valid provisions the economic effect of which comes as close as possible to that of the invalid, illegal or unenforceable provisions.

Section 8.13. *Counterparts.* This Agreement may be executed in counterparts (and by different parties hereto on different counterparts), each of which shall constitute an original but all of which when taken together shall constitute a single contract, and shall become effective as provided in Section 8.03. Delivery of an executed signature page to this Agreement by facsimile transmission shall be as effective as delivery of a manually signed counterpart of this Agreement.

Section 8.14. *Headings.* Article and Section headings and the Table of Contents used herein are for convenience of reference only, are not part of this Agreement and are not to affect the construction of, or to be taken into consideration in interpreting, this Agreement.

Section 8.15. *Jurisdiction; Consent to Service of Process.* (a) To the extent permitted by applicable law, the Borrower hereby irrevocably and unconditionally submits, for itself and its property, to the exclusive jurisdiction of any New York State court or federal court of the United States of America sitting in New York City, and any appellate court from any thereof, in any action or proceeding arising out of or relating to this Agreement or the other Loan Documents, or for recognition or enforcement of any judgment, and each of the parties hereto hereby irrevocably and unconditionally agrees that all claims in respect of any such action or proceeding may be heard and determined in such New York State or, to the extent permitted by law, in such federal court. Each of the parties hereto agrees that a final judgment in any such action or proceeding shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law. Nothing in this Agreement shall affect any right that the Lender may otherwise have to bring any action or proceeding relating to this Agreement or the other Loan Documents against the Borrower or its properties in the courts of any jurisdiction.

(b) The Borrower hereby irrevocably and unconditionally waives, to the fullest extent it may legally and effectively do so, any objection that it may now or hereafter have to the laying of venue of any suit, action or proceeding arising out of or relating to this Agreement or the other Loan Documents in any New York State or federal court. Each of the parties hereto hereby irrevocably waives, to the fullest extent permitted by law, the defense of an inconvenient forum to the maintenance of such action or proceeding in any such court.

(c) Each party to this Agreement irrevocably consents to service of process in the manner provided for notices in Section 8.01. Nothing in this Agreement will affect the right of any party to this Agreement to serve process in any other manner permitted by law.

Section 8.16. *Confidentiality.* The Borrower agrees to keep confidential all non public information, including, without limitation, the Loan Documents, and other related documents provided to it by any Person pursuant to or in connection with the Loan Documents; *provided* that nothing herein shall prevent the Borrower from disclosing any such information (a) to its Representatives (it being understood that the Persons to whom such disclosure is made will be informed of the confidential nature of such information and instructed to keep such information confidential), (b) upon the request or demand of any regulatory authority or quasi-regulatory authority (such as the NAIC), (c) to the extent required by applicable laws or regulations or by any subpoena or similar legal process, (d) in connection with the exercise of any remedies hereunder or under the other Loan Documents or any suit, action or proceeding relating to the enforcement of its rights hereunder or thereunder, (e) with the consent of the Lender or (f) to the extent such information becomes publicly available other than as a result of a breach of this Section 8.16; *provided further* that prior to any disclosure of information pursuant to clauses (b), (c) and (d) of the proviso above, the Borrower shall notify the Lender, if legally permitted to do so, of any proposed disclosure as far in advance of such disclosure as practicable and, upon the Lender's request, take all reasonable actions to ensure that any information disclosed is accorded confidential treatment, or if such notice to the Lender is prohibited by law, inform the relevant court, regulatory authority or quasi-regulatory authority of the Lender's interest in the disclosed information and request that such court, regulatory authority or quasi-regulatory authority inform the Lender of the disclosure.

Section 8.17. *Alternative Financing Structure.* If, following the Closing Date, the Lender identifies to the Borrower an alternative financing structure which provides benefits to the Borrower equivalent to those provided under this Agreement without material detriment to the Borrower, and complies in all material respects with applicable limitations imposed by law or agreement, the Borrower will, and will cause its Subsidiaries to, take such steps as the Lender may reasonably request to implement such alternative structure.

Section 8.18. *Participating in Program Established by Proposed Legislation.* For the avoidance of doubt, the parties acknowledge and agree that, subject to the Borrower's covenants and other provisions applicable to the Borrower in this Agreement, the Borrower and its Subsidiaries may sell assets under, and otherwise participate in, any program, facility or arrangement that may be established pursuant to legislation that may be enacted (including the legislation that has been referred to as the "Troubled Asset Relief Act of 2008") in accordance with the terms of such program, facility or arrangement.

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

AMERICAN INTERNATIONAL  
GROUP, INC., as Borrower

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

FEDERAL RESERVE BANK OF NEW  
YORK, as Lender

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