

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the period ended June 30, 2024

OR

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from _____ to _____
Commission file number 1-8993

WHITE MOUNTAINS INSURANCE GROUP, LTD.

(Exact name of Registrant as specified in its charter)

Bermuda
(State or other jurisdiction of incorporation or organization)
23 South Main Street, Suite 3B
Hanover,
New Hampshire
(Address of principal executive offices)

94-2708455
(I.R.S. Employer Identification No.)
03755-2053
(Zip Code)

Registrant's telephone number, including area code: **(603) 640-2200**

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Shares, par value \$1.00 per share	WTM WTM.BH	New York Stock Exchange Bermuda Stock Exchange

Indicate by check mark whether the Registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the Registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark whether the Registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the Registrant was required to submit such files). Yes No

Indicate by check mark whether the Registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company" and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer Smaller reporting company Accelerated filer Emerging growth company Non-accelerated filer

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Indicate by check mark whether the Registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes No

As of August 2, 2024, 2,568,283 common shares with a par value of \$1.00 per share were outstanding (which includes 35,525 restricted common shares that were not vested at such date).

WHITE MOUNTAINS INSURANCE GROUP, LTD.

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WHITE MOUNTAINS INSURANCE GROUP, LTD.
CONSOLIDATED BALANCE SHEETS
(Unaudited)

Millions, except share and per share amounts	June 30, 2024	December 31, 2023
Assets		
P&C Insurance and Reinsurance (Ark/WM Outrigger)		
Fixed maturity investments, at fair value	\$ 1,005.5	\$ 866.8
Common equity securities, at fair value	422.3	400.6
Short-term investments, at fair value	904.5	962.8
Other long-term investments	491.3	440.9
Total investments	2,823.6	2,671.1
Cash (restricted \$3.6 and \$0.7)	156.3	90.5
Reinsurance recoverables	863.8	442.0
Insurance premiums receivable	1,175.4	612.2
Deferred acquisition costs	245.3	145.3
Goodwill and other intangible assets	292.5	292.5
Other assets	147.0	125.0
Total P&C Insurance and Reinsurance assets	5,703.9	4,378.6
Financial Guarantee (HG Global/BAM)		
Fixed maturity investments, at fair value	1,039.4	1,012.3
Short-term investments, at fair value	51.3	70.6
Total investments	1,090.7	1,082.9
Cash	5.0	6.7
Insurance premiums receivable	6.4	5.5
Deferred acquisition costs	41.7	40.1
Other assets	36.3	36.8
Total Financial Guarantee assets	1,180.1	1,172.0
Asset Management (Kudu)		
Short-term investments, at fair value	37.6	29.3
Other long-term investments	907.1	896.3
Total investments	944.7	925.6
Cash	1.1	1.4
Accrued investment income	15.1	17.6
Goodwill and other intangible assets	8.1	8.3
Other assets	35.4	6.5
Total Asset Management assets	1,004.4	959.4
P&C Insurance Distribution (Bamboo)		
Fixed maturity investments, at fair value	33.2	—
Short-term investments, at fair value	19.8	—
Total investments	53.0	—
Cash (restricted \$60.5 and \$0.0)	68.9	—
Premiums, commissions and fees receivable	58.0	—
Goodwill and other intangible assets	363.0	—
Other assets	18.8	—
Total P&C Insurance Distribution assets	561.7	—
Other Operations		
Fixed maturity investments, at fair value	266.7	230.2
Common equity securities, at fair value	208.5	137.8
Investment in MediaAlpha, at fair value	235.2	254.9
Short-term investments, at fair value	192.3	425.2
Other long-term investments	624.0	661.0
Total investments	1,526.7	1,709.1
Cash	23.9	23.8
Insurance premiums receivable	21.7	—
Goodwill and other intangible assets	67.4	69.8
Other assets	77.1	73.2
Total Other Operations assets	1,716.8	1,875.9
Total assets	\$ 10,166.9	\$ 8,385.9

See Notes to Consolidated Financial Statements

CONSOLIDATED BALANCE SHEETS (CONTINUED)
(Unaudited)

Millions, except share and per share amounts	June 30, 2024	December 31, 2023
Liabilities		
P&C Insurance and Reinsurance (Ark/WM Outrigger)		
Loss and loss adjustment expense reserves	\$ 1,890.1	\$ 1,605.1
Unearned insurance premiums	1,526.1	743.6
Debt	155.0	185.5
Reinsurance payable	367.3	81.1
Contingent consideration	107.3	94.0
Other liabilities	157.2	166.8
Total P&C Insurance and Reinsurance liabilities	4,203.0	2,876.1
Financial Guarantee (HG Global/BAM)		
Unearned insurance premiums	333.2	325.8
Debt	147.2	146.9
Accrued incentive compensation	17.3	27.2
Other liabilities	34.8	31.8
Total Financial Guarantee liabilities	532.5	531.7
Asset Management (Kudu)		
Debt	203.3	203.8
Other liabilities	67.9	71.6
Total Asset Management liabilities	271.2	275.4
P&C Insurance Distribution (Bamboo)		
Loss and loss adjustment expense reserves	16.6	—
Unearned insurance premiums	23.6	—
Premiums and commissions payable	78.8	—
Other liabilities	28.2	—
Total P&C Insurance Distribution liabilities	147.2	—
Other Operations		
Loss and loss adjustment expense reserves	3.9	—
Unearned insurance premiums	22.6	—
Debt	24.7	28.4
Accrued incentive compensation	58.5	87.7
Other liabilities	31.1	25.0
Total Other Operations liabilities	140.8	141.1
Total liabilities	5,294.7	3,824.3
Equity		
White Mountains's common shareholders' equity		
White Mountains's common shares at \$1 par value per share—authorized 50,000,000 shares; issued and outstanding 2,568,283 and 2,560,452 shares	2.6	2.6
Paid-in surplus	558.7	548.7
Retained earnings	3,863.1	3,690.8
Accumulated other comprehensive income (loss), after-tax:		
Net unrealized gains (losses) from foreign currency translation	(1.8)	(1.6)
Total White Mountains's common shareholders' equity	4,422.6	4,240.5
Noncontrolling interests	449.6	321.1
Total equity	4,872.2	4,561.6
Total liabilities and equity	\$ 10,166.9	\$ 8,385.9

See Notes to Consolidated Financial Statements

WHITE MOUNTAINS INSURANCE GROUP, LTD.
CONSOLIDATED STATEMENTS OF OPERATIONS
(Unaudited)

Millions	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
Revenues:				
<i>P&C Insurance and Reinsurance (Ark/WM Outrigger)</i>				
Earned insurance premiums	\$ 318.3	\$ 293.3	\$ 621.1	\$ 548.4
Net investment income	22.3	13.7	42.2	24.3
Net realized and unrealized investment gains (losses)	20.3	18.0	30.9	42.5
Other revenues	2.4	(2.0)	5.9	(4.7)
Total P&C Insurance and Reinsurance revenues	<u>363.3</u>	<u>323.0</u>	<u>700.1</u>	<u>610.5</u>
<i>Financial Guarantee (HG Global/BAM)</i>				
Earned insurance premiums	9.0	7.7	16.8	15.4
Net investment income	10.4	7.6	20.1	14.8
Net realized and unrealized investment gains (losses)	(4.3)	(9.9)	(14.4)	7.1
Other revenues	.6	.5	1.1	1.3
Total Financial Guarantee revenues	<u>15.7</u>	<u>5.9</u>	<u>23.6</u>	<u>38.6</u>
<i>Asset Management (Kudu)</i>				
Net investment income	15.7	14.7	32.9	28.9
Net realized and unrealized investment gains (losses)	54.5	4.6	48.0	34.2
Total Asset Management revenues	<u>70.2</u>	<u>19.3</u>	<u>80.9</u>	<u>63.1</u>
<i>P&C Insurance Distribution (Bamboo)</i>				
Commission and fee revenues	32.7	—	54.6	—
Earned insurance premiums	8.0	—	16.4	—
Other revenues	1.3	—	2.1	—
Total P&C Insurance Distribution revenues	<u>42.0</u>	<u>—</u>	<u>73.1</u>	<u>—</u>
<i>Other Operations</i>				
Earned insurance premiums	8.6	—	8.6	—
Net investment income	8.4	7.0	18.3	14.0
Net realized and unrealized investment gains (losses)	8.5	76.0	30.7	117.8
Net realized and unrealized investment gains (losses) from investment in MediaAlpha	(139.2)	(77.3)	71.5	7.9
Commission and fees revenues	3.4	3.2	7.0	6.5
Other revenues	14.5	21.3	28.9	51.9
Total Other Operations revenues	<u>(95.8)</u>	<u>30.2</u>	<u>165.0</u>	<u>198.1</u>
Total revenues	<u>\$ 395.4</u>	<u>\$ 378.4</u>	<u>\$ 1,042.7</u>	<u>\$ 910.3</u>

See Notes to Consolidated Financial Statements

CONSOLIDATED STATEMENTS OF OPERATIONS (CONTINUED)
(Unaudited)

Millions	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
Expenses:				
P&C Insurance and Reinsurance (Ark/WM Outrigger)				
Loss and loss adjustment expenses	\$ 175.7	\$ 167.5	\$ 355.7	\$ 315.3
Acquisition expenses	68.2	61.4	134.5	121.2
General and administrative expenses	42.9	34.9	85.1	70.1
Change in fair value of contingent consideration	13.3	2.2	13.3	(2)
Interest expense	4.7	5.2	10.1	10.2
Total P&C Insurance and Reinsurance expenses	<u>304.8</u>	<u>271.2</u>	<u>598.7</u>	<u>516.6</u>
Financial Guarantee (HG Global/BAM)				
Acquisition expenses	2.2	1.5	4.4	4.2
General and administrative expenses	17.2	14.9	34.5	32.2
Interest expense	4.1	2.5	7.6	7.0
Total Financial Guarantee expenses	<u>23.5</u>	<u>18.9</u>	<u>46.5</u>	<u>43.4</u>
Asset Management (Kudu)				
General and administrative expenses	3.5	4.0	6.9	7.8
Interest expense	5.4	5.3	11.0	10.0
Total Asset Management expenses	<u>8.9</u>	<u>9.3</u>	<u>17.9</u>	<u>17.8</u>
P&C Insurance Distribution (Bamboo)				
Broker commission expenses	12.7	—	22.0	—
Loss and loss adjustment expenses	4.3	—	10.1	—
Acquisition expenses	2.9	—	6.0	—
General and administrative expenses	15.7	—	27.7	—
Total P&C Insurance Distribution expenses	<u>35.6</u>	<u>—</u>	<u>65.8</u>	<u>—</u>
Other Operations				
Loss and loss adjustment expenses	3.9	—	3.9	—
Acquisition expenses	2.6	—	2.6	—
Cost of sales	7.0	11.6	14.6	25.5
General and administrative expenses	43.2	48.8	93.5	88.5
Interest expense	.6	1.2	1.3	2.0
Total Other Operations expenses	<u>57.3</u>	<u>61.6</u>	<u>115.9</u>	<u>116.0</u>
Total expenses	<u>430.1</u>	<u>361.0</u>	<u>844.8</u>	<u>693.8</u>
Pre-tax income (loss)	<u>(34.7)</u>	<u>17.4</u>	<u>197.9</u>	<u>216.5</u>
Income tax (expense) benefit	(6.5)	(2)	(17.3)	(12.1)
Net income (loss)	<u>(41.2)</u>	<u>17.2</u>	<u>180.6</u>	<u>204.4</u>
Net (income) loss attributable to noncontrolling interests	(13.4)	2.4	1.2	(5.3)
Net income (loss) attributable to White Mountains's common shareholders	<u>\$ (54.6)</u>	<u>\$ 19.6</u>	<u>\$ 181.8</u>	<u>\$ 199.1</u>

See Notes to Consolidated Financial Statements

WHITE MOUNTAINS INSURANCE GROUP, LTD.
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(Unaudited)

Millions	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
Net income (loss) attributable to White Mountains's common shareholders	\$ (54.6)	\$ 19.6	\$ 181.8	\$ 199.1
Other comprehensive income (loss), net of tax	.1	1.4	(2)	2.6
Comprehensive income (loss)	(54.5)	21.0	181.6	201.7
Other comprehensive (income) loss attributable to noncontrolling interests	(.1)	(.4)	—	(.8)
Comprehensive income (loss) attributable to White Mountains's common shareholders	\$ (54.6)	\$ 20.6	\$ 181.6	\$ 200.9

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
Earnings (loss) per share attributable to White Mountains's common shareholders:				
Basic earnings (loss) per share				
Continuing operations	\$ (21.24)	\$ 7.65	\$ 70.93	\$ 77.57
Discontinued operations	—	—	—	—
Total consolidated operations	\$ (21.24)	\$ 7.65	\$ 70.93	\$ 77.57
Diluted earnings (loss) per share				
Continuing operations	\$ (21.24)	\$ 7.65	\$ 70.93	\$ 77.57
Discontinued operations	—	—	—	—
Total consolidated operations	\$ (21.24)	\$ 7.65	\$ 70.93	\$ 77.57
Dividends declared and paid per White Mountains's common share	\$ —	\$ —	\$ 1.00	\$ 1.00

See Notes to Consolidated Financial Statements.

WHITE MOUNTAINS INSURANCE GROUP, LTD.
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
(Unaudited)

Millions	White Mountains's Common Shareholders' Equity				Non-controlling interest	Total Equity
	Common shares and paid-in surplus	Retained earnings	AOCI, after tax	Total		
Balance as of March 31, 2024	\$ 554.5	\$ 3,917.7	\$ (1.8)	\$ 4,470.4	\$ 420.2	\$ 4,890.6
Net income (loss)	—	(54.6)	—	(54.6)	13.4	(41.2)
Other comprehensive income (loss), net of tax	—	—	—	—	.1	.1
Total comprehensive income (loss)	—	(54.6)	—	(54.6)	13.5	(41.1)
Dividends to noncontrolling interests	—	—	—	—	.5	.5
Issuances of common shares	2.6	—	—	2.6	—	2.6
Repurchases and retirements of common shares	—	—	—	—	—	—
BAM member surplus contribution, net of tax	—	—	—	—	14.6	14.6
Amortization of restricted share awards	4.3	—	—	4.3	—	4.3
Recognition of equity-based compensation expense of subsidiaries	.9	—	—	.9	.4	1.3
Net contributions and dilution from other noncontrolling interests	(1.0)	—	—	(1.0)	.4	(.6)
Balance as of June 30, 2024	\$ 561.3	\$ 3,863.1	\$ (1.8)	\$ 4,422.6	\$ 449.6	\$ 4,872.2

Millions	White Mountains's Common Shareholders' Equity				Non-controlling interest	Total Equity
	Common shares and paid-in surplus	Retained earnings	AOCI, after tax	Total		
Balance as of March 31, 2023	\$ 537.8	\$ 3,367.3	\$ (2.7)	\$ 3,902.4	\$ 190.4	\$ 4,092.8
Net income (loss)	—	19.6	—	19.6	(2.4)	17.2
Other comprehensive income (loss), net of tax	—	—	1.0	1.0	.4	1.4
Total comprehensive income (loss)	—	19.6	1.0	20.6	(2.0)	18.6
Dividends to noncontrolling interests	—	—	—	—	(.6)	(.6)
Issuances of common shares	2.0	—	—	2.0	—	2.0
Repurchases and retirements of common shares	(1.2)	(6.2)	—	(7.4)	—	(7.4)
BAM member surplus contributions, net of tax	—	—	—	—	14.7	14.7
Amortization of restricted share awards	4.1	—	—	4.1	—	4.1
Recognition of equity-based compensation expense of subsidiaries	.5	—	—	.5	.1	.6
Net contributions and dilution from other noncontrolling interests	—	—	—	—	1.1	1.1
Balance as of June 30, 2023	\$ 543.2	\$ 3,380.7	\$ (1.7)	\$ 3,922.2	\$ 203.7	\$ 4,125.9

See Notes to Consolidated Financial Statements.

WHITE MOUNTAINS INSURANCE GROUP, LTD.
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY (CONTINUED)
(Unaudited)

Millions	White Mountains's Common Shareholders' Equity				Non-controlling interest	Total Equity
	Common shares and paid-in surplus	Retained earnings	AOCI, after tax	Total		
Balance as of January 1, 2024	\$ 551.3	\$ 3,690.8	\$ (1.6)	\$ 4,240.5	\$ 321.1	\$ 4,561.6
Net income (loss)	—	181.8	—	181.8	(1.2)	180.6
Other comprehensive income (loss), net of tax	—	—	(.2)	(.2)	—	(.2)
Total comprehensive income (loss)	—	181.8	(.2)	181.6	(1.2)	180.4
Dividends declared on common shares	—	(2.5)	—	(2.5)	—	(2.5)
Dividends to noncontrolling interests	—	—	—	—	(9.3)	(9.3)
Issuances of common shares	2.9	—	—	2.9	—	2.9
Repurchases and retirements of common shares	(1.1)	(7.0)	—	(8.1)	—	(8.1)
BAM member surplus contributions, net of tax	—	—	—	—	26.0	26.0
Amortization of restricted share awards	7.5	—	—	7.5	—	7.5
Recognition of equity-based compensation expense of subsidiaries	1.5	—	—	1.5	.6	2.1
Net contributions (distributions) and dilution from other noncontrolling interests	(.8)	—	—	(.8)	1.3	.5
Acquisition of noncontrolling interests - Bamboo	—	—	—	—	111.1	111.1
Balance as of June 30, 2024	\$ 561.3	\$ 3,863.1	\$ (1.8)	\$ 4,422.6	\$ 449.6	\$ 4,872.2

Millions	White Mountains's Common Shareholders' Equity				Non-controlling interest	Total Equity
	Common shares and paid-in surplus	Retained earnings	AOCI, after tax	Total		
Balance as of January 1, 2023	\$ 538.6	\$ 3,211.8	\$ (3.5)	\$ 3,746.9	\$ 188.1	\$ 3,935.0
Net income (loss)	—	199.1	—	199.1	5.3	204.4
Other comprehensive income (loss), net of tax	—	—	1.8	1.8	.8	2.6
Total comprehensive income (loss)	—	199.1	1.8	200.9	6.1	207.0
Dividends declared on common shares	—	(2.6)	—	(2.6)	—	(2.6)
Dividends to noncontrolling interests	—	—	—	—	(7.8)	(7.8)
Issuances of common shares	2.1	—	—	2.1	—	2.1
Repurchases and retirements of common shares	(5.1)	(27.6)	—	(32.7)	—	(32.7)
BAM member surplus contributions, net of tax	—	—	—	—	26.5	26.5
Amortization of restricted share awards	7.2	—	—	7.2	—	7.2
Recognition of equity-based compensation expense of subsidiaries	.9	—	—	.9	.3	1.2
Net contributions and dilution from other noncontrolling interests	(.5)	—	—	(.5)	(.1)	(.6)
Disposition of noncontrolling interests	—	—	—	—	(9.4)	(9.4)
Balance as of June 30, 2023	\$ 543.2	\$ 3,380.7	\$ (1.7)	\$ 3,922.2	\$ 203.7	\$ 4,125.9

See Notes to Consolidated Financial Statements.

WHITE MOUNTAINS INSURANCE GROUP, LTD.
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited)

Millions	Six Months Ended June 30,	
	2024	2023
Cash flows from operations:		
Net income (loss)	\$ 180.6	\$ 204.4
Adjustments to reconcile net income to net cash provided from (used for) operations:		
Net realized and unrealized investment (gains) losses	(95.2)	(201.6)
Net realized and unrealized investment (gains) losses from investment in MediaAlpha	(71.5)	(7.9)
Deferred income tax expense (benefit)	(4)	(4.5)
Amortization of restricted share awards	7.5	7.2
Amortization (accretion) and depreciation	(4.8)	(5.0)
Change in fair value of contingent consideration - Ark	13.3	(2)
Other operating items:		
Net change in reinsurance recoverables	(421.8)	(74.4)
Net change in insurance premiums, commissions and fees receivable	(605.8)	(532.9)
Net change in deferred acquisition costs	(101.6)	(106.3)
Net change in loss and loss adjustment expense reserves	296.2	124.5
Net change in unearned insurance premiums	816.0	758.7
Net change in reinsurance payable	286.2	(4.1)
Net change in premiums and commissions payable	29.6	—
Contributions to Kudu's Participation Contracts	(2)	(81.6)
Proceeds from Kudu's Participation Contracts sold	9.4	74.6
Net other operating activities	(84.2)	5.8
Net cash provided from (used for) operations	253.3	156.7
Cash flows from investing activities:		
Net change in short-term investments	317.3	(42.6)
Sales of fixed maturity investments	262.2	90.5
Maturities, calls and paydowns of fixed maturity investments	228.3	146.3
Sales of common equity securities and investment in MediaAlpha	162.4	119.2
Distributions and redemptions of other long-term investments	116.1	18.7
Proceeds from the sale of Other Operating Businesses, net of cash sold of \$0.0 and \$0.8	—	17.3
Purchases of consolidated subsidiaries, net of cash acquired of \$44.9 and \$0.0	(231.8)	—
Purchases of fixed maturity investments	(732.6)	(240.5)
Purchases of common equity securities and investment in MediaAlpha	(121.1)	(104.2)
Purchases of other long-term investments	(109.9)	(215.9)
Net other investing activities	14.9	(11.6)
Net cash provided from (used for) investing activities	(94.2)	(222.8)
Cash flows from financing activities:		
Draw down of debt and revolving lines of credit	—	12.0
Repayment of debt and revolving lines of credit	(34.1)	(23.1)
Cash dividends paid to common shareholders	(2.5)	(2.6)
Repurchases and retirements of common shares	(8.1)	(32.7)
BAM member surplus contributions	26.0	26.5
Net contributions from (distributions to) other noncontrolling interests	(10.1)	(7.5)
Fidus Re premium payments	(6.9)	(6.9)
Net other financing activities	9.4	(1)
Net cash provided from (used for) financing activities	(26.3)	(34.4)
Net change in cash during the period	132.8	(100.5)
Cash balances at beginning of period (includes restricted cash balances of \$0.7 and \$12.2)	122.4	255.0
Cash balances at end of period (includes restricted cash balances of \$64.1 and \$13.4)	\$ 255.2	\$ 154.5
Supplemental cash flows information:		
Interest paid	\$ (31.4)	\$ (11.6)
Net income tax payments	(14.4)	(27.8)

See Notes to Consolidated Financial Statements

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Unaudited)

Note 1. Basis of Presentation and Significant Accounting Policies

Basis of Presentation

White Mountains Insurance Group, Ltd. (the “Company” or the “Registrant”) is an exempted Bermuda limited liability company whose principal businesses are conducted through its subsidiaries and other affiliates. The Company’s headquarters is located at 26 Reid Street, Hamilton, Bermuda HM 11, its principal executive office is located at 23 South Main Street, Suite 3B, Hanover, New Hampshire 03755-2053 and its registered office is located at Clarendon House, 2 Church Street, Hamilton, Bermuda HM 11. The Company’s website is www.whitemountains.com. The information contained on White Mountains’s website is not incorporated by reference into, and is not a part of, this report.

The accompanying consolidated financial statements have been prepared in accordance with generally accepted accounting principles in the United States (“GAAP”) and include the accounts of the Company, its subsidiaries (collectively with the Company, “White Mountains”) and other entities required to be consolidated under GAAP. Intercompany transactions have been eliminated in consolidation. Certain amounts in the prior period financial statements have been reclassified to conform to the current presentation.

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities as of the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

These interim financial statements include all adjustments considered necessary by management to fairly state the financial position, results of operations and cash flows of White Mountains. These interim financial statements may not be indicative of financial results for the full year and should be read in conjunction with the Company’s 2023 Annual Report on Form 10-K.

Reportable Segments

As of June 30, 2024, White Mountains conducted its operations through four reportable segments: (1) Ark/WM Outrigger, (2) HG Global/BAM, (3) Kudu and (4) Bamboo, with its remaining operating businesses, holding companies and other assets included in Other Operations. White Mountains has made its segment determination based on consideration of the following criteria: (i) the nature of the business activities of each of the Company’s subsidiaries and affiliates; (ii) the manner in which the Company’s subsidiaries and affiliates are organized; (iii) the existence of primary managers responsible for specific subsidiaries and affiliates; and (iv) the organization of information provided to the Company’s chief operating decision makers and its Board of Directors. See **Note 14 — “Segment Information.”**

The Ark/WM Outrigger segment consists of Ark Insurance Holdings Limited and its subsidiaries (collectively, “Ark”) and Outrigger Re Ltd. Segregated Account 2023-1 (“WM Outrigger Re”) (collectively with Ark, “Ark/WM Outrigger”). Ark is a specialty property and casualty insurance and reinsurance company that offers a wide range of niche insurance and reinsurance products, including property, specialty, marine & energy, accident & health and casualty. Ark underwrites select coverages through Lloyd’s Syndicates 4020 and 3902 (the “Syndicates”) and its wholly-owned subsidiary Group Ark Insurance Limited (“GAIL”). White Mountains acquired a controlling ownership interest in Ark on January 1, 2021 (the “Ark Transaction”). As of June 30, 2024 and December 31, 2023, White Mountains owned 72.0% of Ark on a basic shares outstanding basis (61.9% after taking account of management’s equity incentives). The remaining shares are owned by current and former employees of Ark. In the future, management rollover shareholders could earn additional shares in Ark if and to the extent that White Mountains achieves certain thresholds for its multiple of invested capital return. If fully earned, these additional shares would represent 12.3% of the shares outstanding as of June 30, 2024. The liability related to these additional shares is recorded as contingent consideration. During the fourth quarter of 2022, Ark sponsored the formation of Outrigger Re Ltd., a Bermuda company registered as a special purpose insurer and segregated accounts company, to provide reinsurance capacity to Ark. White Mountains consolidates the results of its segregated account, WM Outrigger Re, in its financial statements. See **Note 2 — “Significant Transactions.”** As of June 30, 2024 and December 31, 2023, White Mountains owned 100.0% of WM Outrigger Re’s preferred equity.

The HG Global/BAM segment consists of HG Global Ltd. and its wholly-owned subsidiaries (collectively, “HG Global”) and the consolidated results of Build America Mutual Assurance Company (“BAM”) (collectively with HG Global, “HG Global/BAM”). BAM is the first and only mutual municipal bond insurance company in the United States. By insuring the timely payment of principal and interest, BAM provides market access to, and lowers interest expense for, issuers of municipal bonds used to finance essential public purpose projects, such as schools, utilities and transportation facilities. BAM is owned by and operated for the benefit of its members, the municipalities whose debt issuances are insured by BAM. HG Global was established to fund the startup of BAM and, through its reinsurance subsidiary, HG Re Ltd. (“HG Re”), to provide up to 15%-of-par, first loss reinsurance protection for policies underwritten by BAM. HG Global, together with its subsidiaries, funded the initial capitalization of BAM through the purchase of \$503.0 million of surplus notes issued by BAM (the “BAM Surplus Notes”). As of June 30, 2024 and December 31, 2023, White Mountains owned 96.9% of HG Global’s preferred equity and 88.4% of its common equity. White Mountains does not have an ownership interest in BAM. However, White Mountains is required to consolidate BAM’s results in its financial statements because BAM is a variable interest entity (“VIE”) for which White Mountains is the primary beneficiary. BAM’s results are all attributed to noncontrolling interests.

The Kudu segment consists of Kudu Investment Management, LLC and its subsidiaries (collectively “Kudu”). Kudu provides capital solutions for boutique asset and wealth managers for a variety of purposes including generational ownership transfers, management buyouts, acquisition and growth finance and legacy partner liquidity. Kudu also provides strategic assistance to investees from time to time. Kudu’s capital solutions generally are structured as minority preferred equity stakes with distribution rights, typically tied to gross revenues and designed to generate immediate cash yields. As of June 30, 2024 and December 31, 2023, White Mountains owned 89.4% and 89.6% of Kudu’s basic units outstanding (76.2% and 76.3% on a fully-diluted, fully-converted basis).

The Bamboo segment consists of PM Holdings LLC (“Bamboo Holdings”), Bamboo Ide8 Insurance Services LLC (“Bamboo MGA”) and Ide8 Limited (“Bamboo Captive”) (collectively with Bamboo Holdings and Bamboo MGA, “Bamboo”). Bamboo is a capital-light, tech- and data-enabled insurance distribution platform providing homeowners’ insurance and related products to the residential property market in California. Bamboo operates primarily through Bamboo MGA, its full-service managing general agent (“MGA”) business, where the company manages all aspects of the placement process on behalf of its fronting and reinsurance partners, including product development, marketing, underwriting, policy issuance and claims oversight, and it earns commissions based on the volume and profitability of the insurance that it places. It offers both admitted and non-admitted products. Bamboo also operates two separate but integrated businesses: (i) a retail agency, within Bamboo MGA, offering ancillary products on behalf of third parties and (ii) Bamboo Captive, a Bermuda-domiciled captive reinsurer that participates in the underwriting risk of Bamboo’s MGA programs to align interests with reinsurance partners. On January 2, 2024, White Mountains acquired a controlling interest in Bamboo. See **Note 2 — “Significant Transactions”**. As of June 30, 2024, White Mountains owned 72.8% of the basic units outstanding of Bamboo (63.7% on a fully-diluted, fully-converted basis).

White Mountains’ other operations consist of the Company and its wholly-owned subsidiary, White Mountains Capital, LLC (“WM Capital”), its other intermediate holding companies, its wholly-owned investment management subsidiary, White Mountains Advisors LLC (“WM Advisors”), investment assets managed by WM Advisors, its interests in MediaAlpha, Inc. (“MediaAlpha”), PassportCard Limited (“PassportCard”) and DavidShield Life Insurance Agency (2000) Ltd. (“DavidShield”) (collectively, “PassportCard/DavidShield”), Elementum Holdings LP (“Elementum”), certain other consolidated and unconsolidated entities (“Other Operating Businesses”) and certain other assets (collectively, “Other Operations”).

On October 25, 2023, White Mountains announced the launch of White Mountains Partners LLC (“WTP Partners”), which will acquire businesses in non-insurance, non-financial services sectors including essential services, light industrial and specialty consumer. White Mountains expects to deploy up to \$500.0 million of equity capital through WTP Partners over time. WTP Partners is included within Other Operations.

In April 2024, White Mountains committed to provide up to \$30 million to a Bermuda special purpose collateralized reinsurance vehicle that provides reinsurance capacity to Bamboo (“Bamboo CRV”). During the second quarter of 2024, White Mountains capitalized Bamboo CRV by purchasing \$12.1 million of preference shares that were deposited into a collateral trust account. Bamboo CRV entered into a collateralized quota share agreement with Bamboo’s fronting partner to provide reinsurance protection on Bamboo’s admitted and non-admitted business written in the 2024 treaty year. Bamboo CRV is included within Other Operations.

Significant Accounting Policies

In addition to the following, refer to the Notes to Consolidated Financial Statements in the Company's 2023 Annual Report on Form 10-K for a complete discussion regarding White Mountains's significant accounting policies.

Revenue Recognition

Bamboo's revenues consist primarily of commission and fee revenues for placement of insurance policies. Commission and fee revenues are measured based on the contractual rates with insurance carriers, net of any amounts expected to be uncollectible and any amounts associated with expected policy cancellations and adjustments, and are recognized when contractual performance obligations have been fulfilled. Bamboo's primary contractual performance obligations are generally satisfied upon the issuance of an insurance policy. Where Bamboo has significant performance obligations beyond the policy effective date, Bamboo estimates the relative standalone selling price for the post-issuance services using the price charged for the service when sold separately in similar circumstances to similar customers in order to allocate the transaction price.

Bamboo's premiums, commissions and fees receivable consist of insurance premiums and fees receivable from customers and commissions receivable from insurance carriers, net of a provision for amounts estimated to be uncollectible and any amounts associated with expected policy cancellations and adjustments.

Deferred revenues associated with unsatisfied performance obligations are recognized within other liabilities.

Broker Commission Expenses

Bamboo's broker commission expense consists of commissions paid to sub-agents and brokers. Broker commission expense is measured in accordance with contractual terms and recognized when incurred, which is generally at the policy issuance date.

Note 2. Significant Transactions

Bamboo Transaction

On October 19, 2023, White Mountains entered into an agreement and plan of merger (the "Bamboo Merger Agreement") with Bamboo MGA and John Chu, as the unitholders' representative. Under the terms of the Bamboo Merger Agreement, White Mountains's wholly-owned subsidiary, WM Pierce Merger Sub LLC, agreed to merge with and into Bamboo MGA, with Bamboo MGA continuing as the surviving company (the "Bamboo Merger"). Concurrently with the execution of the Bamboo Merger Agreement, certain Bamboo management unitholders agreed to roll over the majority of their existing equity in Bamboo MGA into Bamboo Holdings. White Mountains also agreed to make an equity contribution to Bamboo immediately following the Bamboo Merger (together with the Bamboo Merger and the rollover transactions, the "Bamboo Transaction").

On January 2, 2024, White Mountains closed the Bamboo Transaction in accordance with the terms of the Bamboo Merger Agreement, investing \$296.7 million of equity into Bamboo, which included the contribution of \$36.0 million to retire Bamboo's legacy credit facility and the contribution of \$20.0 million of primary capital. The consideration is subject to customary purchase price adjustments. At closing, White Mountains owned 72.8% of Bamboo on a basic shares outstanding basis (63.7% on a fully-diluted/fully-converted basis, taking account of management's equity incentives), while Bamboo management owned 16.1% of basic shares outstanding (26.6% on a fully-diluted/fully-converted basis).

White Mountains recognized total assets acquired related to the Bamboo Transaction of \$479.5 million, total liabilities assumed of \$91.7 million and noncontrolling interest of \$111.1 million reflecting acquisition date fair values. Total assets acquired included \$371.4 million of goodwill and other intangible assets. In connection with the acquisition, White Mountains incurred transaction costs of \$4.0 million in Other Operations, of which \$0.3 million were expensed in the first quarter of 2024.

The following presents additional details of the assets acquired and liabilities assumed as of the January 2, 2024 acquisition date:

Millions	As of January 2, 2024	
Fixed maturity investments, at fair value	\$	8.2
Short-term investments, at fair value		9.3
Cash (restricted \$37.0)		44.9 ⁽¹⁾
Premiums and commissions receivable		38.0
Other assets		7.7
Total tangible assets		108.1
Loss and loss adjustment expense reserves		(9.3)
Unearned insurance premiums		(20.1)
Premiums and commissions payable		(49.2)
Other liabilities		(13.1)
Total tangible liabilities		(91.7)
Net tangible assets acquired		16.4
Goodwill		270.4
Other intangible assets		101.0
Total goodwill and other intangible assets		371.4
Net assets acquired	\$	387.8

⁽¹⁾ Cash excludes the White Mountains cash contribution of \$20.0 as part of the Bamboo Transaction, which is not part of the purchase consideration.

Net tangible assets acquired and the resulting goodwill and other intangible assets were recorded at fair value using Level 3 inputs. The majority of the tangible assets acquired and liabilities assumed were recorded at their carrying values, as their carrying values approximated their fair values due to their short-term nature. The fair values of other intangible assets were internally estimated based primarily on the income approach. The income approach estimates fair value based on the present value of the cash flows that the assets are expected to generate in the future. White Mountains developed internal estimates for the expected future cash flows and discount rates used in the present value calculations. See Note 4 — “Goodwill and Other Intangible Assets.”

The value of the noncontrolling interest is recorded at the acquisition date fair value, based on the valuation implied in the Bamboo Transaction.

Bamboo’s segment income and expenses for three and six months ended June 30, 2024 are presented in Note 14 — “Segment Information.”

WM Outrigger Re

During the fourth quarter of 2022, Ark sponsored the formation of Outrigger Re Ltd., a Bermuda company registered as a special purpose insurer and segregated accounts company, to provide reinsurance capacity to Ark. Outrigger Re Ltd. was capitalized with \$250.0 million of preference shares for business written in the 2023 underwriting year, of which White Mountains contributed \$205.0 million. The remaining capital was provided by unrelated third-party investors. Outrigger Re Ltd. entered into collateralized quota share agreements with GAIL to provide reinsurance protection on Ark’s Bermuda global property catastrophe excess of loss portfolio written in the 2023 underwriting year. The proceeds from the issuance of the preference shares were deposited into collateral trust accounts to fund any potential obligations under the reinsurance agreements with GAIL. Outrigger Re Ltd.’s obligations under the reinsurance agreements with GAIL are subject to an aggregate limit equal to the assets in the collateral trusts at any point in time. The terms of the reinsurance agreements are renewable upon the mutual agreement of Ark and the applicable preference shareholder of Outrigger Re Ltd.

During the fourth quarter of 2023, Ark renewed Outrigger Re Ltd. for the 2024 underwriting year with \$250.0 million of capital, of which White Mountains rolled over \$130.0 million from its commitment to the 2023 underwriting year. The remaining capital was provided by new and continuing unrelated third-party investors.

As of June 30, 2024 and December 31, 2023, short-term investments of \$238.6 million and \$265.3 million were held in a collateral trust account required to be maintained in relation to WM Outrigger Re's reinsurance agreements with GAIL.

White Mountains owns 100% of the preference shares linked to its segregated account, WM Outrigger Re. White Mountains consolidates WM Outrigger Re's results in its financial statements. WM Outrigger Re's quota share reinsurance agreements with GAIL eliminate in White Mountains's consolidated financial statements.

During January 2024, White Mountains received a return of capital of \$68.1 million from WM Outrigger Re as a result of its reduced capital commitment relating to the 2024 underwriting year.

Note 3. Investment Securities

White Mountains's portfolio of investment securities held for general investment purposes consists of fixed maturity investments, short-term investments, common equity securities, its investment in MediaAlpha and other long-term investments. White Mountains's portfolio of fixed maturity investments, including those within short-term investments, is classified as trading securities. Trading securities are reported at fair value as of the balance sheet date. Short-term investments also include interest-bearing money market funds and certificates of deposit that are carried at fair value. White Mountains's portfolio of common equity securities, its investment in MediaAlpha and other long-term investments are measured at fair value. Other long-term investments consist primarily of unconsolidated entities, Kudu's Participation Contracts, private equity funds and hedge funds, a bank loan fund, Lloyd's trust deposits, ILS funds and private debt instruments. White Mountains has taken the fair value option for its equity method eligible investments. See Note 16 — "Equity Method Eligible Investments". Net realized and unrealized investment gains (losses) are reported in pre-tax revenues.

Net Investment Income

White Mountains's net investment income is comprised primarily of interest income associated with White Mountains's fixed maturity investments and short-term investments, dividend income from common equity securities and distributions from other long-term investments.

The following table presents pre-tax net investment income for the three and six months ended June 30, 2024 and 2023:

Millions	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
Fixed maturity investments	\$ 23.2	\$ 15.5	\$ 43.9	\$ 30.0
Short-term investments	16.0	11.3	32.0	21.0
Common equity securities	.6	1.3	1.1	2.6
Other long-term investments	18.4	15.3	38.9	29.4
Total investment income	58.2	43.4	115.9	83.0
Third-party investment expenses	(.8)	(.4)	(1.5)	(1.0)
Net investment income, pre-tax	\$ 57.4	\$ 43.0	\$ 114.4	\$ 82.0

Net Realized and Unrealized Investment Gains (Losses)

The following table presents net realized and unrealized investment gains (losses) for the three and six months ended June 30, 2024 and 2023:

Millions	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
Realized investment gains (losses)				
Fixed maturity investments	\$ (2.9)	\$ (1.3)	\$ (8.7)	\$ (1.4)
Short-term investments	(.1)	.2	(.3)	(.1)
Common equity securities	3.5	12.6	3.5	12.6
Investment in MediaAlpha	91.2	—	91.2	—
Other long-term investments	29.2	1.1	29.5	48.3
Net realized investment gains (losses)	120.9	12.6	115.2	59.4
Unrealized investment gains (losses)				
Fixed maturity investments	.3	(11.5)	(7.2)	18.2
Short-term investments	(.1)	.2	(1.1)	1.3
Common equity securities	15.8	18.9	38.9	48.3
Investment in MediaAlpha	(230.4)	(77.3)	(19.7)	7.9
Other long-term investments	33.3	68.5	40.5	74.4
Net unrealized investment gains (losses)	(181.1)	(1.2)	51.4	150.1
Net realized and unrealized investment gains (losses) ⁽¹⁾	\$ (60.2)	\$ 11.4	\$ 166.6	\$ 209.5
Fixed maturity and short-term investments				
Net realized and unrealized investment gains (losses)	\$ (2.8)	\$ (12.4)	\$ (17.3)	\$ 18.0
Less: net realized and unrealized gains (losses) on investment securities sold during the period	.3	.4	(.3)	2.2
Net unrealized investment gains (losses) recognized during the period on investment securities held at the end of the period	\$ (3.1)	\$ (12.8)	\$ (17.0)	\$ 15.8
Common equity securities and investment in MediaAlpha				
Net realized and unrealized investment gains (losses) on common equity securities	\$ 19.3	\$ 31.5	\$ 42.4	\$ 60.9
Net realized and unrealized investment gains (losses) from investment in MediaAlpha	(139.2)	(77.3)	71.5	7.9
Total net realized and unrealized investment gains (losses)	(119.9)	(45.8)	113.9	68.8
Less: net realized and unrealized gains (losses) on investment securities sold during the period	(11.0)	3.8	35.4	3.8
Net unrealized investment gains (losses) recognized during the period on investment securities held at the end of the period	\$ (108.9)	\$ (49.6)	\$ 78.5	\$ 65.0

⁽¹⁾ For the three months ended June 30, 2024 and 2023, includes \$(0.3) and \$5.5 of net realized and unrealized investment gains (losses) related to foreign currency exchange. For the six months ended June 30, 2024 and 2023, includes \$(11.8) and \$10.9 of net realized and unrealized investment gains (losses) related to foreign currency exchange.

The following table presents total net unrealized gains (losses) attributable to Level 3 investments for the three and six months ended June 30, 2024 and 2023 for investments still held at the end of the period:

Millions	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
Total net unrealized investment gains on other long-term investments held at the end of the period, pre-tax	\$ 57.5	\$ 14.4	\$ 51.3	\$ 51.4

Investment Holdings

The following tables present the cost or amortized cost, gross unrealized investment gains (losses), net foreign currency gains (losses) and carrying value of White Mountains's fixed maturity investments as of June 30, 2024 and December 31, 2023:

Millions	June 30, 2024				
	Cost or Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Net Foreign Currency Gains (Losses)	Carrying Value
U.S. Government and agency obligations	\$ 250.7	\$ —	\$ (1.8)	\$ —	\$ 248.9
Debt securities issued by corporations	1,145.8	2.2	(42.4)	(1.1)	1,104.5
Municipal obligations	252.4	.4	(15.0)	—	237.8
Mortgage and asset-backed securities	520.7	.5	(37.6)	—	483.6
Collateralized loan obligations	271.4	1.2	(.6)	(2.0)	270.0
Total fixed maturity investments	\$ 2,441.0	\$ 4.3	\$ (97.4)	\$ (3.1)	\$ 2,344.8

Millions	December 31, 2023				
	Cost or Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Net Foreign Currency Gains (Losses)	Carrying Value
U.S. Government and agency obligations	\$ 209.0	\$.3	\$ (4.4)	\$ —	\$ 204.9
Debt securities issued by corporations	1,085.9	5.6	(45.4)	(1.1)	1,045.0
Municipal obligations	275.1	.9	(15.1)	—	260.9
Mortgage and asset-backed securities	417.2	2.0	(29.8)	—	389.4
Collateralized loan obligations	211.2	.4	(2.4)	(.1)	209.1
Total fixed maturity investments	\$ 2,198.4	\$ 9.2	\$ (97.1)	\$ (1.2)	\$ 2,109.3

The following table presents the cost or amortized cost and carrying value of White Mountains's fixed maturity investments by contractual maturity as of June 30, 2024. Actual maturities could differ from contractual maturities because borrowers may have the right to call or prepay certain obligations with or without penalties.

Millions	June 30, 2024	
	Cost or Amortized Cost	Carrying Value
Due in one year or less	\$ 229.8	\$ 226.6
Due after one year through five years	971.1	943.9
Due after five years through ten years	306.1	288.0
Due after ten years	141.8	132.7
Mortgage and asset-backed securities and collateralized loan obligations	792.2	753.6
Total fixed maturity investments	\$ 2,441.0	\$ 2,344.8

The following tables present the cost or amortized cost, gross unrealized investment gains (losses), net foreign currency gains (losses) and carrying value of common equity securities, White Mountains's investment in MediaAlpha and other long-term investments as of June 30, 2024 and December 31, 2023:

Millions	June 30, 2024				
	Cost or Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Net Foreign Currency Gains (Losses)	Carrying Value
Common equity securities	\$ 537.0	\$ 100.6	\$ —	\$ (6.8)	\$ 630.8
Investment in MediaAlpha	\$ 59.2	\$ 176.0	\$ —	\$ —	\$ 235.2
Other long-term investments	\$ 1,639.5	\$ 501.5	\$ (102.6)	\$ (16.0)	\$ 2,022.4

Millions	December 31, 2023				
	Cost or Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Net Foreign Currency Gains (Losses)	Carrying Value
Common equity securities	\$ 483.5	\$ 62.3	\$ (1.2)	\$ (6.2)	\$ 538.4
Investment in MediaAlpha	\$ 59.2	\$ 195.7	\$ —	\$ —	\$ 254.9
Other long-term investments	\$ 1,655.7	\$ 446.3	\$ (94.5)	\$ (9.3)	\$ 1,998.2

Fair Value Measurements

Fair value measurements are categorized into a hierarchy that distinguishes between inputs based on market data from independent sources (observable inputs) and a reporting entity's internal assumptions based upon the best information available when external market data is limited or unavailable (unobservable inputs). Quoted prices in active markets for identical assets or liabilities have the highest priority (Level 1), followed by observable inputs other than quoted prices, including prices for similar but not identical assets or liabilities (Level 2) and unobservable inputs, including the reporting entity's estimates of the assumptions that market participants would use, having the lowest priority (Level 3). See Note 17 — "Fair Value of Financial Instruments."

Fair Value Measurement By Level

The following tables present White Mountains's fair value measurements for investments as of June 30, 2024 and December 31, 2023 by level. The major security types were based on the legal form of the securities. White Mountains has disaggregated its fixed maturity investments based on the issuing entity type, which impacts credit quality, with debt securities issued by U.S. government entities carrying minimal credit risk, while the credit and other risks associated with other issuers, such as corporations, municipalities or entities issuing mortgage and asset-backed securities vary depending on the nature of the issuing entity type. White Mountains further disaggregates debt securities issued by corporations by industry sector because investors often reference commonly used benchmarks and their subsectors to monitor risk and performance. Accordingly, White Mountains has further disaggregated this asset class into subclasses based on the similar sectors and industry classifications it uses to evaluate investment risk and performance against commonly used benchmarks, such as the Bloomberg Barclays U.S. Intermediate Aggregate.

Millions	June 30, 2024			
	Fair Value	Level 1	Level 2	Level 3
Fixed maturity investments:				
U.S. Government and agency obligations	\$ 248.9	\$ 248.1	\$.8	\$ —
Debt securities issued by corporations:				
Financials	345.1	—	345.1	—
Consumer	222.3	—	222.3	—
Healthcare	120.3	—	120.3	—
Industrial	117.2	—	117.2	—
Technology	94.6	—	94.6	—
Utilities	72.4	—	72.4	—
Communications	49.8	—	49.8	—
Materials	43.6	—	43.6	—
Energy	39.2	—	39.2	—
Total debt securities issued by corporations	1,104.5	—	1,104.5	—
Municipal obligations	237.8	—	237.8	—
Mortgage and asset-backed securities	483.6	—	483.6	—
Collateralized loan obligations	270.0	—	270.0	—
Total fixed maturity investments	2,344.8	248.1	2,096.7	—
Short-term investments	1,205.5	1,190.8	14.7	—
Common equity securities:				
Exchange-traded funds	208.5	208.5	—	—
Other ⁽¹⁾	422.3	—	422.3	—
Total common equity securities	630.8	208.5	422.3	—
Investment in MediaAlpha	235.2	235.2	—	—
Other long-term investments	1,170.4	—	24.6	1,145.8
Other long-term investments — NAV ⁽²⁾	852.0	—	—	—
Total other long-term investments	2,022.4	—	24.6	1,145.8
Total investments	\$ 6,438.7	\$ 1,882.6	\$ 2,558.3	\$ 1,145.8

⁽¹⁾ Consists of investments in listed funds that predominantly invest in international equities.

⁽²⁾ Consists of private equity funds and hedge funds, a bank loan fund, Lloyd's trust deposits and ILS funds for which fair value is measured using NAV as a practical expedient. Investments for which fair value is measured at NAV are not classified within the fair value hierarchy.

Millions	December 31, 2023			
	Fair Value	Level 1	Level 2	Level 3
Fixed maturity investments:				
U.S. Government and agency obligations	\$ 204.9	\$ 204.9	\$ —	\$ —
Debt securities issued by corporations:				
Financials	309.8	—	309.8	—
Consumer	214.6	—	214.6	—
Healthcare	121.3	—	121.3	—
Industrial	121.6	—	121.6	—
Technology	108.9	—	108.9	—
Utilities	70.2	—	70.2	—
Communications	46.3	—	46.3	—
Materials	23.4	—	23.4	—
Energy	28.9	—	28.9	—
Total debt securities issued by corporations	1,045.0	—	1,045.0	—
Municipal obligations	260.9	—	260.9	—
Mortgage and asset-backed securities	389.4	—	389.4	—
Collateralized loan obligations	209.1	—	209.1	—
Total fixed maturity investments	2,109.3	204.9	1,904.4	—
Short-term investments	1,487.9	1,457.6	30.3	—
Common equity securities:				
Exchange-traded funds	137.8	137.8	—	—
Other ⁽¹⁾	400.6	—	400.6	—
Total common equity securities	538.4	137.8	400.6	—
Investment in MediaAlpha	254.9	254.9	—	—
Other long-term investments	1,164.4	—	26.2	1,138.2
Other long-term investments — NAV ⁽²⁾	833.8	—	—	—
Total other long-term investments	1,998.2	—	26.2	1,138.2
Total investments	\$ 6,388.7	\$ 2,055.2	\$ 2,361.5	\$ 1,138.2

⁽¹⁾ Consists of investments in listed funds that predominantly invest in international equities.

⁽²⁾ Consists of private equity funds and hedge funds, a bank loan fund, Lloyd's trust deposits and ILS funds for which fair value is measured using NAV as a practical expedient. Investments for which fair value is measured at NAV are not classified within the fair value hierarchy.

Investments Held on Deposit or as Collateral

Lloyd's trust deposits are generally required of Lloyd's syndicates to protect policyholders in non-U.K. markets and are pledged into Lloyd's trust accounts to provide a portion of the capital needed to support obligations at Lloyd's. As of June 30, 2024 and December 31, 2023, Ark held Lloyd's trust deposits with a fair value of \$156.1 million and \$158.0 million.

The underwriting capacity of a member of Lloyd's must be supported by providing a deposit ("Funds at Lloyd's") in the form of cash, securities or letters of credit in an amount determined by Lloyd's. The amount of such deposit is calculated for each member through an annual capital adequacy determination by Lloyd's. As of June 30, 2024 and December 31, 2023, the fair value of Ark's Funds at Lloyd's investment deposits totaled \$353.4 million and \$344.7 million.

As of June 30, 2024 and December 31, 2023, Ark held additional investments on deposit or as collateral for insurance regulators and reinsurance counterparties of \$206.0 million and \$244.5 million.

As of June 30, 2024 and December 31, 2023, Ark had \$203.0 million and \$198.9 million of fixed maturity and short-term investments pledged as collateral under uncommitted standby letters of credit. See **Note 7 — "Debt."**

As of June 30, 2024 and December 31, 2023, short-term investments of \$238.6 million and \$265.3 million were held in a collateral trust account required to be maintained in relation to WM Outrigger Re's reinsurance agreements with GAIL.

As of June 30, 2024 and December 31, 2023, investments of \$611.8 million and \$585.6 million were held in trusts required to be maintained in relation to HG Global's reinsurance agreements with BAM.

HG Global is required to maintain an interest reserve account in connection with its senior notes issued in 2022. As of June 30, 2024 and December 31, 2023, the fair value of the interest reserve account, which is included in short-term investments, was \$29.4 million and \$30.4 million. See **Note 7 — "Debt."**

BAM is required to maintain deposits with certain insurance regulatory agencies in order to maintain its insurance licenses. The fair value of such deposits, which represent state deposits and are included within the investment portfolio, totaled \$4.8 million and \$4.6 million as of June 30, 2024 and December 31, 2023.

Kudu is required to maintain an interest reserve account in connection with its credit facility. As of June 30, 2024 and December 31, 2023, the interest reserve account of \$15.0 million and \$14.9 million was held in short-term investments. See **Note 7 - "Debt."**

As of June 30, 2024, fixed maturity and short-term investments of \$28.9 million were held as collateral required to be maintained in relation to Bamboo Captive's reinsurance agreements.

As of June 30, 2024, short-term investments of \$12.0 million were held as collateral required to be maintained in relation to Bamboo CRV's reinsurance agreements.

Debt Securities Issued by Corporations

The following table presents the credit ratings of debt securities issued by corporations held in White Mountains's investment portfolio as of June 30, 2024 and December 31, 2023:

Millions	Fair Value at	
	June 30, 2024	December 31, 2023
AAA	\$ 14.1	\$ 11.5
AA	83.7	83.8
A	552.7	552.4
BBB	445.3	390.9
BB	2.0	—
Other	6.7	6.4
Debt securities issued by corporations ⁽¹⁾	\$ 1,104.5	\$ 1,045.0

⁽¹⁾ Credit ratings are based upon issuer credit ratings provided by Standard & Poor's Financial Services LLC ("Standard & Poor's"), or if unrated by Standard & Poor's, long-term obligation ratings provided by Moody's Investor Service, Inc.

Mortgage and Asset-backed Securities and Collateralized Loan Obligations

The following table presents the fair value of White Mountains's mortgage and asset-backed securities and collateralized loan obligations as of June 30, 2024 and December 31, 2023:

Millions	June 30, 2024			December 31, 2023		
	Fair Value	Level 2	Level 3	Fair Value	Level 2	Level 3
Mortgage-backed securities:						
Agency:						
FNMA	\$ 230.4	\$ 230.4	\$ —	\$ 198.8	\$ 198.8	\$ —
FHLMC	152.7	152.7	—	137.2	137.2	—
GNMA	39.1	39.1	—	30.2	30.2	—
Total agency ⁽¹⁾	422.2	422.2	—	366.2	366.2	—
Non-agency: Residential	.1	.1	—	.2	.2	—
Total non-agency	.1	.1	—	.2	.2	—
Total mortgage-backed securities	422.3	422.3	—	366.4	366.4	—
Other asset-backed securities:						
Vehicle receivables	40.0	40.0	—	17.2	17.2	—
Credit card receivables	5.4	5.4	—	3.3	3.3	—
Other	15.9	15.9	—	2.5	2.5	—
Total other asset-backed securities	61.3	61.3	—	23.0	23.0	—
Total mortgage and asset-backed securities	483.6	483.6	—	389.4	389.4	—
Collateralized loan obligations						
Total mortgage and asset-backed securities and collateralized loan obligations	\$ 753.6	\$ 753.6	\$ —	\$ 598.5	\$ 598.5	\$ —

⁽¹⁾ Represents publicly traded mortgage-backed securities which carry the full faith and credit guaranty of the U.S. Government (i.e., GNMA) or are guaranteed by a government sponsored entity (i.e., FNMA, FHLMC).

As of June 30, 2024 and December 31, 2023, White Mountains's investment portfolio included \$270.0 million and \$209.1 million of collateralized loan obligations that are within the senior tranches of their respective fund securitization structures. All of White Mountains's collateral loan obligations were rated AAA or AA as of June 30, 2024.

Investment in MediaAlpha

In 2020, MediaAlpha completed an initial public offering (the "MediaAlpha IPO"). Following the MediaAlpha IPO, White Mountains's investment in MediaAlpha is accounted for at fair value based on the publicly traded share price of MediaAlpha's common stock and is presented as a separate line item on the balance sheet.

During the second quarter of 2023, White Mountains completed a tender offer to purchase 5.9 million additional shares of MediaAlpha at a purchase price of \$10.00 per share. During the second quarter of 2024, MediaAlpha completed a secondary offering of 7.6 million shares at \$19.00 per share (\$18.24 per share net of underwriting fees). In the secondary offering, White Mountains sold 5.0 million shares for net proceeds of \$91.2 million.

As of June 30, 2024, White Mountains owned 17.9 million shares of MediaAlpha, representing a 26.9% basic ownership interest (25.4% on a fully-diluted/fully-converted basis). See **Note 16 — "Equity Method Eligible Investments."** At White Mountains's June 30, 2024 level of ownership, each \$1.00 per share increase or decrease in the share price of MediaAlpha will result in an approximate \$7.00 per share increase or decrease in White Mountains's book value per share. At the June 30, 2024 share price of \$13.17 per share, the fair value of White Mountains's investment in MediaAlpha was \$235.2 million.

Other Long-Term Investments

The following tables presents the carrying values of White Mountains's other long-term investments by reportable segment as of June 30, 2024 and December 31, 2023:

Millions	Fair Value as of June 30, 2024			
	Ark/ WM Outrigger	Kudu	Other	Total
Kudu's Participation Contracts	\$ —	\$ 901.3	\$ —	\$ 901.3
PassportCard/DavidShield	—	—	150.0	150.0
Elementum Holdings, L.P.	—	—	35.0	35.0
Other unconsolidated entities ⁽¹⁾	—	—	49.3	49.3
Total unconsolidated entities	—	901.3	234.3	1,135.6
Private equity funds and hedge funds	50.9	—	270.3	321.2
Bank loan fund	254.3	—	—	254.3
Lloyd's trust deposits	156.1	—	—	156.1
ILS funds	—	—	110.2	110.2
Private debt instruments	—	5.8	9.2	15.0
Other	30.0	—	—	30.0
Total other long-term investments	\$ 491.3	\$ 907.1	\$ 624.0	\$ 2,022.4

⁽¹⁾ Includes White Mountains's noncontrolling equity interests in certain preferred securities, private common equity securities, limited liability company units and Simple Agreement for Future Equity ("SAFE") investments.

Millions	Fair Value as of December 31, 2023			
	Ark/ WM Outrigger	Kudu	Other	Total
Kudu's Participation Contracts	\$ —	\$ 890.5	\$ —	\$ 890.5
PassportCard/DavidShield	—	—	150.0	150.0
Elementum Holdings, L.P.	—	—	35.0	35.0
Other unconsolidated entities ⁽¹⁾	—	—	48.1	48.1
Total unconsolidated entities	—	890.5	233.1	1,123.6
Private equity funds and hedge funds	55.5	—	257.4	312.9
Bank loan fund	194.4	—	—	194.4
Lloyd's trust deposits	158.0	—	—	158.0
ILS funds	—	—	160.5	160.5
Private debt instruments	—	5.8	10.0	15.8
Other	33.0	—	—	33.0
Total other long-term investments	\$ 440.9	\$ 896.3	\$ 661.0	\$ 1,998.2

⁽¹⁾ Includes White Mountains's noncontrolling equity interests in certain preferred securities, private common equity securities, limited liability company units and Simple Agreement for Future Equity ("SAFE") investments.

Private Equity Funds and Hedge Funds

White Mountains invests in private equity funds and hedge funds, which are included in other long-term investments. The fair value of these investments is generally estimated using the NAV of the funds. As of June 30, 2024, White Mountains held investments in seventeen private equity funds and one hedge fund. The largest investment in a single private equity fund or hedge fund was \$60.1 million and \$57.3 million as of June 30, 2024 and December 31, 2023.

The following table presents the fair value of investments and unfunded commitments in private equity funds and hedge funds by investment objective and sector as of June 30, 2024 and December 31, 2023:

Millions	June 30, 2024		December 31, 2023	
	Fair Value	Unfunded Commitments	Fair Value	Unfunded Commitments
Private equity funds				
Aerospace/Defense/Government	\$ 173.5	\$ 46.3	\$ 157.2	\$ 17
Financial services	86.8	35.1	87.5	37
Real estate	3.7	2.4	3.9	2
Total private equity funds	264.0	83.8	248.6	57
Hedge funds				
Long/short equity financials and business services	57.2	—	54.4	—
European small/mid cap	—	—	9.9	—
Total hedge funds	57.2	—	64.3	—
Total private equity funds and hedge funds included in other long-term investments	\$ 321.2	\$ 83.8	\$ 312.9	\$ 57

Investments in private equity funds are generally subject to a lock-up period during which investors may not request a redemption. Distributions prior to the expected termination date of the fund may be limited to dividends or proceeds arising from the liquidation of the fund's underlying investments. In addition, certain private equity funds have the option to extend the lock-up period.

The following table presents investments in private equity funds that were subject to lock-up periods as of June 30, 2024:

Millions	1 – 3 years	3 – 5 years	5 – 10 years	>10 years	Total
Private equity funds — expected lock-up period remaining	\$18.4	\$60.1	\$182.2	\$3.3	\$264.0

Investors in private equity funds are generally subject to indemnification obligations outside of the capital commitment period and prior to the winding up of the fund. As of June 30, 2024 and December 31, 2023, White Mountains is not aware of any indemnification claims relating to its investments in private equity funds.

Redemption of investments in most hedge funds is subject to restrictions, including lock-up periods where no redemptions or withdrawals are allowed, restrictions on redemption frequency and advance notice periods for redemptions. Amounts requested for redemptions remain subject to market fluctuations until the redemption effective date, which generally falls at the end of the defined redemption period. White Mountains may redeem all or a portion of its hedge fund investment as of any quarter-end upon 45 calendar days advanced written notice.

Bank Loan Fund

White Mountains's other long-term investments include a bank loan fund with a fair value of \$254.3 million and \$194.4 million as of June 30, 2024 and December 31, 2023. The fair value of this investment is estimated using the NAV of the fund. The bank loan fund's investment objective is to provide, on an unleveraged basis, high current income consistent with preservation of capital and low duration. The bank loan fund primarily invests in a broad portfolio of U.S. dollar-denominated, non-investment grade, floating-rate senior secured loans and may invest in other financial instruments, such as secured and unsecured corporate debt, credit default swaps, reverse repurchase agreements, synthetic indices and cash and cash equivalents.

The investment in the bank loan fund is subject to restrictions on redemption frequency and advance notice periods for redemptions. Amounts requested for redemptions remain subject to market fluctuations until the redemption effective date, which generally falls at the end of the defined redemption period. White Mountains may redeem all or a portion of its bank loan fund investment as of any calendar month-end upon 15 calendar days advanced written notice.

Lloyd's Trust Deposits

White Mountains's other long-term investments include Lloyd's trust deposits, which consist of non-U.K. deposits and Canadian comingled pooled funds. The Lloyd's trust deposits invest primarily in short-term government securities, agency securities and corporate bonds held in trusts that are managed by Lloyd's of London. These investments are generally required of Lloyd's syndicates to protect policyholders in non-U.K. markets and are pledged into Lloyd's trust accounts to provide a portion of the capital needed to support obligations at Lloyd's. The fair value of the Lloyd's trust deposits is generally estimated using the NAV of the funds. As of June 30, 2024 and December 31, 2023, White Mountains held Lloyd's trust deposits with a fair value of \$156.1 million and \$158.0 million.

Insurance-Linked Securities Funds

White Mountains's other long-term investments include ILS fund investments. The fair value of these investments is generally estimated using the NAV of the funds. As of June 30, 2024 and December 31, 2023, White Mountains held investments in ILS funds with a fair value of \$110.2 million and \$160.5 million.

Investments in ILS funds are generally subject to restrictions, including lock-up periods where no redemptions or withdrawals are allowed, non-renewal clauses, restrictions on redemption frequency and advance notice periods for redemptions. From time to time, natural catastrophe, liquidity, market or other events will occur that make the determination of fair value for underlying investments in ILS funds less certain due to the potential for loss development. In such circumstances, the impacted investments may be subject to additional lock-up provisions.

ILS funds are typically subject to monthly and annual restrictions on redemptions and advance redemption notice period requirements that range between 30 and 90 days. Amounts requested for redemption remain subject to market fluctuations until the redemption effective date, which is generally at the end of the defined redemption period or when the underlying investment has fully matured or been commuted.

Rollforward of Level 3 Investments

Level 3 measurements as of June 30, 2024 and 2023 consist of securities for which the estimated fair value has not been determined based upon quoted market price inputs for identical or similar securities. The following table presents the changes in White Mountains's fair value measurements for Level 3 investments for the six months ended June 30, 2024 and 2023:

Millions	Level 3 Investments	
	Other Long-term Investments	Other Long-term Investments
Balance as of December 31, 2023	\$ 1,138.2	Balance as of December 31, 2022 \$ 911.6
Net realized and unrealized gains	48.6	Net realized and unrealized gains 49.5
Purchases and contributions	.4	Purchases and contributions 167.7
Sales and distributions	(41.4)	Sales and distributions (110.4)
Transfers in	—	Transfers in —
Transfers out	—	Transfers out —
Balance as of June 30, 2024	\$ 1,145.8	Balance as of June 30, 2023 \$ 1,018.4

Fair Value Measurements — Transfers Between Levels - Three and six months ended June 30, 2024 and 2023

Transfers between levels are recorded using the fair value measurement as of the end of the quarterly period in which the event or change in circumstance giving rise to the transfer occurred.

During the six months ended June 30, 2024 and 2023, there were no fixed maturity investments or other long-term investments classified as Level 3 measurements in the prior period that were transferred to Level 2 measurements.

During the six months ended June 30, 2024 and 2023, there were no fixed maturity investments or other long-term investments classified as Level 2 measurements in the prior period that were transferred to Level 3 measurements.

Significant Unobservable Inputs

The following tables present significant unobservable inputs used in estimating the fair value of White Mountains's other long-term investments, classified within Level 3 as of June 30, 2024 and December 31, 2023. The tables below exclude \$15.8 million and \$19.0 million of Level 3 other long-term investments generally valued based on recent or expected transaction prices. The fair value of investments in private equity funds and hedge funds, bank loan funds, Lloyd's trust deposits and ILS funds are generally estimated using the NAV of the funds.

\$ in Millions Description	Valuation Technique(s) ⁽¹⁾	Fair Value ⁽²⁾	June 30, 2024	
			Unobservable Inputs	
			Discount Rate ⁽⁶⁾	Terminal Cash Flow Exit Multiple (x) or Terminal Revenue Growth Rate (%) ⁽⁶⁾
Kudu's Participation Contracts ⁽³⁾⁽⁴⁾	Discounted cash flow	\$901.3	16% - 24%	7x - 22x
PassportCard/DavidShield	Discounted cash flow	\$150.0	24%	4%
Elementum Holdings, L.P.	Discounted cash flow	\$35.0	21%	4%
Preferred Securities	Discounted cash flow	\$29.1	8%	N/A
Private debt instruments	Discounted cash flow	\$14.6	11% - 12%	N/A

⁽¹⁾ Key inputs to the discounted cash flow analysis generally include projections of future revenue and earnings, discount rates and terminal exit multiples or growth rates.

⁽²⁾ Includes the net unrealized investment gains (losses) associated with foreign currency; foreign currency effects based on observable inputs.

⁽³⁾ Since Kudu's Participation Contracts are not subject to corporate taxes within Kudu Investment Management, LLC, pre-tax discount rates are applied to pre-tax cash flows in determining fair values. The weighted average discount rate and weighted average terminal cash flow exit multiple applied to Kudu's Participation Contracts was 19% and 14x.

⁽⁴⁾ In the first six months of 2024, Kudu deployed a total of \$0.2 into existing Participation Contracts.

⁽⁶⁾ Increases (decreases) to the discount rates in isolation would result in lower (higher) fair value measurements, while increases (decreases) to the terminal cash flow exit multiples or terminal revenue growth rates in isolation would result in higher (lower) fair value measurements.

\$ in Millions Description	Valuation Technique(s) ⁽¹⁾	Fair Value ⁽²⁾	December 31, 2023	
			Unobservable Inputs	
			Discount Rate ⁽⁶⁾	Terminal Cash Flow Exit Multiple (x) or Terminal Revenue Growth Rate (%) ⁽⁶⁾
Kudu's Participation Contracts ⁽³⁾⁽⁴⁾⁽⁵⁾	Discounted cash flow	\$890.5	18% - 25%	7x - 22x
PassportCard/DavidShield	Discounted cash flow	\$150.0	24%	4%
Elementum Holdings, L.P.	Discounted cash flow	\$35.0	21%	4%
Preferred securities	Discounted cash flow	\$28.2	8%	N/A
Private debt instruments	Discounted cash flow	\$15.5	11% - 12%	N/A

⁽¹⁾ Key inputs to the discounted cash flow analysis generally include projections of future revenue and earnings, discount rates and terminal exit multiples or growth rates.

⁽²⁾ Includes the net unrealized investment gains (losses) associated with foreign currency; foreign currency effects based on observable inputs.

⁽³⁾ Since Kudu's Participation Contracts are not subject to corporate taxes within Kudu Investment Management, LLC, pre-tax discount rates are applied to pre-tax cash flows in determining fair values. The weighted average discount rate and weighted average terminal cash flow exit multiple applied to Kudu's Participation Contracts was 20% and 13x.

⁽⁴⁾ In 2023, Kudu deployed a total of \$163.8 into new and existing Participation Contracts.

⁽⁵⁾ As of December 31, 2023, one of Kudu's Participation Contracts with a total fair value of \$69.1 was valued using a probability weighted expected return method, which takes into account factors such as a discounted cash flow analysis, the expected value to be received in a pending sale transaction and the likelihood that a sales transaction will take place.

⁽⁶⁾ Increases (decreases) to the discount rates in isolation would result in lower (higher) fair value measurements, while increases (decreases) to the terminal cash flow exit multiples or terminal revenue growth rates in isolation would result in higher (lower) fair value measurements.

Note 4. Goodwill and Other Intangible Assets

White Mountains accounts for business combinations using the acquisition method. Under the acquisition method, White Mountains recognizes and measures the assets acquired, liabilities assumed and any noncontrolling interest in the acquired entities at their acquisition date fair values. Goodwill represents the excess of the amount paid to acquire businesses over the fair value of identifiable net assets at the date of acquisition. The estimated acquisition date fair values, generally consisting of intangible assets and liabilities for contingent consideration, may be recorded at provisional amounts in circumstances where the information necessary to complete the acquisition accounting is not available at the reporting date. Any such provisional amounts are finalized as measurement period adjustments within one year of the acquisition date.

The following table presents the economic lives, acquisition date fair values, accumulated amortization and net carrying values for other intangible assets and goodwill as of June 30, 2024 and December 31, 2023:

\$ in Millions	Weighted Average Economic Life (in years)	June 30, 2024			December 31, 2023		
		Acquisition Date Fair Value	Accumulated Amortization	Net Carrying Value	Acquisition Date Fair Value	Accumulated Amortization	Net Carrying Value
Goodwill:							
Ark	N/A	\$ 116.8	\$ —	\$ 116.8	\$ 116.8	\$ —	\$ 116.8
Kudu	N/A	7.6	—	7.6	7.6	—	7.6
Bamboo ⁽¹⁾	N/A	270.4	—	270.4	—	—	—
Other Operations	N/A	44.4	—	44.4	44.4	—	44.4
Total goodwill		<u>439.2</u>	<u>—</u>	<u>439.2</u>	<u>168.8</u>	<u>—</u>	<u>168.8</u>
Other intangible assets:							
Ark							
Underwriting capacity	N/A	175.7	—	175.7	175.7	—	175.7
Kudu							
Trade names	7.0	2.2	1.7	.5	2.2	1.5	.7
Bamboo ⁽¹⁾							
Trade names	10.0	23.5	1.2	22.3	—	—	—
Agency relationships	6.0	72.4	6.1	66.3	—	—	—
Developed technology	3.0	4.7	.7	4.0	—	—	—
Other	0.3	.4	.4	—	—	—	—
Subtotal		<u>101.0</u>	<u>8.4</u>	<u>92.6</u>	<u>—</u>	<u>—</u>	<u>—</u>
Other Operations							
Trade names	13.3	13.3	4.9	8.4	13.3	4.1	9.2
Customer relationships	10.9	24.8	11.9	12.9	24.8	10.3	14.5
Other	11.0	3.1	1.4	1.7	2.8	1.1	1.7
Subtotal		<u>41.2</u>	<u>18.2</u>	<u>23.0</u>	<u>40.9</u>	<u>15.5</u>	<u>25.4</u>
Total other intangible assets		<u>320.1</u>	<u>28.3</u>	<u>291.8</u>	<u>218.8</u>	<u>17.0</u>	<u>201.8</u>
Total goodwill and other intangible assets		<u>\$ 759.3</u>	<u>\$ 28.3</u>	<u>\$ 731.0</u>	<u>\$ 387.6</u>	<u>\$ 17.0</u>	<u>\$ 370.6</u>

⁽¹⁾ The relative fair values of goodwill and other intangible assets recognized in connection with the acquisition of Bamboo had not yet been finalized as of June 30, 2024.

Intangible Assets Valuation Methods

The goodwill recognized for the entities shown above is attributed to expected future cash flows. The acquisition date fair values of other intangible assets with finite lives are estimated using income approach techniques, which use future expected cash flows to develop a discounted present value amount.

The multi-period-excess-earnings method estimates fair value using the present value of the incremental after-tax cash flows attributable solely to the other intangible asset over its remaining life. This approach was used to estimate the fair value of other intangible assets associated with the underwriting capacity, agency relationships and customer relationships.

The relief-from-royalty method was used to estimate fair value for other intangible assets that relate to rights that could be obtained via a license from a third-party owner. Under this method, the fair value is estimated using the present value of license fees avoided by owning rather than leasing the asset. This technique was used to estimate the fair value of trade names, patents and certain information technology platforms.

The with-or-without method estimates the fair value of other intangible assets that provide an incremental benefit. Under this method, the fair value of the other intangible asset is calculated by comparing the value of the entity with and without the other intangible asset. This approach was used to estimate the fair value of non-compete agreements.

On at least an annual basis beginning no later than the interim period included in the one-year anniversary of an acquisition, White Mountains evaluates goodwill and other intangible assets for potential impairment. Between annual evaluations, White Mountains considers changes in circumstances or events subsequent to the most recent evaluation that indicate an impairment may exist and, if necessary will perform an interim review for potential impairment.

During the three and six months ended June 30, 2024 and 2023, White Mountains did not recognize any impairments to goodwill and other intangible assets.

Rollforward of Goodwill and Other Intangible Assets

The following tables present the change in goodwill and other intangible assets for the three and six months ended June 30, 2024 and 2023:

Millions	Three Months Ended June 30,					
	2024			2023		
	Goodwill	Other Intangible Assets	Total Goodwill and Other Intangible Assets	Goodwill	Other Intangible Assets	Total Goodwill and Other Intangible Assets
Beginning balance	\$ 439.2	\$ 297.4	\$ 736.6	\$ 168.8	\$ 207.4	\$ 376.2
Amortization	—	(5.6)	(5.6)	—	(2.6)	(2.6)
Ending balance	\$ 439.2	\$ 291.8	\$ 731.0	\$ 168.8	\$ 204.8	\$ 373.6

Millions	Six Months Ended June 30,					
	2024			2023		
	Goodwill	Other Intangible Assets	Total Goodwill and Other Intangible Assets	Goodwill	Other Intangible Assets	Total Goodwill and Other Intangible Assets
Beginning balance	\$ 168.8	\$ 201.8	\$ 370.6	\$ 176.5	\$ 215.9	\$ 392.4
Acquisition of businesses ⁽¹⁾	270.4	101.0	371.4	—	—	—
Acquisitions of intangible assets ⁽²⁾	—	.3	.3	—	—	—
Dispositions ⁽²⁾	—	—	—	(6.7)	(6.9)	(13.6)
Measurement period adjustments ⁽³⁾	—	—	—	(1.0)	—	(1.0)
Amortization	—	(11.3)	(11.3)	—	(4.2)	(4.2)
Ending balance	\$ 439.2	\$ 291.8	\$ 731.0	\$ 168.8	\$ 204.8	\$ 373.6

⁽¹⁾ Amounts relate to the fair values of goodwill and other intangible assets recognized in connection with the acquisition of Bamboo, which had not yet been finalized as of June 30, 2024.

⁽²⁾ Relates to acquisitions and dispositions within Other Operations.

⁽³⁾ Measurement period adjustments relate to updated information about acquisition date fair values of assets acquired and liabilities assumed. During the six months ended June 30, 2023, adjustments relate to an acquisition within Other Operations.

Note 5. Loss and Loss Adjustment Expense Reserves**P&C Insurance and Reinsurance**

The following table summarizes the loss and loss adjustment expense ("LAE") reserve activity of the Ark/WM Outrigger segment for the three and six months ended June 30, 2024 and 2023:

Millions	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
Gross beginning balance	\$ 1,744.5	\$ 1,345.6	\$ 1,605.1	\$ 1,296.5
Less: beginning reinsurance recoverable on unpaid losses ⁽¹⁾	(404.5)	(348.9)	(340.8)	(505.0)
Net loss and loss adjustment expense reserves	1,340.0	996.7	1,264.3	791.5
Loss and loss adjustment expenses incurred relating to:				
Current year losses	182.6	156.5	362.9	295.7
Prior year losses	(6.9)	11.0	(7.2)	19.6
Net incurred loss and loss adjustment expenses	175.7	167.5	355.7	315.3
Loss and loss adjustment expenses paid relating to:				
Current year losses	(4.3)	(5.6)	(8.3)	(9.6)
Prior year losses	(78.8)	(103.0)	(175.5)	(190.7)
Net paid loss and loss adjustment expenses	(83.1)	(108.6)	(183.8)	(200.3)
Change in TPC Providers' participation ⁽²⁾	—	—	—	145.4
Foreign currency translation and other adjustments to loss and loss adjustment expense reserves	(1.0)	2.7	(4.6)	6.4
Net ending balance	1,431.6	1,058.3	1,431.6	1,058.3
Plus: ending reinsurance recoverable on unpaid losses	458.5	362.7	458.5	362.7
Gross ending balance	\$ 1,890.1	\$ 1,421.0	\$ 1,890.1	\$ 1,421.0

⁽¹⁾ The beginning reinsurance recoverable on unpaid losses includes amounts attributable to TPC Providers of \$145.4 as of December 31, 2022.

⁽²⁾ Amount represents the impact to net loss and loss adjustment expense reserves due to a change in the TPC Providers' participation related to the annual RITC process.

For the three and six months ended June 30, 2024, the Ark/WM Outrigger segment recognized \$6.9 million and \$7.2 million of net favorable prior year loss reserve development, primarily due to property lines of business. For the three and six months ended June 30, 2023, the Ark/WM Outrigger segment recognized \$11.0 million and \$19.6 million of net unfavorable prior year loss reserve development, driven primarily by Winter Storm Elliot and three large claims in the property and marine & energy lines of business.

Impact of Third-Party Capital

For the years of account prior to the Ark Transaction, a significant proportion of the Syndicates' underwriting capital was provided by third-party insurance and reinsurance groups ("TPC Providers") using whole account reinsurance contracts with Ark's corporate member. For the years of account subsequent to the Ark Transaction, Ark is no longer using TPC Providers to provide underwriting capital for the Syndicates.

A reinsurance to close ("RITC") agreement is generally put in place after the third year of operations for a year of account such that the outstanding loss and LAE reserves, including future development thereon, are reinsured into the next year of account. As a result, and in combination with the changing participation provided by TPC Providers, Ark's participation on outstanding loss and LAE reserves reinsured into the next year of account may change, perhaps significantly. During the first quarter of 2023, an RITC agreement was executed such that the outstanding loss and LAE reserves for claims arising out of the 2020 year of account, for which the TPC Providers' participation in the total net results of the Syndicates was 42.8%, were reinsured into the 2021 year of account, for which the TPC Providers' participation in the total net results of the Syndicates was 0.0%.

Financial Guarantee

HG Re and BAM do not have any outstanding loss and LAE reserves related to BAM's municipal bond guarantee insurance business.

P&C Insurance Distribution

As of June 30, 2024, Bamboo has recorded loss and LAE reserves of \$16.6 million. For the three and six months ended June 30, 2024, Bamboo recognized incurred loss and LAE of \$4.3 million and \$10.1 million.

Other Operations

As of June 30, 2024, Bamboo CRV has recorded loss and LAE reserves of \$3.9 million. For both the three and six months ended June 30, 2024, Bamboo CRV recognized incurred loss and LAE of \$3.9 million.

Note 6. Third-Party Reinsurance

P&C Insurance and Reinsurance

In the normal course of business, Ark may seek to limit losses that may arise from catastrophes or other events by reinsuring certain risks with third-party reinsurers. Ark remains liable for risks reinsured in the event that the reinsurer does not honor its obligations under reinsurance contracts.

The following table summarizes the effects of reinsurance on written and earned premiums and on loss and LAE for the Ark/WM Outrigger segment for the three and six months ended June 30, 2024 and 2023:

Millions	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
Written premiums:				
Direct	\$ 339.4	\$ 291.5	\$ 624.4	\$ 537.7
Assumed	357.6	314.6	944.7	877.8
Gross written premiums	697.0	606.1	1,569.1	1,415.5
Ceded ⁽¹⁾	(194.2)	(144.9)	(468.3)	(340.1)
Net written premiums	\$ 502.8	\$ 461.2	\$ 1,100.8	\$ 1,075.4
Earned premiums:				
Direct	\$ 219.5	\$ 200.6	\$ 413.9	\$ 351.0
Assumed	180.3	152.5	372.7	314.6
Gross earned premiums	399.8	353.1	786.6	665.6
Ceded ⁽²⁾	(81.5)	(59.8)	(165.5)	(117.2)
Net earned premiums	\$ 318.3	\$ 293.3	\$ 621.1	\$ 548.4
Loss and loss adjustment expenses:				
Gross	\$ 248.7	\$ 195.8	\$ 502.0	\$ 358.2
Ceded ⁽³⁾	(73.0)	(28.3)	(146.3)	(42.9)
Net loss and loss adjustment expenses	\$ 175.7	\$ 167.5	\$ 355.7	\$ 315.3

⁽¹⁾ The three months ended June 30, 2024 and 2023 exclude \$38.9 and \$58.3, and the six months ended June 30, 2024 and 2023 exclude \$73.2 and \$102.4 ceded by Ark to WM Outrigger Re, which eliminate in White Mountains's consolidated financial statements.

⁽²⁾ The three months ended June 30, 2024 and 2023 exclude \$7.5 and \$9.6, and the six months ended June 30, 2024 and 2023 exclude \$17.8 and \$14.8, ceded by Ark to WM Outrigger Re, which eliminate in White Mountains's consolidated financial statements.

⁽³⁾ The three months ended June 30, 2024 and 2023 exclude \$(0.3) and \$0.4, and the six months ended June 30, 2024 and 2023 exclude \$0.4 and \$0.6, ceded by Ark to WM Outrigger Re, which eliminate in White Mountains's consolidated financial statements.

The following table presents the Ark/WM Outrigger segment's reinsurance recoverables as of June 30, 2024 and December 31, 2023:

Millions	June 30, 2024		December 31, 2023	
Reinsurance recoverables on unpaid losses ⁽¹⁾	\$	458.5	\$	340.8
Reinsurance recoverables on paid losses		28.6		27.4
Ceded unearned premiums ⁽²⁾		376.7		73.8
Reinsurance recoverables	\$	863.8	\$	442.0

⁽¹⁾ The reinsurance recoverables on unpaid losses exclude \$15.2 and \$15.6 ceded by Ark to WM Outrigger Re as of June 30, 2024 and December 31, 2023, which eliminate in White Mountains's consolidated financial statements.

⁽²⁾ The ceded unearned premiums exclude \$61.1 and \$5.7 ceded by Ark to WM Outrigger Re as of June 30, 2024 and December 31, 2023, which eliminate in White Mountains's consolidated financial statements.

As reinsurance contracts do not relieve Ark of its obligation to its policyholders, Ark seeks to reduce the credit risk associated with reinsurance balances by avoiding over-reliance on specific reinsurers through the application of concentration limits and thresholds. Ark is selective with its reinsurers, placing reinsurance with only those reinsurers having a strong financial condition. Ark monitors the financial strength of its reinsurers on an ongoing basis.

The following table presents the Ark/WM Outrigger segment's gross and net reinsurance recoverables by the reinsurer's A.M. Best Company, Inc ("A.M. Best") ratings as of June 30, 2024:

\$ in Millions A.M. Best Rating ⁽¹⁾	As of June 30, 2024				% of Total
	Gross	Collateral	Net		
A+ or better	\$ 259.8	\$ —	\$ 259.8		62.3 %
A- to A	147.7	—	147.7		35.4
B++ or lower and not rated	79.6 ⁽²⁾	70.0 ⁽²⁾	9.6		2.3
Total	\$ 487.1	\$ 70.0	\$ 417.1		100.0 %

⁽¹⁾ A.M. Best financial strength ratings as detailed above are: "A+ or better" (Superior) "A- to A" (Excellent), "B++" (Good).

⁽²⁾ Excludes \$15.2 ceded by Ark to WM Outrigger Re as of June 30, 2024, which eliminates in White Mountains's consolidated financial statements.

Reinsurance Contracts Accounted for as Deposits

Ark has an aggregate excess of loss contract with SiriusPoint Ltd. ("SiriusPoint"), which is accounted for using the deposit method and recorded within other assets. Ark earns an annual crediting rate of 3.0%, which is recorded within other revenue. As of June 30, 2024 and December 31, 2023, the carrying value of Ark's deposit in SiriusPoint, including accrued interest, was \$20.1 million and \$20.4 million.

See **Note 10 — "Municipal Bond Guarantee Insurance"** for reinsurance contracts accounted for as deposits related to White Mountains's financial guarantee business.

Note 7. Debt

The following table presents White Mountains's debt outstanding as of June 30, 2024 and December 31, 2023:

\$ in Millions	June 30, 2024	Effective Rate ⁽¹⁾	December 31, 2023	Effective Rate ⁽¹⁾
Ark 2007 Subordinated Notes, carrying value	\$ —		\$ 30.0	
Ark 2021 Subordinated Notes Tranche 1	41.9		42.7	
Ark 2021 Subordinated Notes Tranche 2	47.0		47.0	
Ark 2021 Subordinated Notes Tranche 3	70.0		70.0	
Unamortized issuance cost	(3.9)		(4.2)	
Ark 2021 Subordinated Notes, carrying value	155.0		155.5	
Total Ark Subordinated Notes, carrying value	155.0	12.3%	185.5	11.0%
HG Global Senior Notes ⁽²⁾	150.0	11.9%	150.0	11.9%
Unamortized discount and issuance cost	(2.8)		(3.1)	
HG Global Senior Notes, carrying value	147.2		146.9	
Kudu Credit Facility	210.3	10.4%	210.3	10.1%
Unamortized issuance cost	(7.0)		(6.5)	
Kudu Credit Facility, carrying value	203.3		203.8	
Other Operations debt	25.2	10.0%	28.9	10.2%
Unamortized issuance cost	(.5)		(.5)	
Other Operations debt, carrying value	24.7		28.4	
Total debt	\$ 530.2		\$ 564.6	

⁽¹⁾ Effective rate includes the effect of the amortization of debt issuance costs and, where applicable, the original issue discount.

⁽²⁾ Effective rate excludes the effect of the interest rate cap.

Ark Subordinated Notes

In March 2007, GAIL issued \$30.0 million face value of floating rate unsecured junior subordinated deferrable interest notes to Alesco Preferred Funding XII Ltd., Alesco Preferred Funding XIII Ltd. and Alesco Preferred Funding XIV Ltd (the "Ark 2007 Subordinated Notes"). The Ark 2007 Subordinated Notes, which had a maturity date of June 2037, accrued interest at a floating rate equal to the three-month U.S. London Inter-Bank Offered Rate ("LIBOR") plus 4.6% per annum. During the first quarter of 2024, Ark repaid the outstanding balance of \$30.0 million and extinguished the Ark 2007 Subordinated Notes.

In the third quarter of 2021, GAIL issued \$163.3 million face value floating rate unsecured subordinated notes at par in three separate transactions for proceeds of \$157.8 million, net of debt issuance costs (collectively, the "Ark 2021 Subordinated Notes"). The Ark 2021 Subordinated Notes were issued in private placement offerings that were exempt from the registration requirements of the Securities Act of 1933.

On July 13, 2021, Ark issued €39.1 million (\$46.3 million based upon the foreign exchange spot rate as of the date of the transaction) face value floating rate unsecured subordinated notes ("Ark 2021 Subordinated Notes Tranche 1"). The Ark 2021 Subordinated Notes Tranche 1, which mature in July 2041, accrue interest at a floating rate equal to the three-month Euro Interbank Offered Rate ("EURIBOR") plus 5.75% per annum.

On August 11, 2021, Ark issued \$47.0 million face value floating rate unsecured subordinated notes ("Ark 2021 Subordinated Notes Tranche 2"). The Ark 2021 Subordinated Notes Tranche 2, which mature in August 2041, accrued interest at a floating rate equal to the three-month U.S. LIBOR plus 5.75% per annum until August 2023. Effective August 2023, the Ark 2021 Subordinated Notes Tranche 2 accrue interest at a floating rate equal to the three-month SOFR plus a credit adjustment spread of 0.26% and a stated margin of 5.75% per annum.

On September 8, 2021, Ark issued \$70.0 million face value floating rate unsecured subordinated notes ("Ark 2021 Subordinated Notes Tranche 3"). The Ark 2021 Subordinated Notes Tranche 3, which mature in September 2041, accrued interest at a floating rate equal to the three-month U.S. LIBOR plus 6.1% per annum until September 2023. Effective September 2023, the Ark 2021 Subordinated Notes Tranche 3 accrue interest at a floating rate equal to the three-month SOFR plus a credit adjustment spread of 0.26% and a stated margin of 6.1% per annum.

On the ten-year anniversary of the issue dates, the interest rate for the Ark 2021 Subordinated Notes will increase by 1.0% per annum. Ark has the option to redeem, in whole or in part, the Ark 2021 Subordinated Notes ahead of contractual maturity at the outstanding principal amounts plus accrued interest at the ten-year anniversary or any subsequent interest payment date.

All payments of principal and interest under the Ark 2021 Subordinated Notes are conditional upon GAIL's solvency and compliance with the enhanced capital requirements of the Bermuda Monetary Authority ("BMA"). The deferral of payments of principal and interest under these conditions does not constitute a default by Ark and does not give the noteholders any rights to accelerate repayment of the Ark 2021 Subordinated Notes or take any enforcement action under the Ark 2021 Subordinated Notes.

If the payments of principal and interest under the Ark 2021 Subordinated Notes become subject to tax withholding on behalf of Bermuda or any political subdivision there, the Ark 2021 Subordinated Notes require the payment of additional amounts such that the amount received by the noteholders is the same as would have been received absent the tax withholding being imposed. The Ark 2021 Subordinated Notes Tranche 3 require the payment of additional interest of 1.0% per annum upon the occurrence of a premium load event until such event is remedied. Premium load events include the failure to meet payment obligations of the Ark 2021 Subordinated Notes Tranche 3 when due, failure of GAIL to maintain an investment grade credit rating, failure to maintain 120% of GAIL's Bermuda solvency capital requirement, failure of GAIL to maintain a debt to capital ratio below 40%, late filing of GAIL's or Ark's financial information, and making a restricted payment or distribution on GAIL's common stock or other securities that rank junior or pari passu with the Ark 2021 Subordinated Notes Tranche 3 when a different premium load event exists or will be caused by the restricted payment. As of June 30, 2024, there were no premium load events.

As of June 30, 2024, the Ark 2021 Subordinated Notes Tranche 1 had an outstanding balance of €39.1 million (\$41.9 million based upon the foreign exchange spot rate as of June 30, 2024), the Ark 2021 Subordinated Notes Tranche 2 had an outstanding balance of \$47.0 million, and the Ark 2021 Subordinated Notes Tranche 3 had an outstanding balance of \$70.0 million.

The Ark Subordinated Notes contain various affirmative and negative covenants that White Mountains considers to be customary for such borrowings.

Ark Standby Letter of Credit Facilities

In December 2021, Ark entered into two uncommitted secured standby letter of credit facility agreements to support the continued growth and expansion of GAIL's insurance and reinsurance operations. The standby letter of credit facility agreements were executed with ING Bank N.V., London Branch (the "ING LOC Facility"), with capacity of \$50.0 million on an uncollateralized basis, and with Citibank Europe Plc (the "Citibank LOC Facility"), with capacity of \$125.0 million on a collateralized basis. In September 2022, Ark entered into an additional uncommitted standby letter of credit facility agreement with Lloyds Bank Corporate Markets PLC (the "Lloyds LOC Facility"), with capacity of \$100.0 million on a collateralized basis.

As of January 1, 2024, the ING LOC Facility was undrawn and the availability period expired. Ark did not renew the credit facility. As of June 30, 2024, the Citibank LOC Facility had an outstanding balance of \$111.5 million and short-term investments pledged as collateral of \$137.6 million. As of June 30, 2024, the Lloyds LOC Facility had an outstanding balance of \$35.5 million and short-term investments pledged as collateral of \$65.4 million. Ark's uncommitted secured standby letter of credit facility agreements contain various representations, warranties and covenants that White Mountains considers to be customary for such borrowings.

HG Global Senior Notes

On April 29, 2022, HG Global received the proceeds from the issuance of its \$150.0 million face value floating rate secured senior notes (the "HG Global Senior Notes"). The HG Global Senior Notes, which mature in April 2032, accrue interest at a floating rate equal to the three-month Overnight Financing Rate ("SOFR") plus a credit adjustment spread of 0.26% and a stated margin of 6.0% per annum. Subsequent to the five-year anniversary of the funding date, absent the occurrence of an early amortization trigger event, HG Global will be required to make payments of principal on a quarterly basis totaling \$15.0 million annually. Upon the occurrence of an early amortization trigger event, HG Global is required to use all available cash flow to repay the notes. Early amortization trigger events include scenarios in which HG Re is effectively in runoff. HG Global has the option to redeem, in whole or in part, the HG Global Senior Notes after the five-year anniversary of the funding date at the outstanding principal amount plus accrued interest.

On June 16, 2022, HG Global entered into an interest rate cap agreement, effective on July 25, 2022, to limit its exposure to the risk of interest rate increases on the HG Global Senior Notes. The notional amount of the interest rate cap is \$150.0 million and the termination date is July 25, 2025. See **Note 9 — "Derivatives."**

The HG Global Senior Notes require HG Global to maintain an interest reserve account of eight times the interest accrued for the most recent quarterly interest period. While the interest rate cap is in force, the interest reserve account is subject to a maximum required balance of \$29.3 million. As of June 30, 2024, the fair value of the interest reserve account, which is included in short-term investments, was \$29.4 million.

The HG Global Senior Notes are secured by the capital stock and other equity interests of HG Global’s subsidiaries, the interest reserve account, and all cash and non-cash proceeds from such collateral. The HG Global Senior Notes contain various affirmative and negative covenants that White Mountains considers to be customary for such borrowings.

If the payment of principal and interest under the HG Global Senior Notes becomes subject to tax withholding on behalf of a relevant governmental authority for certain indemnified taxes, the HG Global Senior Notes require the payment of additional amounts such that the amount received by the noteholders is the same as would have been received absent the tax withholding being imposed. The HG Global Senior Notes require the payment of additional interest of 1.0% per annum if the HG Global Senior Notes receive a non-investment grade rating or are no longer rated. As of June 30, 2024, the HG Global Senior Notes had an investment grade rating.

As of June 30, 2024, the HG Global Senior Notes had an outstanding balance of \$150.0 million.

Kudu Credit Facility

On March 23, 2021, Kudu entered into a secured revolving credit facility (the “Kudu Credit Facility”) with Mass Mutual to repay its prior credit facility and to fund new investments and related transaction expenses. The maximum borrowing capacity of the Kudu Credit Facility was \$300.0 million. On June 28, 2024, Kudu amended the Kudu Credit Facility, and the total commitment increased from \$300.0 million to \$350.0 million. The Kudu Credit Facility matures on March 23, 2036.

Through June 30, 2023, interest on the Kudu Credit Facility accrued at a floating interest rate equal to the greater of the three-month LIBOR or 0.25% plus, in each case, 4.30%. Effective July 2023, the Kudu Credit Facility accrued interest at a floating interest rate equal to the three-month SOFR plus a credit adjustment spread of 0.26% and a stated margin of 4.30%. Under the amended terms, effective July 2024, the Kudu Credit Facility will accrue interest at a floating interest rate equal to the three-month SOFR plus a stated margin of 4.45% with no credit adjustment spread. The Kudu Credit Facility requires Kudu to maintain an interest reserve account of four times the interest accrued for the most recent quarterly interest period. As of June 30, 2024 and December 31, 2023, the interest reserve account of \$15.0 million and \$14.9 million was held in short term investments. The Kudu Credit Facility requires Kudu to maintain a maximum ratio of the outstanding balance to the sum of the fair market value of Kudu’s other long-term investments and cash held in certain accounts (the “LTV Percentage”) for annual periods after the June 28, 2024 effective date of the amendment as follows: 50% in years 0-3, 40% in years 4-5, 25% in years 6-7, 15% in years 8-10 and 0% thereafter. As of June 30, 2024, Kudu had a 22.7% LTV Percentage.

Kudu may borrow undrawn balances until June 28, 2027, subject to customary terms and conditions, to the extent the amount borrowed under the Kudu Credit Facility does not exceed the borrowing base, which is equal to 35% of the fair value of Kudu’s qualifying Participation Contracts.

The following table presents the change in debt under the Kudu Credit Facility for the three and six months ended June 30, 2024 and 2023:

Millions	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
Kudu Credit Facility				
Beginning balance	\$ 210.3	\$ 198.3	\$ 210.3	\$ 215.2
Term loans				
Borrowings	—	12.0	—	12.0
Repayments	—	—	—	(16.9)
Ending balance	\$ 210.3	\$ 210.3	\$ 210.3	\$ 210.3

The Kudu Credit Facility is secured by all property of the loan parties and contains various affirmative and negative covenants that White Mountains considers to be customary for such borrowings.

Other Operations Debt

As of June 30, 2024, White Mountains’s Other Operations had debt with an outstanding balance of \$25.2 million, which consisted of four secured credit facilities (collectively, “Other Operations debt”).

Compliance

As of June 30, 2024, White Mountains was in compliance, in all material respects, with all of the covenants under its debt instruments.

Note 8. Income Taxes

The Company and its Bermuda-domiciled subsidiaries are not subject to income tax in Bermuda in 2024 and prior years. On December 27, 2023, Bermuda enacted a 15.0% corporate income tax that will generally become effective on January 1, 2025. The Bermuda legislation defers the effective date for five years for Bermuda companies in consolidated groups that meet certain requirements. White Mountains expects to meet the requirements to be exempt from the Bermuda corporate income tax until January 1, 2030. The Bermuda legislation also provides for an economic transition adjustment that will reduce future years' taxable income. Under GAAP, this economic transition adjustment was required to be recognized as a net deferred tax asset as of December 31, 2023. Accordingly, White Mountains's net income for 2023 included a net deferred tax benefit of \$68.0 million, of which \$51.0 million was recorded at Ark and \$17.0 million was recorded at HG Global. These deferred tax assets remained unchanged as of June 30, 2024.

The Company has subsidiaries and branches that operate in various other jurisdictions around the world and are subject to tax in the jurisdictions in which they operate. As of June 30, 2024, the primary jurisdictions in which the Company's subsidiaries and branches operate and were subject to tax include Israel, Luxembourg, the United Kingdom and the United States. On April 1, 2023, the U.K. corporate tax rate increased from 19.0% to 25.0%.

White Mountains's income tax expense related to pre-tax loss from continuing operations for the three months ended June 30, 2024 represented an effective tax rate of (18.7%). The effective tax rate was different from the U.S. statutory rate of 21.0%, driven primarily by a change in forecasted income between jurisdictions for 2024.

White Mountains's income tax expense related to pre-tax income from continuing operations for the six months ended June 30, 2024 represented an effective tax rate of 8.7%. The effective tax rate was different from the U.S. statutory rate of 21.0%, driven primarily by full year forecasted income in jurisdictions with lower tax rates than the United States.

White Mountains's income tax expense related to pre-tax income from continuing operations for the three and six months ended June 30, 2023 represented an effective tax rate of 1.1% and 5.6%. The effective tax rate was different from the U.S. statutory rate of 21.0%, driven primarily by full year forecasted income in jurisdictions with lower tax rates than the United States.

In arriving at the effective tax rate for the three and six months ended June 30, 2024 and 2023, White Mountains forecasted all income and expense items including the change in net unrealized investment gains (losses) and net realized investment gains (losses) for the years ending December 31, 2024 and 2023.

White Mountains records a valuation allowance against deferred tax assets if it becomes more likely than not that all or a portion of a deferred tax asset will not be realized. Changes in valuation allowances from period to period are included in income tax expense in the period of change. In determining whether or not a valuation allowance, or change therein, is warranted, White Mountains considers factors such as prior earnings history, expected future earnings, carryback and carryforward periods and strategies that if executed would result in the realization of a deferred tax asset.

With few exceptions, White Mountains is no longer subject to U.S. federal, state, or non-U.S. income tax examinations by tax authorities for years before 2018.

Note 9. Derivatives

HG Global Interest Rate Cap

On June 16, 2022, HG Global entered into an interest rate cap agreement, effective on July 25, 2022, to limit its exposure to the risk of interest rate increases on the HG Global Senior Notes. The notional amount of the interest rate cap is \$150.0 million and the termination date is July 25, 2025.

HG Global paid initial premiums of \$3.3 million for the interest rate cap. Under the terms of the interest rate cap agreement, if the current three-month SOFR on a quarterly determination date exceeds 3.5%, HG Global will receive a payment from the counterparty on the subsequent settlement date equal to the difference between the three-month SOFR on the determination date and 3.5%, multiplied by the notional amount of the cap and the number of days in the settlement period divided by 360. As of June 30, 2024, the three-month SOFR was 5.3%.

HG Global accounts for the interest rate cap as a derivative at fair value, with changes in fair value recognized in current period earnings within interest expense. For the three and six months ended June 30, 2024, White Mountains recognized a loss of \$0.3 million and \$0.1 million related to the change in fair value on the interest rate cap within interest expense. For the three and six months ended June 30, 2023, White Mountains recognized a gain of \$1.4 million and \$0.7 million related to the change in fair value of the interest rate cap within interest expense. For the three and six months ended June 30, 2024, White Mountains received a payment of \$0.7 million and \$1.4 million related to the periodic settlement of the interest rate cap. For the three and six months ended June 30, 2023, White Mountains received a payment of \$0.4 million and \$0.6 million related to the periodic settlement of the interest rate cap. As of June 30, 2024 and December 31, 2023, the estimated fair value of the interest rate cap recorded in other assets was \$2.8 million and \$2.9 million. White Mountains classifies the interest rate cap as a Level 2 measurement.

Note 10. Municipal Bond Guarantee Insurance

HG Global was established to fund the startup of BAM, a mutual municipal bond insurer. HG Global, together with its subsidiaries, provided the initial capitalization of BAM through the purchase of \$503.0 million of the BAM Surplus Notes.

Reinsurance Treaties

FLRT

BAM is a party to a first loss reinsurance treaty (“FLRT”) with HG Re under which HG Re provides first loss protection up to 15%-of-par outstanding on each municipal bond insured by BAM. For capital appreciation bonds, par is adjusted to the estimated equivalent par value for current interest paying bonds. In return, BAM cedes approximately 60% of the risk premium charged for insuring the municipal bond, which is net of a ceding commission. The FLRT is a perpetual agreement with terms that can be renegotiated every five years. For the next renegotiation period, either party may provide notice during 2028 to trigger a renegotiation that would take effect on January 1, 2030.

Fidus Re

BAM is party to collateralized financial guarantee excess of loss reinsurance agreements that serve to increase BAM’s claims paying resources and are provided by Fidus Re Ltd. (“Fidus Re”).

In 2018, Fidus Re was initially capitalized by the issuance of \$100.0 million of insurance-linked securities (the “Fidus Re 2018 Agreement”), which have an initial term of 12 years and are callable five years after the date of issuance. The proceeds from issuance were placed in a collateral trust supporting Fidus Re’s obligations to BAM. Under the Fidus Re 2018 Agreement, Fidus Re reinsures 90% of aggregate losses exceeding \$165.0 million on a portion of BAM’s financial guarantee portfolio (the “2018 Covered Portfolio”) up to a total reimbursement of \$100.0 million. The Fidus Re 2018 Agreement does not provide coverage for losses in excess of \$276.1 million. The 2018 Covered Portfolio consists of approximately 20% of BAM’s gross par outstanding as of June 30, 2024.

In 2021, Fidus Re issued an additional \$150.0 million of insurance-linked securities (the “Fidus Re 2021 Agreement”), which have an initial term of 12 years and are callable five years after the date of issuance. The proceeds from issuance were placed in a collateral trust supporting Fidus Re’s obligations to BAM. Under the Fidus Re 2021 Agreement, Fidus Re reinsures 90% of aggregate losses exceeding \$135.0 million on a portion of BAM’s financial guarantee portfolio (the “2021 Covered Portfolio”) up to a total reimbursement of \$150.0 million. The Fidus Re 2021 Agreement does not provide coverage for losses in excess of \$301.7 million. The 2021 Covered Portfolio consists of approximately 25% of BAM’s gross par outstanding as of June 30, 2024.

In 2022, Fidus Re issued an additional \$150.0 million of insurance linked securities (the “Fidus Re 2022 Agreement”), which have an initial term of 12 years and are callable seven years after the date of issuance. The proceeds from issuance were placed in a collateral trust supporting Fidus Re’s obligations to BAM. Under the Fidus Re 2022 Agreement, Fidus Re reinsures 90% of aggregate losses exceeding \$110.0 million on a portion of BAM’s financial guarantee portfolio (the “2022 Covered Portfolio”) up to a total reimbursement of \$150.0 million. The Fidus Re 2022 Agreement does not provide coverage for losses in excess of \$276.7 million. The 2022 Covered Portfolio consists of approximately 27% of BAM’s gross par outstanding as of June 30, 2024.

The Fidus Re agreements are accounted for using deposit accounting and any related financing expenses are recorded in general and administrative expenses as they do not meet the risk transfer requirements necessary to be accounted for as reinsurance.

XOLT

In January 2020, BAM entered into an excess of loss reinsurance agreement (the “XOLT”) with HG Re. Under the XOLT, HG Re provides last dollar protection for exposures on municipal bonds insured by BAM in excess of the New York State Department of Financial Services (“NYDFS”) single issuer limits. As of June 30, 2024, the XOLT is subject to an aggregate limit equal to the lesser of \$125.0 million or the assets held in the supplemental collateral trust (the “Supplemental Trust”) at any point in time. The agreement is accounted for using deposit accounting and any related financing expenses are recorded in general and administrative expenses as the agreement does not meet the risk transfer requirements necessary to be accounted for as reinsurance.

Collateral Trusts

HG Re's obligations under the FLRT are subject to an aggregate limit equal to the assets in two collateral trusts, the Supplemental Trust and the Regulation 114 Trust (together, the "Collateral Trusts"), at any point in time.

On a monthly basis, BAM deposits cash equal to ceded premiums, net of ceding commissions, due to HG Re under the FLRT directly into the Regulation 114 Trust. The Regulation 114 Trust target balance is equal to HG Re's unearned premiums and unpaid loss and LAE reserves, if any. If, at the end of any quarter, the Regulation 114 Trust balance is below the target balance, funds will be withdrawn from the Supplemental Trust and deposited into the Regulation 114 Trust in an amount equal to the shortfall. If, at the end of any quarter, the Regulation 114 Trust balance is above 102% of the target balance, funds will be withdrawn from the Regulation 114 Trust and deposited into the Supplemental Trust. The Regulation 114 Trust balance as of June 30, 2024 and December 31, 2023 was \$340.2 million and \$341.6 million.

The Supplemental Trust target balance is \$603.0 million, less the amount of cash and securities in the Regulation 114 Trust in excess of its target balance (the "Supplemental Trust Target Balance"). If, at the end of any quarter, the Supplemental Trust balance exceeds the Supplemental Trust Target Balance, such excess may be distributed to HG Re. The distribution will be made first as an assignment of accrued interest on the BAM Surplus Notes and second in cash and/or fixed income securities.

As the BAM Surplus Notes are repaid over time, the BAM Surplus Notes will be replaced in the Supplemental Trust by cash and fixed income securities. The Supplemental Trust balance as of June 30, 2024 and December 31, 2023 was \$604.4 million and \$606.9 million.

As of June 30, 2024 and December 31, 2023, the Collateral Trusts held assets of \$944.6 million and \$948.5 million, which included \$609.3 million and \$588.6 million of cash, investments and accrued investment income, \$317.1 million and \$322.2 million of BAM Surplus Notes and \$18.2 million and \$37.7 million of interest receivable on the BAM Surplus Notes.

BAM Surplus Notes

Through June 30, 2024, the interest rate on the BAM Surplus Notes is a variable rate equal to the one-year U.S. Treasury rate plus 300 basis points, set annually. Accordingly, in 2024 the interest rate on the BAM Surplus Notes was 8.2% through June 30, 2024. Effective July 1, 2024 and through maturity, HG Global and BAM amended the interest rate on the BAM Surplus Notes to be 10.0%, with a higher proportion of each payment to be applied to outstanding principal.

Under its agreements with HG Global, BAM is required to seek regulatory approval to pay principal and interest on the BAM Surplus Notes only to the extent that its remaining qualified statutory capital and other capital resources continue to support its outstanding obligations, its business plan and its "AA/stable" rating from Standard & Poor's. No payment of principal or interest on the BAM Surplus Notes may be made without the approval of the NYDFS.

In May 2024, BAM made a \$8.0 million cash payment of principal and interest on the BAM Surplus Notes held by HG Global. Of this payment, \$5.1 million was a repayment of principal held in the Supplemental Trust, \$0.3 million was a payment of accrued interest held in the Supplemental Trust and \$2.6 million was a payment of accrued interest held outside the Supplemental Trust.

In December 2023, BAM made a \$27.4 million cash payment of principal and interest on the BAM Surplus Notes held by HG Global. Of this payment, \$17.8 million was a repayment of principal held in the Supplemental Trust, \$2.0 million was a payment of accrued interest held in the Supplemental Trust and \$7.6 million was a payment of accrued interest held outside the Supplemental Trust.

During the three and six months ended June 30, 2023, BAM made no repayments of the BAM Surplus Notes or accrued interest.

As of June 30, 2024 and December 31, 2023, the principal balance on the BAM Surplus Notes was \$317.1 million and \$322.2 million and total interest receivable on the BAM Surplus Notes was \$184.8 million and \$174.5 million.

Insured Obligations and Premiums

The following table presents a schedule of BAM's insured obligations as of June 30, 2024 and December 31, 2023:

	June 30, 2024	December 31, 2023
Contracts outstanding	15,041	14,485
Remaining weighted average contract period (in years)	11.1	11.1
Contractual debt service outstanding (in millions):		
Principal	\$ 115,852.9	\$ 109,673.8
Interest	60,067.0	56,012.2
Total debt service outstanding	\$ 175,919.9	\$ 165,686.0
Gross unearned insurance premiums (in millions)	\$ 333.2	\$ 325.8

The following table presents a schedule of BAM's future premium revenues as of June 30, 2024:

Millions	June 30, 2024
July 1, 2024 - December 31, 2024	\$ 15.2
January 1, 2025 - March 31, 2025	7.4
April 1, 2025 - June 30, 2025	7.3
July 1, 2025 - September 30, 2025	7.2
October 1, 2025 - December 31, 2025	7.1
Total 2025	29.0
2026	27.3
2027	25.7
2028	23.8
2029	22.0
2030 and thereafter	190.2
Total gross unearned insurance premiums	\$ 333.2

The following table presents a schedule of written premiums and earned premiums included in the HG Global/BAM segment for the three and six months ended June 30, 2024 and 2023:

Millions	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
Written premiums:				
Direct	\$ 13.6	\$ 11.6	\$ 24.1	\$ 20.8
Assumed	—	—	—	—
Gross written premiums ⁽¹⁾	\$ 13.6	\$ 11.6	\$ 24.1	\$ 20.8
Earned premiums:				
Direct	\$ 8.5	\$ 7.0	\$ 15.8	\$ 14.0
Assumed	.5	.7	1.0	1.4
Gross earned premiums ⁽¹⁾	\$ 9.0	\$ 7.7	\$ 16.8	\$ 15.4

⁽¹⁾ There are no ceded premium amounts in the periods presented, and gross earned premiums are equivalent to net written premiums and net earned premiums.

Note 11. Earnings Per Share

White Mountains calculates earnings per share using the two-class method, which allocates earnings between common shares and unvested restricted common shares. Both classes of shares participate equally in dividends and earnings on a per share basis. Basic earnings per share amounts are based on the weighted average number of common shares outstanding adjusted for unvested restricted common shares.

The following table presents the Company's computation of earnings per share from continuing operations for the three and six months ended June 30, 2024 and 2023.

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
Basic and diluted earnings per share numerators (in millions):				
Net income (loss) attributable to White Mountains's common shareholders	\$ (54.6)	\$ 19.6	\$ 181.8	\$ 199.1
Allocation of (earnings) losses to participating restricted common shares ⁽¹⁾	.7	(.3)	(2.2)	(2.7)
Basic and diluted earnings (losses) per share numerators	\$ (53.9)	\$ 19.3	\$ 179.6	\$ 196.4
Basic earnings per share denominators (in thousands):				
Total average common shares outstanding during the period	2,566.6	2,562.4	2,563.2	2,566.1
Average unvested restricted common shares ⁽²⁾	(34.8)	(37.6)	(31.7)	(34.4)
Basic earnings (losses) per share denominator	2,531.8	2,524.8	2,531.5	2,531.7
Diluted earnings per share denominator (in thousands):				
Total average common shares outstanding during the period	2,566.6	2,562.4	2,563.2	2,566.1
Average unvested restricted common shares ⁽²⁾	(34.8)	(37.6)	(31.7)	(34.4)
Diluted earnings (losses) per share denominator	2,531.8	2,524.8	2,531.5	2,531.7
Basic and diluted earnings per share (in dollars):				
Distributed earnings - dividends declared and paid	\$ —	\$ —	\$ 1.00	\$ 1.00
Undistributed earnings (losses)	(21.24)	7.65	69.93	76.57
Basic and diluted earnings (losses) per share	\$ (21.24)	\$ 7.65	\$ 70.93	\$ 77.57

⁽¹⁾ Restricted shares issued by White Mountains receive dividends, and therefore, are considered participating securities.

⁽²⁾ Restricted shares outstanding vest upon a stated date. See Note 12 — "Employee Share-Based Incentive Compensation Plans."

The following table presents the undistributed net earnings (losses) for the three and six months ended June 30, 2024 and 2023.

Millions	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
Undistributed net earnings:				
Net income (loss) attributable to White Mountains's common shareholders, net of restricted common share amounts	\$ (53.9)	\$ 19.3	\$ 179.6	\$ 196.4
Dividends declared, net of restricted common share amounts ⁽¹⁾	—	—	(2.5)	(2.5)
Total undistributed net earnings (losses), net of restricted common share amounts	\$ (53.9)	\$ 19.3	\$ 177.1	\$ 193.9

⁽¹⁾ Restricted shares issued by White Mountains receive dividends, and therefore, are considered participating securities.

Note 12. Employee Share-Based Incentive Compensation Plans

White Mountains's share-based incentive compensation plans are designed to incentivize key employees to maximize shareholder value over long periods of time. White Mountains believes that this is best pursued by utilizing a pay-for-performance program that closely aligns the financial interests of management with those of its shareholders while rewarding appropriate risk taking. White Mountains accomplishes this by emphasizing variable long-term compensation that is contingent on performance over a number of years rather than fixed entitlements. White Mountains expenses all of its share-based compensation. As a result, White Mountains's calculation of its owners' returns includes the expense of all outstanding share-based compensation awards.

White Mountains's Long-Term Incentive Plan (the "WTM Incentive Plan") provides for grants of various types of share-based and non-share-based incentive awards to key employees and directors of White Mountains. As of June 30, 2024 and 2023, White Mountains's share-based incentive compensation awards consist of performance shares and restricted shares.

Performance Shares

Performance shares are designed to reward employees for meeting company-wide performance targets. Performance shares are conditional grants of a specified maximum number of common shares or an equivalent amount of cash. Awards generally vest at the end of a three-year service period, are subject to the attainment of pre-specified performance goals, and are valued based on the market value of common shares at the time awards are paid. Performance shares earned under the WTM Incentive Plan are typically paid in cash but may be paid in common shares. Compensation expense is recognized for the vested portion of the awards over the related service periods. The level of payout ranges from zero to two times the number of shares initially granted, depending on White Mountains's financial performance. Performance shares become payable at the conclusion of a performance cycle (typically three years) if pre-defined financial targets are met. The performance measures used for determining performance share payouts are growth in White Mountains's adjusted book value per share and intrinsic value per share. Intrinsic value per share is generally calculated by adjusting adjusted book value per share for differences between the adjusted book value of certain assets and liabilities and White Mountains's estimate of their underlying intrinsic values.

The following table presents the performance share activity for the three and six months ended June 30, 2024 and 2023 for performance shares granted under the WTM Incentive Plan:

\$ in Millions	Three Months Ended June 30,				Six Months Ended June 30,			
	2024		2023		2024		2023	
	Target Performance Shares Outstanding	Accrued Expense						
Beginning of period	34,007	\$ 44.2	37,031	\$ 36.4	37,031	\$ 69.4	39,449	\$ 67.5
Shares paid ⁽¹⁾⁽²⁾	—	—	—	—	(13,475)	(44.9)	(13,350)	(40.8)
New grants	1,000	—	—	—	11,405	—	10,895	—
Forfeitures and cancellations ⁽³⁾	(15)	—	—	(.2)	31	.3	37	.2
Expense recognized	—	7.8	—	8.4	—	27.2	—	17.7
End of period	34,992	\$ 52.0	37,031	\$ 44.6	34,992	\$ 52.0	37,031	\$ 44.6

⁽¹⁾ WTM performance share payments for the 2021-2023 performance cycle were made in March 2024 at 188% of target.

⁽²⁾ WTM performance share payments for the 2020-2022 performance cycle were made in March 2023 at 200% of target.

⁽³⁾ Amounts include changes in assumed forfeitures, as required under GAAP.

During the three and six months ended June 30, 2024, White Mountains granted 1,000 and 11,405 performance shares for the 2024-2026 performance cycle. During the six months ended June 30, 2023, White Mountains granted 10,895 performance shares for the 2023-2025 performance cycle.

For the 2021-2023 performance cycle, the Company issued common shares for 100 performance shares earned, and all other performance shares earned were settled in cash. For the 2020-2022 performance cycle, all performance shares earned were settled in cash. If all outstanding performance shares had vested on June 30, 2024, the total additional compensation cost to be recognized would have been \$38.4 million, based on accrual factors as of June 30, 2024 (common share price and payout assumptions).

The following table presents performance shares outstanding and accrued expense for performance shares awarded under the WTM Incentive Plan as of June 30, 2024 for each performance cycle:

\$ in Millions	June 30, 2024	
	Target Performance Shares Outstanding	Accrued Expense
Performance cycle:		
2022 – 2024	13,225	\$ 39.7
2023 – 2025	10,895	10.7
2024 – 2026	11,405	2.4
Sub-total	35,525	52.8
Assumed forfeitures	(533)	(.8)
Total	34,992	\$ 52.0

Restricted Shares

Restricted shares are grants of a specified number of common shares that generally vest at the end of a 34-month service period. The following table presents the unrecognized compensation cost associated with the outstanding restricted share awards under the WTM Incentive Plan for the three and six months ended June 30, 2024 and 2023:

\$ in Millions	Three Months Ended June 30,				Six Months Ended June 30,			
	2024		2023		2024		2023	
	Restricted Shares	Unamortized Issue Date Fair Value	Restricted Shares	Unamortized Issue Date Fair Value	Restricted Shares	Unamortized Issue Date Fair Value	Restricted Shares	Unamortized Issue Date Fair Value
Non-vested,								
Beginning of period	34,525	\$ 31.3	37,595	\$ 28.3	37,595	\$ 16.2	38,350	\$ 15.5
Issued	1,000	1.7	—	—	11,405	20.0	10,895	16.0
Vested	—	—	—	—	(13,475)	—	(11,650)	—
Forfeited	—	—	—	—	—	—	—	—
Expense recognized	—	(4.2)	—	(4.0)	—	(7.4)	—	(7.2)
End of period	35,525	\$ 28.8	37,595	\$ 24.3	35,525	\$ 28.8	37,595	\$ 24.3

During the three and six months ended June 30, 2024, White Mountains issued 1,000 and 11,405 restricted shares that vest on January 1, 2027. During the six months ended June 30, 2023, White Mountains issued 10,895 restricted shares that vest on January 1, 2026. The unamortized issue date fair value as of June 30, 2024 is expected to be recognized ratably over the remaining vesting periods.

Note 13. Noncontrolling Interests

Noncontrolling interests consist of the ownership interests of noncontrolling shareholders in consolidated entities and are presented separately on the balance sheet.

The following table presents the balance of noncontrolling interests included in White Mountains's total equity and the related percentage of each consolidated entity's total equity owned by noncontrolling shareholders as of June 30, 2024 and December 31, 2023:

\$ in Millions	June 30, 2024		December 31, 2023	
	Noncontrolling Percentage ⁽¹⁾	Noncontrolling Equity	Noncontrolling Percentage ⁽¹⁾	Noncontrolling Equity
Noncontrolling interests, excluding BAM				
Ark	28.0 %	\$ 354.2 ⁽²⁾	28.0 %	\$ 336.9 ⁽²⁾
HG Global	3.1 %	(.8)	3.1 %	.8
Kudu	10.6 %	127.3	10.5 %	113.8
Bamboo	27.2 %	113.1	— %	—
Other	various	9.3	various	9.4
Total, excluding BAM		<u>603.1</u>		<u>460.9</u>
BAM	100.0 %	<u>(153.5)</u>	100.0 %	<u>(139.8)</u>
Total noncontrolling interests		<u>\$ 449.6</u>		<u>\$ 321.1</u>

⁽¹⁾ The noncontrolling percentage represents the basic ownership interests held by noncontrolling shareholders with the exception of HG Global, for which the noncontrolling percentage represents the preferred share ownership held by noncontrolling shareholders.

⁽²⁾ As of June 30, 2024 and December 31, 2023, Ark's noncontrolling equity includes \$26.4 and \$21.0 related to management's equity incentives.

Note 14. Segment Information

As of June 30, 2024, White Mountains conducted its operations through four reportable segments: (1) Ark/WM Outrigger, (2) HG Global/BAM, (3) Kudu and (4) Bamboo, with its remaining operating businesses, holding companies and other assets included in Other Operations. White Mountains has made its segment determination based on consideration of the following criteria: (i) the nature of the business activities of each of the Company's subsidiaries and affiliates; (ii) the manner in which the Company's subsidiaries and affiliates are organized; (iii) the existence of primary managers responsible for specific subsidiaries and affiliates; and (iv) the organization of information provided to the chief operating decision makers and the Board of Directors. Significant intercompany transactions among White Mountains's segments have been eliminated herein.

As a result of the Bamboo Transaction, White Mountains began consolidating Bamboo in its financial statements as of January 2, 2024. See **Note 2** — “**Significant Transaction**”.

The following tables present the financial information for White Mountains's segments for the three and six months ended June 30, 2024 and 2023:

Millions	Ark/WM Outrigger		HG Global/BAM				Kudu	Bamboo	Other Operations	Total
	Ark	WM Outrigger Re	HG Global	BAM ⁽¹⁾						
Three Months Ended June 30, 2024										
Earned insurance premiums ⁽²⁾	\$ 310.8	\$ 7.5	\$ 7.5	\$ 1.5	\$ —	\$ 8.0	\$ 8.6	\$ 343.9		
Net investment income ⁽³⁾	19.3	3.0	5.9	4.5	15.7	.6	8.4	57.4		
Net investment income (expense) - BAM Surplus Note interest	—	—	6.6	(6.6)	—	—	—	—		
Net realized and unrealized investment gains (losses) ⁽³⁾	20.3	—	(2.0)	(2.3)	54.5	—	8.5	79.0		
Net realized and unrealized investment gains (losses) from investment in MediaAlpha	—	—	—	—	—	—	(139.2)	(139.2)		
Commission and fee revenues	—	—	—	—	—	32.7	3.4	36.1		
Other revenues	2.4	—	—	.6	—	.7	14.5	18.2		
Total revenues	352.8	10.5	18.0	(2.3)	70.2	42.0	(95.8)	395.4		
Loss and loss adjustment expenses	176.0	(.3)	—	—	—	4.3	3.9	183.9		
Acquisition expenses	65.9	2.3	2.2	—	—	2.9	2.6	75.9		
Cost of sales	—	—	—	—	—	—	7.0	7.0		
Broker commission expenses	—	—	—	—	—	12.7	—	12.7		
General and administrative expenses	42.8	.1	.6	16.6	3.5	15.7	43.2	122.5		
Change in fair value of contingent consideration	13.3	—	—	—	—	—	—	13.3		
Interest expense	4.7	—	4.1	—	5.4	—	.6	14.8		
Total expenses	302.7	2.1	6.9	16.6	8.9	35.6	57.3	430.1		
Pre-tax income (loss)	\$ 50.1	\$ 8.4	\$ 11.1	\$ (18.9)	\$ 61.3	\$ 6.4	\$ (153.1)	\$ (34.7)		

⁽¹⁾ BAM manages its affairs on a statutory accounting basis. BAM's statutory surplus includes the BAM Surplus Notes and is not reduced by accruals of interest expense on the BAM Surplus Notes. BAM's statutory surplus is reduced only after a payment of principal or interest has been approved by the NYDFS.

⁽²⁾ Ark's earned insurance premiums based on the location of Ark's underwriting offices in the United Kingdom and Bermuda are \$193.7 and \$117.1.

⁽³⁾ Bamboo's net investment income and net realized and unrealized investment gains (losses) are included in other revenues in the consolidated statement of operations.

Millions	Ark/WM Outrigger		HG Global/BAM					Total
	Ark	WM Outrigger Re	HG Global	BAM ⁽¹⁾	Kudu	Other Operations		
Three Months Ended June 30, 2023								
Earned insurance premiums ⁽²⁾	\$ 283.7	\$ 9.6	\$ 6.4	\$ 1.3	\$ —	\$ —	\$ —	\$ 301.0
Net investment income	11.2	2.5	4.1	3.5	14.7	7.0	—	43.0
Net investment income (expense) - BAM	—	—	6.5	(6.5)	—	—	—	—
Surplus Note interest	—	—	—	—	—	—	—	—
Net realized and unrealized investment gains (losses)	18.0	—	(5.7)	(4.2)	4.6	76.0	—	88.7
Net realized and unrealized investment gains (losses) from investment in MediaAlpha	—	—	—	—	—	(77.3)	—	(77.3)
Commission and fee revenues	—	—	—	—	—	3.2	—	3.2
Other revenues	(2.0)	—	—	.5	—	21.3	—	19.8
Total revenues	310.9	12.1	11.3	(5.4)	19.3	30.2	—	378.4
Loss and loss adjustment expenses	167.1	.4	—	—	—	—	—	167.5
Acquisition expenses	59.4	2.0	1.8	(.3)	—	—	—	62.9
Cost of sales	—	—	—	—	—	—	11.6	11.6
General and administrative expenses	34.9	—	.3	14.6	4.0	48.8	—	102.6
Change in fair value of contingent consideration	2.2	—	—	—	—	—	—	2.2
Interest expense	5.2	—	2.5	—	5.3	1.2	—	14.2
Total expenses	268.8	2.4	4.6	14.3	9.3	61.6	—	361.0
Pre-tax income (loss)	\$ 42.1	\$ 9.7	\$ 6.7	\$ (19.7)	\$ 10.0	\$ (31.4)	\$ —	\$ 17.4

⁽¹⁾ BAM manages its affairs on a statutory accounting basis. BAM's statutory surplus includes the BAM Surplus Notes and is not reduced by accruals of interest expense on the BAM Surplus Notes. BAM's statutory surplus is reduced only after a payment of principal or interest has been approved by the NYDFS.

⁽²⁾ Ark's earned insurance premiums based on the location of Ark's underwriting offices in the United Kingdom and Bermuda are \$168.8 and \$114.9.

Millions	Ark/WM Outrigger		HG Global/BAM					Total
	Ark	WM Outrigger Re	HG Global	BAM ⁽¹⁾	Kudu	Bamboo	Other Operations	
Six Months Ended June 30, 2024								
Earned insurance premiums ⁽²⁾	\$ 603.3	\$ 17.8	\$ 14.0	\$ 2.8	\$ —	\$ 16.4	\$ 8.6	\$ 662.9
Net investment income ⁽³⁾	36.3	5.9	11.3	8.8	32.9	9	18.3	114.4
Net investment income (expense) - BAM	—	—	13.2	(13.2)	—	—	—	—
Surplus Note interest	—	—	—	—	—	—	—	—
Net realized and unrealized investment gains (losses) ⁽³⁾	30.9	—	(9.3)	(5.1)	48.0	(.1)	30.7	95.1
Net realized and unrealized investment gains (losses) from investment in MediaAlpha	—	—	—	—	—	—	71.5	71.5
Commission and fee revenues	—	—	—	—	—	54.6	7.0	61.6
Other revenues	5.9	—	—	1.1	—	1.3	28.9	37.2
Total revenues	676.4	23.7	29.2	(5.6)	80.9	73.1	165.0	1,042.7
Loss and loss adjustment expenses	355.3	.4	—	—	—	10.1	3.9	369.7
Acquisition expenses	129.6	4.9	4.0	.4	—	6.0	2.6	147.5
Cost of sales	—	—	—	—	—	—	14.6	14.6
Broker commission expenses	—	—	—	—	—	22.0	—	22.0
General and administrative expenses	85.0	.1	1.0	33.5	6.9	27.7	93.5	247.7
Change in fair value of contingent consideration	13.3	—	—	—	—	—	—	13.3
Interest expense	10.1	—	7.6	—	11.0	—	1.3	30.0
Total expenses	593.3	5.4	12.6	33.9	17.9	65.8	115.9	844.8
Pre-tax income (loss)	\$ 83.1	\$ 18.3	\$ 16.6	\$ (39.5)	\$ 63.0	\$ 7.3	\$ 49.1	\$ 197.9

⁽¹⁾ BAM manages its affairs on a statutory accounting basis. BAM's statutory surplus includes the BAM Surplus Notes and is not reduced by accruals of interest expense on the BAM Surplus Notes. BAM's statutory surplus is reduced only after a payment of principal or interest has been approved by the NYDFS.

⁽²⁾ Ark's earned insurance premiums based on the location of Ark's underwriting offices in the United Kingdom and Bermuda are \$371.1 and \$232.2.

⁽³⁾ Bamboo's net investment income and net realized and unrealized investment gains (losses) are included in other revenues in the consolidated statement of operations.

Millions	Ark/WM Outrigger		HG Global/BAM					Total
	Ark	WM Outrigger Re	HG Global	BAM ⁽¹⁾	Kudu	Other Operations		
Six Months Ended June 30, 2023								
Earned insurance premiums ⁽²⁾	\$ 533.6	\$ 14.8	\$ 12.8	\$ 2.6	\$ —	\$ —	\$ —	\$ 563.8
Net investment income	19.6	4.7	8.1	6.7	28.9	14.0	—	82.0
Net investment income (expense) - BAM Surplus Note interest	—	—	13.1	(13.1)	—	—	—	—
Net realized and unrealized investment gains (losses)	42.5	—	2.2	4.9	34.2	117.8	—	201.6
Net realized and unrealized investment gains (losses) from investment in MediaAlpha	—	—	—	—	—	7.9	—	7.9
Commission and fee revenues	—	—	—	—	—	6.5	—	6.5
Other revenues	(4.7)	—	—	1.3	—	51.9	—	48.5
Total revenues	591.0	19.5	36.2	2.4	63.1	198.1	—	910.3
Loss and loss adjustment expenses	314.7	.6	—	—	—	—	—	315.3
Acquisition expenses	118.3	2.9	3.6	.6	—	—	—	125.4
Cost of sales	—	—	—	—	—	25.5	—	25.5
General and administrative expenses	70.0	.1	1.4	30.8	7.8	88.5	—	198.6
Change in fair value of contingent consideration	(.2)	—	—	—	—	—	—	(.2)
Interest expense	10.2	—	7.0	—	10.0	2.0	—	29.2
Total expenses	513.0	3.6	12.0	31.4	17.8	116.0	—	693.8
Pre-tax income (loss)	\$ 78.0	\$ 15.9	\$ 24.2	\$ (29.0)	\$ 45.3	\$ 82.1	\$ —	\$ 216.5

⁽¹⁾ BAM manages its affairs on a statutory accounting basis. BAM's statutory surplus includes the BAM Surplus Notes and is not reduced by accruals of interest expense on the BAM Surplus Notes. BAM's statutory surplus is reduced only after a payment of principal or interest has been approved by the NYDFS.

⁽²⁾ Ark's earned insurance premiums based on the location of Ark's underwriting offices in the United Kingdom and Bermuda are \$314.7 and \$218.9.

Note 15. Variable Interest Entities

Under GAAP, White Mountains is required to consolidate any entity in which it holds a controlling financial interest. A controlling financial interest is usually in the form of an investment representing the majority of the subsidiary's voting interests. However, a controlling financial interest may also arise from a financial interest in a VIE through arrangements that do not involve ownership of voting interests. A VIE is a legal entity that (i) does not have sufficient equity at risk to finance its activities without additional financial support; (ii) is structured such that equity investors, as a group, lack the power, through voting or similar rights, to direct the activities that most significantly impact the entity's economic performance; (iii) is structured such that the equity investors lack the obligation to absorb losses of, or the right to receive returns from, the entity; or (iv) is structured with non-substantive voting rights. White Mountains determines whether an entity is a VIE at the inception of its variable interest in the entity and upon the occurrence of certain reconsideration events.

White Mountains consolidates a VIE if it determines that it is the primary beneficiary. The primary beneficiary is defined as the entity that holds a variable interest that gives it both the power to direct the VIE's activities that most significantly impact its economic performance and the obligation to absorb losses of, or the right to receive returns from, the VIE that could potentially be significant to the VIE. The identification of the primary beneficiary of a VIE may require significant assumptions and judgment. When White Mountains determines it has a variable interest in a VIE, it determines whether it is the primary beneficiary of that VIE by performing an analysis that principally considers: (i) the VIE's purpose and design, including the risks the VIE was designed to create and pass through to its variable interest holders; (ii) the VIE's capital structure; (iii) the identification of the activities that most significantly impact the VIE's economic performance; (iv) the governance provisions and other contractual arrangements between the VIE and its variable interest holders and other parties involved with the VIE; and (v) related party relationships. At inception of its variable interest in the VIE as well as on an ongoing basis, White Mountains performs qualitative assessments of its VIEs to determine whether White Mountains is the primary beneficiary of a VIE.

WM Outrigger Re

White Mountains has determined that Outrigger Re Ltd. and WM Outrigger Re are VIEs. White Mountains is not the primary beneficiary of Outrigger Re Ltd. or its other segregated accounts. White Mountains is the primary beneficiary of WM Outrigger Re, as it has both the power to direct the activities that most significantly impact WM Outrigger Re's economic performance and the obligation to absorb losses, or the right to receive returns, that could potentially be significant to WM Outrigger Re. As a result, White Mountains consolidates WM Outrigger Re's results in its financial statements. The assets of WM Outrigger Re can only be used to settle the liabilities of WM Outrigger Re, and there is no recourse to the Company for any creditors of WM Outrigger Re. WM Outrigger Re's obligations under the reinsurance agreements with GAIL are subject to an aggregate limit equal to the assets in its collateral trusts at any point in time.

BAM

BAM is the first and only mutual municipal bond insurance company in the United States. HG Global, together with its subsidiaries, funded the initial capitalization of BAM through the purchase of \$503.0 million of BAM Surplus Notes and, through its reinsurance subsidiary HG Re, provides up to 15%-of-par, first loss reinsurance protection for policies underwritten by BAM. As a mutual insurance company, BAM is owned by and operated for the benefit of its members, the municipalities whose debt issuances are insured by BAM. As of June 30, 2024, BAM's members have contributed equity capital at risk through MSC of \$571.1 million. However, the BAM Surplus Notes remain a significant portion of BAM's statutory capital. Accordingly, White Mountains has determined that BAM is a VIE.

BAM's underwriting process was determined to be the activity that most significantly impacts BAM's economic performance. BAM's underwriting guidelines define the types of credits that BAM may insure. Pursuant to the original FLRT, BAM's underwriting guidelines may only be amended with the consent of HG Re. As a result, White Mountains concluded at inception and through June 30, 2024 that it has the power to direct BAM's activities that most significantly impact BAM's economic performance and it is the primary beneficiary. Accordingly, White Mountains is required to consolidate BAM's results in its financial statements. Since BAM is owned by its members, its equity and results of operations are included in noncontrolling interests.

On July 1, 2024, HG Re and BAM amended the terms of the FLRT with respect to certain governance rights held by HG Re. As a result, and in combination with other governance changes at BAM, effective July 1, 2024, White Mountains concluded that it no longer has the power to direct BAM's activities that most significantly impact its economic performance and is no longer BAM's primary beneficiary. Accordingly, as of July 1, 2024, White Mountains will no longer consolidate BAM. White Mountains is evaluating the impact of the deconsolidation of BAM on its financial statements.

BAM's assets can only be used to settle BAM's obligations, and general creditors of BAM have no recourse to the Company or HG Global. HG Re's obligations to BAM under the FLRT are subject to an aggregate limit equal to the assets in the Collateral Trusts at any point in time.

PassportCard/DavidShield

As of June 30, 2024, White Mountains's ownership interest in PassportCard/DavidShield was 53.8%. White Mountains has determined that both PassportCard and DavidShield are VIEs but that White Mountains is not the primary beneficiary and therefore does not consolidate either PassportCard or DavidShield. The governance structures for both PassportCard and DavidShield were designed to give White Mountains and its co-investor equal power to make the decisions that most significantly impact operations. White Mountains does not have the unilateral power to direct the operations of PassportCard or DavidShield and does not hold a controlling financial interest. White Mountains's ownership interest gives White Mountains the ability to exert significant influence over the significant financial and operating activities of PassportCard/DavidShield. Accordingly, White Mountains's investment in PassportCard/DavidShield meets the criteria to be accounted for under the equity method. White Mountains has taken the fair value option for its investment in PassportCard/DavidShield. Changes in the fair value of PassportCard/DavidShield are recorded in net realized and unrealized investment gains (losses). As of June 30, 2024, White Mountains's maximum exposure to loss on its equity investment in PassportCard/DavidShield and the non-interest-bearing loan to its partner is the total carrying value of \$158.8 million.

Elementum

As of June 30, 2024, White Mountains's ownership interest in Elementum was 26.6%. White Mountains has determined that Elementum is a VIE but that White Mountains is not the primary beneficiary and therefore does not consolidate Elementum. White Mountains's ownership interest gives White Mountains the ability to exert significant influence over the significant financial and operating activities of Elementum. Accordingly, Elementum meets the criteria to be accounted for under the equity method. White Mountains has taken the fair value option for its investment in Elementum. Changes in the fair value of Elementum are recorded in net realized and unrealized investment gains (losses). As of June 30, 2024, White Mountains's maximum exposure to loss on its limited partnership interest in Elementum is the carrying value of \$35.0 million.

Bamboo CRV

White Mountains has determined that Bamboo CRV is a VIE. White Mountains is the primary beneficiary of Bamboo CRV, as it has both the power to direct the activities that most significantly impact Bamboo CRV's economic performance and the obligation to absorb losses, or the right to receive returns, that could potentially be significant to Bamboo CRV. As a result, White Mountains consolidates Bamboo CRV's results in its financial statements. The assets of Bamboo CRV can only be used to settle the liabilities of Bamboo CRV, and there is no recourse to the Company for any creditors of Bamboo CRV. As of June 30, 2024, Bamboo CRV's obligations under its reinsurance agreements are subject to an aggregate limit equal to White Mountains's total capital commitment of \$30 million.

Limited Partnerships

White Mountains's investments in limited partnerships are generally considered VIEs because the limited partnership interests do not have substantive kick-out rights or participating rights. White Mountains does not have the unilateral power to direct the operations of these limited partnerships, and therefore White Mountains is not the primary beneficiary and does not consolidate the limited partnerships. White Mountains has taken the fair value option for its investments in limited partnerships, which are generally measured at NAV as a practical expedient. As of June 30, 2024, White Mountains's maximum exposure to loss on its investments in limited partnerships is the carrying value of \$264.0 million.

Note 16. Equity Method Eligible Investments

White Mountains's equity method eligible investments include Kudu's Participation Contracts, White Mountains's investment in MediaAlpha, PassportCard/DavidShield, Elementum Holdings, L.P. and certain other unconsolidated entities, private equity funds and hedge funds in which White Mountains has the ability to exert significant influence over the investee's operating and financial policies.

The following table presents the ownership interests and carrying values of White Mountains's equity method eligible investments as of June 30, 2024 and December 31, 2023:

\$ in Millions	June 30, 2024		December 31, 2023	
	Ownership Interest	Carrying Value	Ownership Interest	Carrying Value
Kudu's Participation Contracts ⁽¹⁾	4.1% - 30.0%	\$ 901.3	4.1% - 30.0%	\$ 890.5
Investment in MediaAlpha	26.9%	235.2	34.9%	254.9
PassportCard/DavidShield	53.8%	150.0	53.8%	150.0
Elementum Holdings, L.P.	26.6%	35.0	26.6%	35.0
Other equity method eligible investments, at fair value	Under 50.0%	268.9	Under 50.0%	291.7
Other equity method eligible investments, at fair value	50.0% and over	24.9	50.0% and over	24.8

⁽¹⁾ Ownership interest generally references basic ownership interest with the exception of Kudu's Participation Contracts, which are noncontrolling equity interests in the form of revenue and earnings participation contracts.

For the three and six months ended June 30, 2024, White Mountains received dividend and income distributions from equity method eligible investments of \$22.2 million and \$38.1 million, which were recorded within net investment income in the consolidated statements of operations. For the three and six months ended June 30, 2023, White Mountains received dividend and income distributions from equity method eligible investments of \$22.1 million and \$28.5 million.

Note 17. Fair Value of Financial Instruments

White Mountains records its financial instruments at fair value with the exception of debt obligations, which are recorded as debt at face value less unamortized original issue discount. See Note 7 — “Debt.” The following table presents the fair value and carrying value of these financial instruments as of June 30, 2024 and December 31, 2023:

Millions	June 30, 2024		December 31, 2023	
	Fair Value	Carrying Value	Fair Value	Carrying Value
Ark 2007 Subordinated Notes	\$ —	\$ —	\$ 30.5	\$ 30.0
Ark 2021 Subordinated Notes	\$ 171.4	\$ 155.0	\$ 171.8	\$ 155.5
HG Global Senior Notes	\$ 158.5	\$ 147.2	\$ 158.7	\$ 146.9
Kudu Credit Facility	\$ 218.0	\$ 203.3	\$ 225.6	\$ 203.8
Other Operations debt	\$ 26.1	\$ 24.7	\$ 30.0	\$ 28.4

The fair value estimates for the HG Global Senior Notes, Ark 2007 Subordinated Notes, Ark 2021 Subordinated Notes, Kudu Credit Facility and Other Operations debt have been determined based on a discounted cash flow approach and are considered to be Level 3 measurements.

For the fair value level measurements associated with White Mountains’s investment securities see Note 3 — “Investment Securities.” For the fair value level measurements associated with White Mountains’s derivative instruments see Note 9 — “Derivatives.”

Note 18. Commitments and Contingencies

Legal Contingencies

White Mountains, and the insurance industry in general, is routinely subject to claims related litigation and arbitration in the normal course of business, as well as litigation and arbitration that do not arise from, nor are directly related to, claims activity. White Mountains’s estimates of the costs of settling matters routinely encountered in claims activity are reflected in the reserves for unpaid loss and LAE. See Note 5 — “Loss and Loss Adjustment Expense Reserves.”

White Mountains considers the requirements of ASC 450 when evaluating its exposure to non-claims related litigation and arbitration. ASC 450 requires that accruals be established for litigation and arbitration if it is probable that a loss has been incurred and it can be reasonably estimated. ASC 450 also requires that litigation and arbitration be disclosed if it is probable that a loss has been incurred or if there is a reasonable possibility that a loss may have been incurred. White Mountains does not have any current non-claims related litigation that may have a material adverse effect on White Mountains’s financial condition, results of operations or cash flows.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations.

The following discussion contains "forward-looking statements." White Mountains intends statements that are not historical in nature, which are hereby identified as forward-looking statements, to be covered by the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. White Mountains cannot promise that its expectations in such forward-looking statements will turn out to be correct. White Mountains's actual results could be materially different from and worse than its expectations. See "FORWARD-LOOKING STATEMENTS" on page 82 for specific important factors that could cause actual results to differ materially from those contained in forward-looking statements.

The following discussion also includes ten non-GAAP financial measures: (i) adjusted book value per share, (ii) Kudu's earnings before interest, taxes, depreciation and amortization ("EBITDA"), (iii) Kudu's adjusted EBITDA, (iv) Bamboo's MGA pre-tax income (loss), (v) Bamboo's MGA net income (loss), (vi) Bamboo's MGA EBITDA, (vii) Bamboo's MGA adjusted EBITDA, (viii) total consolidated portfolio returns excluding MediaAlpha, (ix) adjusted capital and (x) debt to total adjusted capital, that have been reconciled from their most comparable GAAP financial measures on page 80. White Mountains believes these measures to be useful in evaluating White Mountains's financial performance and condition.

RESULTS OF OPERATIONS FOR THE THREE AND SIX MONTHS ENDED JUNE 30, 2024 and 2023

Overview

White Mountains reported book value per share of \$1,722 and adjusted book value per share of \$1,777 as of June 30, 2024. Book value per share and adjusted book value per share both decreased 1% in the second quarter of 2024 and increased 4% in the first six months of 2024, including dividends. The decreases in book value per share and adjusted book value per share in the second quarter of 2024 were driven primarily by mark-to-market losses from the decline in MediaAlpha's share price during the second quarter of 2024, partially offset by solid operating results and investment returns. The increases in book value per share and adjusted book value per share in the first six months of 2024 were driven primarily by solid operating results and investment returns as well as mark-to-market gains from the increase in MediaAlpha's share price during the first six months of 2024. As of June 30, 2024, White Mountains's undeployed capital was approximately \$650 million.

White Mountains reported book value per share of \$1,532 and adjusted book value per share of \$1,576 as of June 30, 2023. Book value per share and adjusted book value per share both increased 1% in the second quarter of 2023 and increased 5% and 6% in the first six months of 2023, including dividends. The increases in book value per share and adjusted book value per share were driven primarily by solid operating results and investment returns. Results in the second quarter of 2023 were partially offset by the impact of mark-to-market losses from the decline in MediaAlpha's share price.

The Ark/WM Outrigger segment's combined ratio was 87% and 89% in the second quarter and first six months of 2024 compared to 87% and 89% in the second quarter and first six months of 2023. Ark/WM Outrigger reported gross written premiums of \$697 million and \$1,569 million, net written premiums of \$503 million and \$1,101 million and net earned premiums of \$318 million and \$621 million in the second quarter and first six months of 2024 compared to gross written premiums of \$606 million and \$1,416 million, net written premiums of \$461 million and \$1,075 million and net earned premiums of \$293 million and \$548 million in the second quarter and first six months of 2023. Ark/WM Outrigger reported pre-tax income of \$59 million and \$101 million in the second quarter and first six months of 2024 compared to \$52 million and \$94 million in the second quarter and first six months of 2023.

Ark's combined ratio was 89% and 91% in the second quarter and first six months of 2024 compared to 89% and 91% in the second quarter and first six months of 2023. Ark's combined ratio in the second quarter and first six months of 2024 included two points and one point of net favorable prior year development, primarily due to property lines of business, compared to four points of net unfavorable prior year development in both the second quarter and first six months of 2023, primarily due to Winter Storm Elliott and three large claims in the property and marine & energy lines of business.

Ark reported gross written premiums of \$697 million and \$1,569 million, net written premiums of \$464 million and \$1,028 million and net earned premiums of \$311 million and \$603 million in the second quarter and first six months of 2024 compared to gross written premiums of \$606 million and \$1,416 million, net written premiums of \$403 million and \$973 million and net earned premiums of \$284 million and \$534 million in the second quarter and first six months of 2023. Ark reported pre-tax income of \$50 million and \$83 million in the second quarter and first six months of 2024 compared to \$42 million and \$78 million in the second quarter and first six months of 2023. Ark's results included net realized and unrealized investment gains of \$20 million and \$31 million in the second quarter and first six months of 2024 compared to \$18 million and \$43 million in the second quarter and first six months of 2023.

WM Outrigger Re's combined ratio was 27% and 30% in the second quarter and first six months of 2024 compared to 25% and 24% in the second quarter and first six months of 2023. Catastrophe losses were minimal for all periods. WM Outrigger Re reported gross and net written premiums of \$39 million and \$73 million and net earned premiums of \$8 million and \$18 million in the second quarter and first six months of 2024 compared to gross and net written premiums of \$58 million and \$102 million and net earned premiums of \$10 million and \$15 million in the second quarter and first six months of 2023. Gross and net written premiums decreased due to White Mountains's lower capital commitment to WM Outrigger Re in 2024. WM Outrigger Re reported pre-tax income of \$8 million and \$18 million in the second quarter and first six months of 2024 compared to \$10 million and \$16 million in the second quarter and first six months of 2023.

HG Global/BAM reported gross written premiums and MSC collected of \$28 million and \$50 million in the second quarter and first six months of 2024 compared to \$26 million and \$47 million in the second quarter and first six months of 2023. Total pricing was 54 and 57 basis points in the second quarter and first six months of 2024 compared to 77 and 75 basis points in the second quarter and first six months of 2023. BAM insured municipal bonds with par value of \$5.3 billion and \$8.8 billion in the second quarter and first six months of 2024 compared to \$3.4 billion and \$6.3 billion in the second quarter and first six months of 2023. BAM's total claims paying resources were \$1,525 million as of June 30, 2024 compared to \$1,501 million as of December 31, 2023 and \$1,451 million as of June 30, 2023. On May 29, 2024, S&P Global Ratings affirmed BAM's AA rating and Stable outlook.

Kudu reported total revenues of \$70 million and \$81 million, pre-tax income of \$61 million and \$63 million and adjusted EBITDA of \$12 million and \$26 million in the second quarter and first six months of 2024 compared to total revenues of \$19 million and \$63 million, pre-tax income of \$10 million and \$45 million and adjusted EBITDA of \$12 million and \$23 million in the second quarter and first six months of 2023. Kudu's revenues, pre-tax income and adjusted EBITDA included \$16 million and \$33 million of net investment income in the second quarter and first six months of 2024 compared to \$15 million and \$29 million in the second quarter and first six months of 2023. Kudu's revenues and pre-tax income in the second quarter and first six months of 2024 also included \$55 million and \$48 million of net realized and unrealized gains compared to \$5 million and \$34 million of net realized and unrealized gains in the second quarter and first six months of 2023.

Bamboo reported commission and fee revenues of \$33 million and \$55 million and pre-tax income of \$6 million and \$7 million for the second quarter and first six months of 2024. Bamboo reported MGA pre-tax income of \$6 million and \$7 million and MGA adjusted EBITDA of \$12 million and \$18 million for the second quarter and first six months of 2024. Managed premiums, which represent the total premium placed by Bamboo, were \$120 million and \$209 million for the second quarter and first six months of 2024 compared to \$41 million and \$69 million for the second quarter and first six months of 2023 (prior to White Mountains's ownership of Bamboo). The increase in managed premiums was driven primarily by growth in new business volume as well as a growing renewal book.

On May 10, 2024, MediaAlpha completed a secondary offering of 7.6 million shares at \$19.00 per share (\$18.24 per share net of underwriting fees). In the secondary offering, White Mountains sold 5.0 million shares for net proceeds of \$91 million. Following the completion of the offering, White Mountains owns 17.9 million shares of MediaAlpha, representing a 27% basic ownership interest (25% on a fully-diluted/fully-converted basis). As of June 30, 2024, MediaAlpha's share price was \$13.17 per share, which decreased from \$20.37 per share as of March 31, 2024. The carrying value of White Mountains's investment in MediaAlpha was \$235 million as of June 30, 2024 compared to \$466 million at March 31, 2024. The \$231 million decline in MediaAlpha's carrying value resulted from \$139 million of net realized and unrealized losses in the quarter and \$91 million of net proceeds received from the secondary offering. At White Mountains's current level of ownership, each \$1.00 per share increase or decrease in the share price of MediaAlpha will result in an approximate \$7.00 per share increase or decrease in White Mountains's book value per share and adjusted book value per share.

White Mountains's total consolidated portfolio return on invested assets was -0.1% in the second quarter of 2024, which included \$139 million of net realized and unrealized investment losses from White Mountains's investment in MediaAlpha. Excluding MediaAlpha, the total consolidated portfolio return on invested assets was 2.2% in the second quarter of 2024, driven primarily by net realized and unrealized investment gains from other-long term investments and net investment income from the fixed income and other long-term investments portfolios. White Mountains's total consolidated portfolio return on invested assets was 0.9% in the second quarter of 2023, which included \$77 million of unrealized investment losses from White Mountains's investment in MediaAlpha. Excluding MediaAlpha, the total consolidated portfolio return on invested assets was 3.0% in the second quarter of 2023, driven primarily by net unrealized investment gains from other long-term investments, net realized and unrealized investment gains from common equity securities and net investment income from the fixed income portfolio.

White Mountains's total consolidated portfolio return on invested assets was 4.5% in the first six months of 2024, which included \$72 million of net realized and unrealized investment gains from White Mountains's investment in MediaAlpha. Excluding MediaAlpha, the total consolidated portfolio return on invested assets was 3.5% in the first six months of 2024, driven primarily by net realized and unrealized investment gains from other-long term investments, net investment income from the fixed income portfolio and unrealized investment gains from common equity securities. White Mountains's total consolidated portfolio return on invested assets was 5.5% in the first six months of 2023, which included \$8 million of unrealized investment gains from White Mountains's investment in MediaAlpha. Excluding MediaAlpha, the total consolidated portfolio return on invested assets was 6.1% in the first six months of 2023, driven primarily by net realized and unrealized investment gains from other long-term investments and common equity securities, as well as net investment income from the fixed income portfolio.

Adjusted Book Value Per Share

The following table presents White Mountains's book value per share and reconciles it to adjusted book value per share, a non-GAAP measure as of June 30, 2024, March 31, 2024, December 31, 2023 and June 30, 2023. See **NON-GAAP FINANCIAL MEASURES** on page 80.

	June 30, 2024	March 31, 2024	December 31, 2023	June 30, 2023
Book value per share numerators (in millions):				
White Mountains's common shareholders' equity - GAAP book value per share numerator	\$ 4,422.6	\$ 4,470.4	\$ 4,240.5	\$ 3,922.2
HG Global's unearned premium reserve ⁽¹⁾	271.7	267.7	265.4	246.8
HG Global's net deferred acquisition costs ⁽¹⁾	(78.5)	(77.3)	(76.5)	(70.7)
Time value of money discount on expected future payments on the BAM Surplus Notes ⁽¹⁾	(84.7)	(86.3)	(87.9)	(91.8)
Adjusted book value per share numerator	<u>\$ 4,531.1</u>	<u>\$ 4,574.5</u>	<u>\$ 4,341.5</u>	<u>\$ 4,006.5</u>
Book value per share denominators (in thousands of shares):				
Common shares outstanding - GAAP book value per share denominator	2,568.3	2,565.7	2,560.5	2,560.5
Unearned restricted common shares	(18.3)	(20.3)	(12.4)	(19.1)
Adjusted book value per share denominator	<u>2,550.0</u>	<u>2,545.4</u>	<u>2,548.1</u>	<u>2,541.4</u>
GAAP book value per share	\$ 1,722.02	\$ 1,742.33	\$ 1,656.14	\$ 1,531.84
Adjusted book value per share	<u>\$ 1,776.89</u>	<u>\$ 1,797.17</u>	<u>\$ 1,703.82</u>	<u>\$ 1,576.46</u>
Year-to-date dividends paid per share	<u>\$ 1.00</u>	<u>\$ 1.00</u>	<u>\$ 1.00</u>	<u>\$ 1.00</u>

⁽¹⁾ Amount reflects White Mountains's preferred share ownership in HG Global of 96.9%.

Goodwill and Other Intangible Assets

The following table presents goodwill and other intangible assets that are included in White Mountains's adjusted book value as of June 30, 2024, March 31, 2024, December 31, 2023 and June 30, 2023:

Millions	June 30, 2024	March 31, 2024	December 31, 2023	June 30, 2023
Goodwill:				
Ark	\$ 116.8	\$ 116.8	\$ 116.8	\$ 116.8
Kudu	7.6	7.6	7.6	7.6
Bamboo ⁽¹⁾	270.4	270.4	—	—
Other Operations	44.4	44.4	44.4	44.4
Total goodwill	439.2	439.2	168.8	168.8
Other intangible assets:				
Ark	175.7	175.7	175.7	175.7
Kudu	.5	.6	.7	.8
Bamboo ⁽¹⁾	92.6	96.8	—	—
Other Operations	23.0	24.3	25.4	28.3
Total other intangible assets	291.8	297.4	201.8	204.8
Total goodwill and other intangible assets ⁽²⁾	731.0	736.6	370.6	373.6
Goodwill and other intangible assets attributed to noncontrolling interests	(193.2)	(194.9)	(94.9)	(95.4)
Goodwill and other intangible assets included in White Mountains's common shareholders' equity	\$ 537.8	\$ 541.7	\$ 275.7	\$ 278.2

⁽¹⁾ The relative fair values of goodwill and of other intangible assets recognized in connection with the acquisition of Bamboo had not yet been finalized at June 30, 2024. See "Bamboo Transaction" in Note 2 — "Significant Transactions" on page 11.

⁽²⁾ See Note 4 — "Goodwill and Other Intangible Assets" on page 25 for details of other intangible assets.

Summary of Consolidated Results

The following table presents White Mountains's consolidated financial results for the three and six months ended June 30, 2024 and 2023:

Millions	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
Revenues				
P&C Insurance and Reinsurance revenues	\$ 363.3	\$ 323.0	\$ 700.1	\$ 610.5
Financial Guarantee revenues	15.7	5.9	23.6	38.6
Asset Management revenues	70.2	19.3	80.9	63.1
P&C Insurance Distribution revenues	42.0	—	73.1	—
Other Operations revenues	(95.8)	30.2	165.0	198.1
Total revenues	395.4	378.4	1,042.7	910.3
Expenses				
P&C Insurance and Reinsurance expenses	304.8	271.2	598.7	516.6
Financial Guarantee expenses	23.5	18.9	46.5	43.4
Asset Management expenses	8.9	9.3	17.9	17.8
P&C Insurance Distribution expenses	35.6	—	65.8	—
Other Operations expenses	57.3	61.6	115.9	116.0
Total expenses	430.1	361.0	844.8	693.8
Pre-tax income (loss)				
P&C Insurance and Reinsurance pre-tax income (loss)	58.5	51.8	101.4	93.9
Financial Guarantee pre-tax income (loss)	(7.8)	(13.0)	(22.9)	(4.8)
Asset Management pre-tax income (loss)	61.3	10.0	63.0	45.3
P&C Insurance Distribution pre-tax income (loss)	6.4	—	7.3	—
Other Operations pre-tax income (loss)	(153.1)	(31.4)	49.1	82.1
Pre-tax income (loss)	(34.7)	17.4	197.9	216.5
Income tax (expense) benefit	(6.5)	(.2)	(17.3)	(12.1)
Net income (loss)	(41.2)	17.2	180.6	204.4
Net (income) loss attributable to noncontrolling interests	(13.4)	2.4	1.2	(5.3)
Net income (loss) attributable to White Mountains's common shareholders	(54.6)	19.6	181.8	199.1
Other comprehensive income (loss), net of tax	.1	1.4	(.2)	2.6
Comprehensive income (loss)	(54.5)	21.0	181.6	201.7
Other comprehensive (income) loss attributable to noncontrolling interests	(.1)	(.4)	—	(.8)
Comprehensive income (loss) attributable to White Mountains's common shareholders	\$ (54.6)	\$ 20.6	\$ 181.6	\$ 200.9

I. SUMMARY OF OPERATIONS BY SEGMENT

As of June 30, 2024, White Mountains conducted its operations through four segments: (1) Ark/WM Outrigger, (2) HG Global/BAM, (3) Kudu and (4) Bamboo, with its remaining operating businesses, holding companies and other assets included in Other Operations. White Mountains has made its segment determination based on consideration of the following criteria: (i) the nature of the business activities of each of the Company's subsidiaries and affiliates; (ii) the manner in which the Company's subsidiaries and affiliates are organized; (iii) the existence of primary managers responsible for specific subsidiaries and affiliates; and (iv) the organization of information provided to the Company's chief operating decision makers and its Board of Directors. Significant intercompany transactions among White Mountains's segments have been eliminated herein. White Mountains's segment information is presented in **Note 14 — "Segment Information"** to the Consolidated Financial Statements.

As a result of the Bamboo Transaction, White Mountains began consolidating Bamboo in its financial statements as of January 2, 2024. See **Note 2 - "Significant Transaction"**.

Ark/WM Outrigger

The following tables present the components of pre-tax income (loss) included in the Ark/WM Outrigger segment for the three and six months ended June 30, 2024 and 2023:

Millions	Three Months Ended June 30, 2024			
	Ark	WM Outrigger Re	Eliminations	Total
Direct written premiums	\$ 339.4	\$ —	\$ —	\$ 339.4
Assumed written premiums	357.6	38.9	(38.9)	357.6
Gross written premiums	697.0	38.9	(38.9)	697.0
Ceded written premiums	(233.1)	—	38.9	(194.2)
Net written premiums	\$ 463.9	\$ 38.9	\$ —	\$ 502.8
Earned insurance premiums	\$ 310.8	\$ 7.5	\$ —	\$ 318.3
Net investment income	19.3	3.0	—	22.3
Net realized and unrealized investment gains (losses)	20.3	—	—	20.3
Other revenues	2.4	—	—	2.4
Total revenues	352.8	10.5	—	363.3
Loss and loss adjustment expenses	176.0	(.3)	—	175.7
Acquisition expenses	65.9	2.3	—	68.2
General and administrative expenses - other underwriting	33.1	—	—	33.1
General and administrative expenses - all other	9.7	.1	—	9.8
Change in fair value of contingent consideration	13.3	—	—	13.3
Interest expense	4.7	—	—	4.7
Total expenses	302.7	2.1	—	304.8
Pre-tax income (loss)	\$ 50.1	\$ 8.4	\$ —	\$ 58.5

Three Months Ended June 30, 2023				
Millions	Ark	WM Outrigger Re	Eliminations	Total
Direct written premiums	\$ 291.5	\$ —	\$ —	\$ 291.5
Assumed written premiums	314.6	58.3	(58.3)	314.6
Gross written premiums	606.1	58.3	(58.3)	606.1
Ceded written premiums	(203.2)	—	58.3	(144.9)
Net written premiums	\$ 402.9	\$ 58.3	\$ —	\$ 461.2
Earned insurance premiums	\$ 283.7	\$ 9.6	\$ —	\$ 293.3
Net investment income	11.2	2.5	—	13.7
Net realized and unrealized investment gains (losses)	18.0	—	—	18.0
Other revenues	(2.0)	—	—	(2.0)
Total revenues	310.9	12.1	—	323.0
Loss and loss adjustment expenses	167.1	.4	—	167.5
Acquisition expenses	59.4	2.0	—	61.4
General and administrative expenses - other underwriting	25.5	—	—	25.5
General and administrative expenses - all other	9.4	—	—	9.4
Change in fair value of contingent consideration	2.2	—	—	2.2
Interest expense	5.2	—	—	5.2
Total expenses	268.8	2.4	—	271.2
Pre-tax income (loss)	\$ 42.1	\$ 9.7	\$ —	\$ 51.8

Six Months Ended June 30, 2024				
Millions	Ark	WM Outrigger Re	Eliminations	Total
Direct written premiums	\$ 624.4	\$ —	\$ —	\$ 624.4
Assumed written premiums	944.7	73.2	(73.2)	944.7
Gross written premiums	1,569.1	73.2	(73.2)	1,569.1
Ceded written premiums	(541.5)	—	73.2	(468.3)
Net written premiums	\$ 1,027.6	\$ 73.2	\$ —	\$ 1,100.8
Earned insurance premiums	\$ 603.3	\$ 17.8	\$ —	\$ 621.1
Net investment income	36.3	5.9	—	42.2
Net realized and unrealized investment gains (losses)	30.9	—	—	30.9
Other revenues	5.9	—	—	5.9
Total revenues	676.4	23.7	—	700.1
Loss and loss adjustment expenses	355.3	.4	—	355.7
Acquisition expenses	129.6	4.9	—	134.5
General and administrative expenses - other underwriting	63.6	—	—	63.6
General and administrative expenses - all other	21.4	.1	—	21.5
Change in fair value of contingent consideration	13.3	—	—	13.3
Interest expense	10.1	—	—	10.1
Total expenses	593.3	5.4	—	598.7
Pre-tax income (loss)	\$ 83.1	\$ 18.3	\$ —	\$ 101.4

Millions	Six Months Ended June 30, 2023			
	Ark	WM Outrigger Re	Eliminations	Total
Direct written premiums	\$ 537.7	\$ —	\$ —	\$ 537.7
Assumed written premiums	877.8	102.4	(102.4)	877.8
Gross written premiums	1,415.5	102.4	(102.4)	1,415.5
Ceded written premiums	(442.5)	—	102.4	(340.1)
Net written premiums	\$ 973.0	\$ 102.4	\$ —	\$ 1,075.4
Earned insurance premiums	\$ 533.6	\$ 14.8	\$ —	\$ 548.4
Net investment income	19.6	4.7	—	24.3
Net realized and unrealized investment gains (losses)	42.5	—	—	42.5
Other revenues	(4.7)	—	—	(4.7)
Total revenues	591.0	19.5	—	610.5
Loss and loss adjustment expenses	314.7	.6	—	315.3
Acquisition expenses	118.3	2.9	—	121.2
General and administrative expenses - other underwriting	53.0	—	—	53.0
General and administrative expenses - all other	17.0	.1	—	17.1
Change in fair value of contingent consideration	(.2)	—	—	(.2)
Interest expense	10.2	—	—	10.2
Total expenses	513.0	3.6	—	516.6
Pre-tax income (loss)	\$ 78.0	\$ 15.9	\$ —	\$ 93.9

Ark/WM Outrigger Results—Three Months Ended June 30, 2024 versus Three Months Ended June 30, 2023

The Ark/WM Outrigger segment's combined ratio was 87% in the second quarter of both 2024 and 2023. The Ark/WM Outrigger segment reported gross written premiums of \$697 million, net written premiums of \$503 million and net earned premiums of \$318 million in the second quarter of 2024 compared to gross written premiums of \$606 million, net written premiums of \$461 million and net earned premiums of \$293 million in the second quarter of 2023. The Ark/WM Outrigger segment reported pre-tax income of \$59 million in the second quarter of 2024 compared to \$52 million in the second quarter of 2023.

Ark's combined ratio was 89% in the second quarter of both 2024 and 2023. Ark's combined ratio in the second quarter of 2024 included minimal catastrophe losses compared to 5 points of catastrophe losses in the second quarter of 2023. Non-catastrophe losses in the second quarter of 2024 included \$19 million related to a political risk claim, \$14 million related to tornado damage in Oklahoma and \$13 million related to two satellite losses, all on a net basis. Ark's combined ratio in the second quarter of 2024 included two points of net favorable prior year development, primarily due to property lines of business, compared to four points of net unfavorable prior year development in the second quarter of 2023, primarily due to three large claims in the property and marine & energy lines of business.

Ark reported gross written premiums of \$697 million, net written premiums of \$464 million and net earned premiums of \$311 million in the second quarter of 2024 compared to gross written premiums of \$606 million, net written premiums of \$403 million and net earned premiums of \$284 million in the second quarter of 2023. Ark reported pre-tax income of \$50 million in the second quarter of 2024 compared to \$42 million in the second quarter of 2023. Ark's results included net realized and unrealized investment gains of \$20 million in the second quarter of 2024, driven primarily by net realized and unrealized investment gains from common equity securities, compared to \$18 million in the second quarter of 2023, driven primarily by net unrealized investment gains from other long-term investments. Ark's results also included \$13 million for the increase in the fair value of its contingent consideration liability in the second quarter of 2024 compared to \$2 million in the second quarter of 2023.

WM Outrigger Re's combined ratio was 27% in the second quarter of 2024 compared to 25% in the second quarter of 2023. Catastrophe losses were minimal in both periods. In the second quarter of 2024, WM Outrigger Re's combined ratio was 35% for underwriting year 2024 and (17)% for underwriting year 2023. WM Outrigger Re reported gross and net written premiums of \$39 million and net earned premiums of \$8 million in the second quarter of 2024 compared to \$58 million and \$10 million in the second quarter of 2023. Gross and net written premiums decreased due to White Mountains's lower capital commitment to WM Outrigger Re in 2024. WM Outrigger Re reported pre-tax income of \$8 million in the second quarter of 2024, of which \$7 million was attributable to underwriting year 2024 and \$1 million to underwriting year 2023, compared to \$10 million in the second quarter of 2023.

\$ in Millions	Three Months Ended June 30, 2024			
	Ark	WM Outrigger Re	Eliminations	Total
<i>Insurance premiums:</i>				
Gross written premiums	\$ 697.0	\$ 38.9	\$ (38.9)	\$ 697.0
Net written premiums	\$ 463.9	\$ 38.9	\$ —	\$ 502.8
Net earned premiums	\$ 310.8	\$ 7.5	\$ —	\$ 318.3
<i>Insurance expenses:</i>				
Loss and loss adjustment expenses	\$ 176.0	\$ (.3)	\$ —	\$ 175.7
Acquisition expenses	65.9	2.3	—	68.2
Other underwriting expenses ⁽¹⁾	33.1	—	—	33.1
Total insurance expenses	\$ 275.0	\$ 2.0	\$ —	\$ 277.0
<i>Insurance ratios:</i>				
Loss and loss adjustment expense	56.6 %	(4.0) %	— %	55.2 %
Acquisition expense	21.2	30.7	—	21.4
Other underwriting expense	10.7	—	—	10.4
Combined Ratio	88.5 %	26.7 %	— %	87.0 %

⁽¹⁾ Included within general and administrative expenses in the consolidated statement of operations.

\$ in Millions	Three Months Ended June 30, 2023			
	Ark	WM Outrigger Re	Eliminations	Total
<i>Insurance premiums:</i>				
Gross written premiums	\$ 606.1	\$ 58.3	\$ (58.3)	\$ 606.1
Net written premiums	\$ 402.9	\$ 58.3	\$ —	\$ 461.2
Net earned premiums	\$ 283.7	\$ 9.6	\$ —	\$ 293.3
<i>Insurance expenses:</i>				
Loss and loss adjustment expenses	\$ 167.1	\$.4	\$ —	\$ 167.5
Acquisition expenses	59.4	2.0	—	61.4
Other underwriting expenses ⁽¹⁾	25.5	—	—	25.5
Total insurance expenses	\$ 252.0	\$ 2.4	\$ —	\$ 254.4
<i>Insurance ratios:</i>				
Loss and loss adjustment expense	58.9 %	4.2 %	— %	57.1 %
Acquisition expense	20.9	20.8	—	20.9
Other underwriting expense	9.0	—	—	8.7
Combined Ratio	88.8 %	25.0 %	— %	86.7 %

⁽¹⁾ Included within general and administrative expenses in the consolidated statement of operations.

The following table presents WM Outrigger Re's insurance premiums, combined ratio and pre-tax income by underwriting year for the three months ended June 30, 2024 and 2023:

\$ in Millions	Three Months Ended June 30,				
	2024			2023	
	2024 Underwriting Year	2023 Underwriting Year	Total	2023 Underwriting Year	
<i>Insurance premiums:</i>					
Gross written premiums	\$ 39.1	\$ (.2)	\$ 38.9	\$	58.3
Net written premiums	\$ 39.1	\$ (.2)	\$ 38.9	\$	58.3
Net earned premiums	\$ 6.2	\$ 1.3	\$ 7.5	\$	9.6
Combined Ratio	34.7 %	(16.6)%	26.7 %		25.0 %
Pre-tax income	\$ 7.0	\$ 1.4	\$ 8.4	\$	9.7

Gross Written Premiums

Gross written premiums increased 15% to \$697 million in the second quarter of 2024 compared to \$606 million in the second quarter of 2023, with risk adjusted rate change flat year-over-year. The increase in gross written premiums was driven primarily by the property, marine & energy and specialty lines of business. Growth in the marine & energy and accident & health lines of business was aided by the addition of new teams in London. The risk adjusted rate change on the Outrigger Re Ltd. portfolio of global property reinsurance was (5)% in the second quarter of 2024. The following table presents the Ark/WM Outrigger segment's gross written premiums by line of business for the three months ended June 30, 2024 and 2023:

Millions	Three Months Ended June 30,			
	2024		2023	
Property	\$ 429.9	\$	405.8	
Marine & Energy	111.5		88.5	
Specialty	98.1		74.2	
Casualty	30.6		26.7	
Accident & Health	26.9		10.9	
Total Gross Written Premiums	\$ 697.0	\$	606.1	

Ark/WM Outrigger Results—Six Months Ended June 30, 2024 versus Six Months Ended June 30, 2023

The Ark/WM Outrigger segment's combined ratio was 89% in the first six months of both 2024 and 2023. The Ark/WM Outrigger segment reported gross written premiums of \$1,569 million, net written premiums of \$1,101 million and net earned premiums of \$621 million in the first six months of 2024 compared to gross written premiums of \$1,416 million, net written premiums of \$1,075 million and net earned premiums of \$548 million in the first six months of 2023. The Ark/WM Outrigger segment reported pre-tax income of \$101 million in the first six months of 2024 compared to \$94 million in the first six months of 2023.

Ark's combined ratio was 91% in the first six months of both 2024 and 2023. Ark's combined ratio in the first six months of 2024 included minimal catastrophe losses compared to three points of catastrophe losses in the first six months of 2023. Non-catastrophe losses in the first six months of 2024 included \$29 million related to three satellite losses, \$19 million related to a political risk claim, \$15 million related to the collapse of the Francis Scott Key Bridge in Baltimore and \$14 million related to tornado damage in Oklahoma, all on a net basis. Ark's combined ratio in the first six months of 2024 included one point of net favorable prior year development, primarily due to property lines of business, compared to four points of net unfavorable prior year development in the first six months of 2023, primarily due to Winter Storm Elliott and three large claims in the property and marine & energy lines of business.

Ark reported gross written premiums of \$1,569 million, net written premiums of \$1,028 million and net earned premiums of \$603 million in the first six months of 2024 compared to gross written premiums of \$1,416 million, net written premiums of \$973 million and net earned premiums of \$534 million in the first six months of 2023.

Ark reported pre-tax income of \$83 million in the first six months of 2024 compared to \$78 million in the first six months of 2023. Ark's results included net realized and unrealized investment gains of \$31 million in the first six months of 2024, driven primarily by net unrealized investment gains from common equity securities, compared to \$43 million in the first six months of 2023, driven primarily by net unrealized investment gains from other long-term investments and common equity securities. Ark's results also included \$13 million for the increase in the fair value of its contingent consideration liability in the first six months of 2024 compared to a slight decrease in the first six months of 2023.

WM Outrigger Re's combined ratio was 30% in the first six months of 2024 compared to 24% in the first six months of 2023. Catastrophe losses were minimal in both periods. In the first six months of 2024, WM Outrigger Re's combined ratio was 31% for underwriting year 2024 and 29% for underwriting year 2023. WM Outrigger Re reported gross and net written premiums of \$73 million and net earned premiums of \$18 million in the first six months of 2024 compared to gross and net written premiums of \$102 million and net earned premiums of \$15 million in the first six months of 2023. Gross and net written premiums decreased due to White Mountains's lower capital commitment to WM Outrigger Re in 2024. WM Outrigger Re reported pre-tax income of \$18 million in the first six months of 2024, of which \$14 million was attributable to underwriting year 2024 and \$4 million to underwriting year 2023, compared to \$16 million in the first six months of 2023.

The following tables present the Ark/WM Outrigger segment's insurance premiums, insurance expenses and insurance ratios for the six months ended June 30, 2024 and 2023:

\$ in Millions	Six Months Ended June 30, 2024			
	Ark	WM Outrigger Re	Eliminations	Total
<i>Insurance premiums:</i>				
Gross written premiums	\$ 1,569.1	\$ 73.2	\$ (73.2)	\$ 1,569.1
Net written premiums	\$ 1,027.6	\$ 73.2	\$ —	\$ 1,100.8
Net earned premiums	\$ 603.3	\$ 17.8	\$ —	\$ 621.1
<i>Insurance expenses:</i>				
Loss and loss adjustment expenses	\$ 355.3	\$.4	\$ —	\$ 355.7
Acquisition expenses	129.6	4.9	—	134.5
Other underwriting expenses ⁽¹⁾	63.6	—	—	63.6
Total insurance expenses	<u>\$ 548.5</u>	<u>\$ 5.3</u>	<u>\$ —</u>	<u>\$ 553.8</u>
<i>Insurance ratios:</i>				
Loss and loss adjustment expense	58.9 %	2.3 %	— %	57.3 %
Acquisition expense	21.5	27.5	—	21.7
Other underwriting expense	10.5	—	—	10.2
Combined Ratio	<u>90.9 %</u>	<u>29.8 %</u>	<u>— %</u>	<u>89.2 %</u>

⁽¹⁾ Included within general and administrative expenses in the consolidated statement of operations.

S in Millions	Six Months Ended June 30, 2023			
	Ark	WM Outrigger Re	Eliminations	Total
<i>Insurance premiums:</i>				
Gross written premiums	\$ 1,415.5	\$ 102.4	\$ (102.4)	\$ 1,415.5
Net written premiums	\$ 973.0	\$ 102.4	\$ —	\$ 1,075.4
Net earned premiums	\$ 533.6	\$ 14.8	\$ —	\$ 548.4
<i>Insurance expenses:</i>				
Loss and loss adjustment expenses	\$ 314.7	\$.6	\$ —	\$ 315.3
Acquisition expenses	118.3	2.9	—	121.2
Other underwriting expenses ⁽¹⁾	53.0	—	—	53.0
Total insurance expenses	\$ 486.0	\$ 3.5	\$ —	\$ 489.5
<i>Insurance ratios:</i>				
Loss and loss adjustment expense	59.0 %	4.1 %	— %	57.5 %
Acquisition expense	22.2	19.6	—	22.1
Other underwriting expense	9.9	—	—	9.7
Combined Ratio	91.1 %	23.7 %	— %	89.3 %

⁽¹⁾ Included within general and administrative expenses in the consolidated statement of operations.

The following table presents WM Outrigger Re's insurance premiums, combined ratio and pre-tax income by underwriting year for the six months ended June 30, 2024 and 2023:

S in Millions	Six Months Ended June 30,			
	2024			2023
	2024 Underwriting Year	2023 Underwriting Year	Total	2023 Underwriting Year
<i>Insurance premiums:</i>				
Gross written premiums	\$ 73.2	\$ —	\$ 73.2	\$ 102.4
Net written premiums	\$ 73.2	\$ —	\$ 73.2	\$ 102.4
Net earned premiums	\$ 12.2	\$ 5.6	\$ 17.8	\$ 14.8
Combined Ratio	30.5 %	28.5 %	29.8 %	23.7 %
Pre-tax income	\$ 14.3	\$ 4.0	\$ 18.3	\$ 15.9

Gross Written Premiums

Gross written premiums increased 11% to \$1,569 million in the first six months of 2024 compared to \$1,416 million in the first six months of 2023, with risk adjusted rate change up approximately 2% year-over-year. The increase in gross written premiums was driven primarily by the property, marine & energy and accident & health lines of business, partially offset by a decrease in certain specialty lines. Growth in the marine & energy and accident & health lines of business was aided by the addition of new teams in London. The risk adjusted rate change on the Outrigger Re Ltd. portfolio of global property reinsurance was (2)% in the first six months of 2024. The following table presents the Ark/WM Outrigger segment's gross written premiums by line of business for the six months ended June 30, 2024 and 2023:

Millions	Six Months Ended June 30,			
	2024		2023	
Property	\$	756.7	\$	685.6
Marine & Energy		340.5		283.3
Specialty		332.2		342.7
Accident & Health		74.6		47.0
Casualty		65.1		56.9
Total Gross Written Premiums	\$	1,569.1	\$	1,415.5

Ark/WM Outrigger Balance Sheets

The following tables present amounts from Ark and WM Outrigger Re that are contained within White Mountains's consolidated balance sheet as of June 30, 2024 and December 31, 2023:

Millions	June 30, 2024			
	Ark	WM Outrigger Re	Eliminations and Segment Adjustments	Total
Assets				
Fixed maturity investments, at fair value	\$ 1,005.6	\$ —	\$ —	\$ 1,005.6
Common equity securities, at fair value	422.3	—	—	422.3
Short-term investments, at fair value	665.8	238.6	—	904.4
Other long-term investments	491.3	—	—	491.3
Total investments	2,585.0	238.6	—	2,823.6
Cash	156.1	.2	—	156.3
Reinsurance recoverables	940.1	—	(76.3)	863.8
Insurance premiums receivable	1,175.4	49.0	(49.0)	1,175.4
Deferred acquisition costs	233.7	11.6	—	245.3
Goodwill and other intangible assets	292.5	—	—	292.5
Other assets	146.9	.1	—	147.0
Total assets	\$ 5,529.7	\$ 299.5	\$ (125.3)	\$ 5,703.9
Liabilities				
Loss and loss adjustment expense reserves	\$ 1,890.1	\$ 15.2	\$ (15.2)	\$ 1,890.1
Unearned insurance premiums	1,526.1	61.1	(61.1)	1,526.1
Debt	155.0	—	—	155.0
Reinsurance payable	416.3	—	(49.0)	367.3
Contingent consideration	107.3	—	—	107.3
Other liabilities	157.2	—	—	157.2
Total liabilities	4,252.0	76.3	(125.3)	4,203.0
Equity				
White Mountains's common shareholders' equity	923.5	223.2	—	1,146.7
Noncontrolling interests	354.2	—	—	354.2
Total equity	1,277.7	223.2	—	1,500.9
Total liabilities and equity	\$ 5,529.7	\$ 299.5	\$ (125.3)	\$ 5,703.9

Millions	December 31, 2023			
	Ark	WM Outrigger Re	Eliminations and Segment Adjustments	Total
Assets				
Fixed maturity investments, at fair value	\$ 866.8	\$ —	\$ —	\$ 866.8
Common equity securities, at fair value	400.6	—	—	400.6
Short-term investments, at fair value	697.5	265.3	—	962.8
Other long-term investments	440.9	—	—	440.9
Total investments	2,405.8	265.3	—	2,671.1
Cash	90.2	.3	—	90.5
Reinsurance recoverables	463.3	—	(21.3)	442.0
Insurance premiums receivable	612.2	27.7	(27.7)	612.2
Deferred acquisition costs	144.3	1.0	—	145.3
Goodwill and other intangible assets	292.5	—	—	292.5
Other assets	125.0	—	—	125.0
Total assets	\$ 4,133.3	\$ 294.3	\$ (49.0)	\$ 4,378.6
Liabilities				
Loss and loss adjustment expense reserves	\$ 1,605.1	\$ 15.6	\$ (15.6)	\$ 1,605.1
Unearned insurance premiums	743.6	5.7	(5.7)	743.6
Debt	185.5	—	—	185.5
Reinsurance payable	108.8	—	(27.7)	81.1
Contingent consideration	94.0	—	—	94.0
Other liabilities	166.8	—	—	166.8
Total liabilities	2,903.8	21.3	(49.0)	2,876.1
Equity				
White Mountains's common shareholders' equity	892.6	273.0	—	1,165.6
Noncontrolling interests	336.9	—	—	336.9
Total equity	1,229.5	273.0	—	1,502.5
Total liabilities and equity	\$ 4,133.3	\$ 294.3	\$ (49.0)	\$ 4,378.6

HG Global/BAM

The following tables present the components of pre-tax income (loss) included in the HG Global/BAM segment related to the consolidation of HG Global, which includes HG Re and its other wholly-owned subsidiaries, and BAM for the three and six months ended June 30, 2024 and 2023:

Millions	Three Months Ended June 30, 2024			
	HG Global	BAM	Eliminations	Total
Direct written premiums	\$ —	\$ 13.6	\$ —	\$ 13.6
Assumed written premiums	11.6	—	(11.6)	—
Gross written premiums	11.6	13.6	(11.6)	13.6
Ceded written premiums	—	(11.6)	11.6	—
Net written premiums	\$ 11.6	\$ 2.0	\$ —	\$ 13.6
Earned insurance premiums	\$ 7.5	\$ 1.5	\$ —	\$ 9.0
Net investment income	5.9	4.5	—	10.4
Net investment income - BAM Surplus Notes	6.6	—	(6.6)	—
Net realized and unrealized investment gains (losses)	(2.0)	(2.3)	—	(4.3)
Other revenues	—	.6	—	.6
Total revenues	18.0	4.3	(6.6)	15.7
Acquisition expenses	2.2	—	—	2.2
General and administrative expenses ⁽¹⁾	.3	16.6	—	16.9
Interest expense ⁽²⁾	4.4	—	—	4.4
Interest expense - BAM Surplus Notes	—	6.6	(6.6)	—
Total expenses	6.9	23.2	(6.6)	23.5
Pre-tax income (loss)	\$ 11.1	\$ (18.9)	\$ —	\$ (7.8)
Supplemental information:				
MSC collected ⁽³⁾	\$ —	\$ 14.6	\$ —	\$ 14.6

⁽¹⁾ Amount includes \$(0.3) of intercompany general and administrative expenses that are eliminated in White Mountains's consolidated financial statements. For segment reporting, HG Global's intercompany general and administrative expenses included within the HG Global/BAM segment are eliminated against the offsetting intercompany general and administrative expenses included within Other Operations.

⁽²⁾ Amount includes \$0.3 of intercompany interest expense that is eliminated in White Mountains's consolidated financial statements. For segment reporting, HG Global's intercompany interest expense included within the HG Global/BAM segment is eliminated against the offsetting intercompany interest income included within Other Operations.

⁽³⁾ MSC collected are recorded directly to BAM's equity, which is recorded as noncontrolling interest on White Mountains's balance sheet.

Millions	Three Months Ended June 30, 2023			
	HG Global	BAM	Eliminations	Total
Direct written premiums	\$ —	\$ 11.6	\$ —	\$ 11.6
Assumed written premiums	10.0	—	(10.0)	—
Gross written premiums	10.0	11.6	(10.0)	11.6
Ceded written premiums	—	(10.0)	10.0	—
Net written premiums	\$ 10.0	\$ 1.6	\$ —	\$ 11.6
Earned insurance premiums	\$ 6.4	\$ 1.3	\$ —	\$ 7.7
Net investment income	4.1	3.5	—	7.6
Net investment income - BAM Surplus Notes	6.5	—	(6.5)	—
Net realized and unrealized investment gains (losses)	(5.7)	(4.2)	—	(9.9)
Other revenues	—	.5	—	.5
Total revenues	11.3	1.1	(6.5)	5.9
Acquisition expenses	1.8	(.3)	—	1.5
General and administrative expenses	.3	14.6	—	14.9
Interest expense ⁽¹⁾	2.7	—	—	2.7
Interest expense - BAM Surplus Notes	—	6.5	(6.5)	—
Total expenses	4.8	20.8	(6.5)	19.1
Pre-tax income (loss)	\$ 6.5	\$ (19.7)	\$ —	\$ (13.2)
Supplemental information:				
MSC collected ⁽²⁾	\$ —	\$ 14.7	\$ —	\$ 14.7

⁽¹⁾ Amount includes \$0.2 of intercompany interest expense that is eliminated in White Mountains's consolidated financial statements. For segment reporting, HG Global's intercompany interest expense included within the HG Global/BAM segment is eliminated against the offsetting intercompany interest income included within Other Operations.

⁽²⁾ MSC collected are recorded directly to BAM's equity, which is recorded as noncontrolling interest on White Mountains's balance sheet.

Millions	Six Months Ended June 30, 2024			
	HG Global	BAM	Eliminations	Total
Direct written premiums	\$ —	\$ 24.1	\$ —	\$ 24.1
Assumed written premiums	20.5	—	(20.5)	—
Gross written premiums	20.5	24.1	(20.5)	24.1
Ceded written premiums	—	(20.5)	20.5	—
Net written premiums	\$ 20.5	\$ 3.6	\$ —	\$ 24.1
Earned insurance premiums	\$ 14.0	\$ 2.8	\$ —	\$ 16.8
Net investment income	11.3	8.8	—	20.1
Net investment income - BAM Surplus Notes	13.2	—	(13.2)	—
Net realized and unrealized investment gains (losses)	(9.3)	(5.1)	—	(14.4)
Other revenues	—	1.1	—	1.1
Total revenues	29.2	7.6	(13.2)	23.6
Acquisition expenses	4.0	.4	—	4.4
General and administrative expenses ⁽¹⁾	.7	33.5	—	34.2
Interest expense ⁽²⁾	8.1	—	—	8.1
Interest expense - BAM Surplus Notes	—	13.2	(13.2)	—
Total expenses	12.8	47.1	(13.2)	46.7
Pre-tax income (loss)	\$ 16.4	\$ (39.5)	\$ —	\$ (23.1)
Supplemental information:				
MSC collected ⁽³⁾	\$ —	\$ 26.0	\$ —	\$ 26.0

⁽¹⁾ Amount includes \$(0.3) of intercompany general and administrative expenses that are eliminated in White Mountains's consolidated financial statements. For segment reporting, HG Global's intercompany general and administrative expenses included within the HG Global/BAM segment are eliminated against the offsetting intercompany general and administrative expenses included within Other Operations.

⁽²⁾ Amount includes \$0.5 of intercompany interest expense that is eliminated in White Mountains's consolidated financial statements. For segment reporting, HG Global's intercompany interest expense included within the HG Global/BAM segment is eliminated against the offsetting intercompany interest income included within Other Operations.

⁽³⁾ MSC collected are recorded directly to BAM's equity, which is recorded as noncontrolling interest on White Mountains's balance sheet.

Millions	Six Months Ended June 30, 2023			
	HG Global	BAM	Eliminations	Total
Direct written premiums	\$ —	\$ 20.8	\$ —	\$ 20.8
Assumed written premiums	17.7	—	(17.7)	—
Gross written premiums	17.7	20.8	(17.7)	20.8
Ceded written premiums	—	(17.7)	17.7	—
Net written premiums	\$ 17.7	\$ 3.1	\$ —	\$ 20.8
Earned insurance premiums	\$ 12.8	\$ 2.6	\$ —	\$ 15.4
Net investment income	8.1	6.7	—	14.8
Net investment income - BAM Surplus Notes	13.1	—	(13.1)	—
Net realized and unrealized investment gains (losses)	2.2	4.9	—	7.1
Other revenues	—	1.3	—	1.3
Total revenues	36.2	15.5	(13.1)	38.6
Acquisition expenses	3.6	.6	—	4.2
General and administrative expenses	1.4	30.8	—	32.2
Interest expense ⁽¹⁾	7.2	—	—	7.2
Interest expense - BAM Surplus Notes	—	13.1	(13.1)	—
Total expenses	12.2	44.5	(13.1)	43.6
Pre-tax income (loss)	\$ 24.0	\$ (29.0)	\$ —	\$ (5.0)
Supplemental information:				
MSC collected ⁽²⁾	\$ —	\$ 26.5	\$ —	\$ 26.5

⁽¹⁾ Amount includes \$0.2 of intercompany interest expense that is eliminated in White Mountains's consolidated financial statements. For segment reporting, HG Global's intercompany interest expense included within the HG Global/BAM segment is eliminated against the offsetting intercompany interest income included within Other Operations.

⁽²⁾ MSC collected are recorded directly to BAM's equity, which is recorded as noncontrolling interest on White Mountains's balance sheet.

HG Global/BAM Results—Three Months Ended June 30, 2024 versus Three Months Ended June 30, 2023

Gross written premiums and MSC collected in the HG Global/BAM segment totaled \$28 million in the second quarter of 2024 compared to \$26 million in the second quarter of 2023. BAM insured \$5.3 billion of municipal bonds, \$4.7 billion of which were in the primary market, in the second quarter of 2024 compared to \$3.4 billion of municipal bonds, \$2.9 billion of which were in the primary market, in the second quarter of 2023.

Insured penetration in the primary market decreased to 8.2% in the second quarter of 2024 compared to 10.1% in the second quarter of 2023, primarily due to a higher concentration of large, higher-credit issuances in the primary market that are typically uninsured.

Total pricing, which reflects both gross written premiums and MSC, decreased to 54 basis points in the second quarter of 2024 compared to 77 basis points in the second quarter of 2023. The decrease in total pricing was driven by lower pricing in the primary market, due to tighter municipal bond spreads and the volume of large, higher-credit issuances that BAM insured, and a decrease in the percentage of par insured in the secondary market. Pricing in the primary market decreased to 36 basis points in the second quarter of 2024 compared to 56 basis points in the second quarter of 2023. Pricing in the secondary reinsurance market, which is more transaction specific than pricing in the primary market, decreased to 193 basis points in the second quarter of 2024 compared to 200 basis points in the second quarter of 2023.

The following table presents the gross par value of primary and secondary market policies issued, gross written premiums and MSC collected and total pricing for the three months ended June 30, 2024 and 2023:

\$ in Millions	Three Months Ended June 30,	
	2024	2023
Gross par value of primary market policies issued	\$ 4,656.8	\$ 2,890.2
Gross par value of secondary market policies issued	602.6	500.3
Total gross par value of market policies issued	\$ 5,259.4	\$ 3,390.5
Gross written premiums	\$ 13.6	\$ 11.6
MSC collected	14.6	14.7
Total gross written premiums and MSC collected	\$ 28.2	\$ 26.3
Total pricing	54 bps	77 bps

HG Global reported pre-tax income of \$11 million in the second quarter of 2024 compared to \$7 million in the second quarter of 2023. HG Global's results in the second quarter of 2024 included net realized and unrealized investment losses on its fixed income portfolio of \$2 million, compared to \$6 million in the second quarter of 2023, driven by the movement of interest rates in each period. HG Global's results in the second quarter of both 2024 and 2023 also included interest income on the BAM Surplus Notes of \$7 million.

BAM is a mutual insurance company that is owned by its members. BAM's results are consolidated into White Mountain's GAAP financial statements and attributed to noncontrolling interests. White Mountains reported \$19 million of GAAP pre-tax loss from BAM in the second quarter of 2024 compared to \$20 million in the second quarter of 2023. BAM's results included net realized and unrealized investment losses on its fixed income portfolio of \$2 million in the second quarter of 2024 compared to \$4 million in the second quarter of 2023, driven by the movement of interest rates in each period. BAM's results in the second quarter of both 2024 and 2023 also included interest expense on the BAM Surplus Notes of \$7 million.

HG Global/BAM Results—Six Months Ended June 30, 2024 versus Six Months Ended June 30, 2023

Gross written premiums and MSC collected in the HG Global/BAM segment totaled \$50 million in the first six months of 2024 compared to \$47 million in the first six months of 2023. BAM insured \$8.8 billion of municipal bonds, \$7.9 billion of which were in the primary market, in the six months of 2024 compared to \$6.3 billion of municipal bonds, \$5.1 billion of which were in the primary market, in the first six months of 2023.

Insured penetration in the primary market decreased to 7.8% in the first six months of 2024 compared to 9.1% in the first six months of 2023, primarily due to a higher concentration of large, higher-credit issuances in the primary market that are typically uninsured.

Total pricing, which reflects both gross written premiums and MSC, decreased to 57 basis points in the six months of 2024 compared to 75 basis points in the first six months of 2023. The decrease in total pricing was driven primarily by lower pricing in the primary market, due to tighter municipal bond spreads and the volume of large, higher-credit issuances that BAM insured, and a decrease in par insured in the secondary market, which was partially offset by higher pricing in the secondary market. Pricing in the primary market was 42 basis points in the six months of 2024 compared to 54 basis points in the first six months of 2023. Pricing in the secondary reinsurance market, which is more transaction specific than pricing in the primary market, increased to 177 basis points in the six months of 2024 compared to 163 basis points in the first six months of 2023.

The following table presents the gross par value of primary and secondary market policies issued, gross written premiums and MSC collected and total pricing for the six months ended June 30, 2024 and 2023:

S in Millions	Six Months Ended June 30,	
	2024	2023
Gross par value of primary market policies issued	\$ 7,866.1	\$ 5,075.6
Gross par value of secondary market policies issued	965.6	1,204.5
Total gross par value of market policies issued	\$ 8,831.7	\$ 6,280.1
Gross written premiums	\$ 24.1	\$ 20.8
MSC collected	26.0	26.5
Total gross written premiums and MSC collected	\$ 50.1	\$ 47.3
Total pricing	57 bps	75 bps

HG Global reported pre-tax income of \$17 million in the six months of 2024 compared to \$24 million in the first six months of 2023. HG Global's results in the six months of 2024 included net realized and unrealized investment gains (losses) on its fixed income portfolio of \$(9) million compared to \$2 million in the first six months of 2023, driven by the movement of interest rates in each period. HG Global's results in the first six months of both 2024 and 2023 also included interest income on the BAM Surplus Notes of \$13 million.

BAM is a mutual insurance company that is owned by its members. BAM's results are consolidated into White Mountains's GAAP financial statements and attributed to noncontrolling interests. White Mountains reported \$40 million of GAAP pre-tax loss from BAM in the six months of 2024 compared to \$29 million in the first six months of 2023. BAM's results included net realized and unrealized investment gains (losses) on its fixed income portfolio of \$(5) million in the first six months of 2024 compared to \$5 million in the first six months of 2023, driven by the movement of interest rates in each period. BAM's results in the first six months of both 2024 and 2023 also included interest expense on the BAM Surplus Notes of \$13 million.

Claims Paying Resources

BAM's claims paying resources represent the capital and other financial resources BAM has available to pay claims and, as such, are a key indication of BAM's financial strength.

BAM's claims paying resources were \$1,525 million as of June 30, 2024 compared to \$1,501 million as of December 31, 2023 and \$1,451 million as of June 30, 2023. The increase in claims paying resources as of June 30, 2024 compared to December 31, 2023 was driven primarily by an increase in the statutory value of the collateral trusts resulting from positive cash flow from operations, partially offset by a reduction in qualified statutory capital as a result of the May 2024 repayment on the surplus notes.

The following table presents BAM's total claims paying resources on a statutory basis as of June 30, 2024, December 31, 2023 and June 30, 2023:

Millions	June 30, 2024	December 31, 2023	June 30, 2023
Policyholders' surplus	\$ 253.3	\$ 269.3	\$ 281.5
Contingency reserve	145.8	136.2	126.9
Qualified statutory capital	399.1	405.5	408.4
Statutory net unearned premiums	62.1	60.7	56.9
Present value of future installment premiums and MSC	12.6	10.9	12.5
HG Re Collateral Trusts at statutory value	651.0	623.5	573.4
Fidus Re collateral trusts at statutory value	400.0	400.0	400.0
Claims paying resources	\$ 1,524.8	\$ 1,500.6	\$ 1,451.2

HG Global/BAM Balance Sheets

The following tables present amounts from HG Global, which includes HG Re and its other wholly-owned subsidiaries, and BAM that are contained within White Mountains's consolidated balance sheet as of June 30, 2024 and December 31, 2023:

Millions	June 30, 2024			
	HG Global	BAM	Eliminations and Segment Adjustments	Total
Assets				
Fixed maturity investments, at fair value	\$ 603.1	\$ 436.3	\$ —	\$ 1,039.4
Short-term investments, at fair value	38.1	13.2	—	51.3
Total investments	641.2	449.5	—	1,090.7
Cash	.9	4.1	—	5.0
BAM Surplus Notes	317.1	—	(317.1)	—
Accrued interest receivable on BAM Surplus Notes	184.8	—	(184.8)	—
Insurance premiums receivable	4.3	6.4	(4.3)	6.4
Deferred acquisition costs	81.0	41.7	(81.0)	41.7
Other assets	23.2	13.4	(.3)	36.3
Total assets	\$ 1,252.5	\$ 515.1	\$ (587.5)	\$ 1,180.1
Liabilities				
BAM Surplus Notes ⁽¹⁾	\$ —	\$ 317.1	\$ (317.1)	\$ —
Accrued interest payable on BAM Surplus Notes ⁽²⁾	—	184.8	(184.8)	—
Preferred dividends payable to White Mountains ⁽³⁾	430.9	—	—	430.9
Preferred dividends payable to noncontrolling interests	13.3	—	—	13.3
Unearned insurance premiums	280.4	52.8	—	333.2
Debt	147.2	—	—	147.2
Intercompany debt ⁽⁴⁾	7.5	—	—	7.5
Accrued incentive compensation	1.0	16.3	—	17.3
Other liabilities	9.5	97.6	(85.6)	21.5
Total liabilities	889.8	668.6	(587.5)	970.9
Equity				
White Mountains's common shareholders' equity ^(3&4)	363.5	—	—	363.5
Noncontrolling interests	(.8)	(153.5)	—	(154.3)
Total equity	362.7	(153.5)	—	209.2
Total liabilities and equity	\$ 1,252.5	\$ 515.1	\$ (587.5)	\$ 1,180.1

⁽¹⁾ Under GAAP, the BAM Surplus Notes are classified as debt. Under U.S. Statutory accounting, they are classified as policyholders' surplus.

⁽²⁾ Under GAAP, interest accrues daily on the BAM Surplus Notes. Under U.S. Statutory accounting, interest is not accrued on the BAM Surplus Notes until it has been approved for payment by insurance regulators.

⁽³⁾ HG Global's preferred dividends payable to White Mountains are eliminated in White Mountains's consolidated financial statements. For segment reporting, HG Global's preferred dividends payable to White Mountains included within the HG Global/BAM segment are eliminated against the offsetting receivable included within Other Operations.

⁽⁴⁾ HG Global's intercompany debt is eliminated in White Mountains's consolidated financial statements. For segment reporting, HG Global's intercompany debt included within the HG Global/BAM segment is eliminated against the offsetting receivable included within Other Operations.

Millions	December 31, 2023			
	HG Global	BAM	Eliminations and Segment Adjustments	Total Segment
Assets				
Fixed maturity investments, at fair value	\$ 573.3	\$ 439.0	\$ —	\$ 1,012.3
Short-term investments, at fair value	42.7	27.9	—	70.6
Total investments	616.0	466.9	—	1,082.9
Cash	3.2	3.5	—	6.7
BAM Surplus Notes	322.2	—	(322.2)	—
Accrued interest receivable on BAM Surplus Notes	174.5	—	(174.5)	—
Insurance premiums receivable	3.4	5.5	(3.4)	5.5
Deferred acquisition costs	79.0	40.1	(79.0)	40.1
Other assets	23.0	14.0	(.2)	36.8
Total assets	\$ 1,221.3	\$ 530.0	\$ (579.3)	\$ 1,172.0
Liabilities				
BAM Surplus Notes ⁽¹⁾	\$ —	\$ 322.2	\$ (322.2)	\$ —
Accrued interest payable on BAM Surplus Notes ⁽²⁾	—	174.5	(174.5)	—
Preferred dividends payable to White Mountains ⁽³⁾	399.8	—	—	399.8
Preferred dividends payable to noncontrolling interests	14.7	—	—	14.7
Unearned insurance premiums	273.9	51.9	—	325.8
Debt	146.9	—	—	146.9
Intercompany debt ⁽⁴⁾	4.0	—	—	4.0
Accrued incentive compensation	1.6	25.6	—	27.2
Other liabilities	4.1	95.6	(82.6)	17.1
Total liabilities	845.0	669.8	(579.3)	935.5
Equity				
White Mountains's common shareholders' equity ⁽³⁾⁽⁴⁾	375.5	—	—	375.5
Noncontrolling interests	.8	(139.8)	—	(139.0)
Total equity	376.3	(139.8)	—	236.5
Total liabilities and equity	\$ 1,221.3	\$ 530.0	\$ (579.3)	\$ 1,172.0

⁽¹⁾ Under GAAP, the BAM Surplus Notes are classified as debt. Under U.S. Statutory accounting, they are classified as policyholders' surplus.

⁽²⁾ Under GAAP, interest accrues daily on the BAM Surplus Notes. Under U.S. Statutory accounting, interest is not accrued on the BAM Surplus Notes until it has been approved for payment by insurance regulators.

⁽³⁾ HG Global's preferred dividends payable to White Mountains are eliminated in White Mountains's consolidated financial statements. For segment reporting, HG Global's preferred dividends payable to White Mountains included within the HG Global/BAM segment are eliminated against the offsetting receivable included within Other Operations.

⁽⁴⁾ HG Global's intercompany debt is eliminated in White Mountains's consolidated financial statements. For segment reporting, HG Global's intercompany debt included within the HG Global/BAM segment is eliminated against the offsetting receivable included within Other Operations.

Kudu

As of June 30, 2024, Kudu had deployed a total of \$885 million, including transaction costs, into 25 asset and wealth management firms globally, including three that have been exited. As of June 30, 2024, the asset and wealth management firms had combined assets under management ("AUM") of approximately \$112 billion, spanning a range of asset classes, including real estate, wealth management, hedge funds, private equity and alternative credit strategies. Kudu's capital was deployed at an average gross cash yield at inception of approximately 10% based on expected cash flows in the first year following deployment.

The following table presents the components of GAAP net income, EBITDA and adjusted EBITDA included in the Kudu segment for the three and six months ended June 30, 2024 and 2023:

Millions	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
Net investment income ⁽¹⁾	\$ 15.7	\$ 14.7	\$ 32.9	\$ 28.9
Net realized and unrealized investment gains (losses)	54.5	4.6	48.0	34.2
Total revenues	70.2	19.3	80.9	63.1
General and administrative expenses	3.5	4.0	6.9	7.8
Interest expense	5.4	5.3	11.0	10.0
Total expenses	8.9	9.3	17.9	17.8
GAAP pre-tax income (loss)	61.3	10.0	63.0	45.3
Income tax (expense) benefit	(9.9)	(1.8)	(9.1)	(9.3)
GAAP net income (loss)	51.4	8.2	53.9	36.0
Add back:				
Interest expense	5.4	5.3	11.0	10.0
Income tax expense (benefit)	9.9	1.8	9.1	9.3
Depreciation expense	—	—	—	—
Amortization of other intangible assets	.1	.2	.2	.2
EBITDA ⁽²⁾	66.8	15.5	74.2	55.5
Exclude:				
Net realized and unrealized investment (gains) losses	(54.5)	(4.6)	(48.0)	(34.2)
Transaction expenses	.1	.8	.1	1.3
Adjusted EBITDA ⁽²⁾	\$ 12.4	\$ 11.7	\$ 26.3	\$ 22.6

⁽¹⁾ Net investment income includes revenues from participation contracts and income from short-term and other long-term investments.

⁽²⁾ See "NON-GAAP FINANCIAL MEASURES" on page 80.

The following table presents the changes in the fair value of Kudu's Participation Contracts:

Millions	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
Beginning balance of Kudu's Participation Contracts ⁽¹⁾	\$ 884.2	\$ 683.2	\$ 890.5	\$ 695.9
Contributions to Participation Contracts ⁽²⁾	.2	50.7	.2	117.4
Proceeds from Participation Contracts sold ⁽²⁾⁽³⁾	(37.5)	(1.4)	(37.5)	(110.4)
Net realized and unrealized investment gains (losses) on Participation Contracts sold and pending sale ⁽⁴⁾	(3.2)	.9	(6.3)	(1.2)
Net unrealized investment gains (losses) on Participation Contracts - all other ⁽⁵⁾	57.6	3.7	54.4	35.4
Ending balance of Kudu's Participation Contracts ⁽¹⁾	\$ 901.3	\$ 737.1	\$ 901.3	\$ 737.1

⁽¹⁾ As of January 1, 2024 and June 30, 2024, Kudu's other long-term investments also includes \$5.8 related to a private debt instrument.

⁽²⁾ Includes \$35.8 of non-cash contributions to (proceeds from) Participation Contracts for the six months ended June 30, 2023.

⁽³⁾ Includes \$28.1 of proceeds receivable from Participation Contracts sold during the three and six months ended June 30, 2024.

⁽⁴⁾ Includes net realized and unrealized investment gains (losses) recognized from Participation Contracts beginning in the quarter a contract is classified as pending sale.

⁽⁵⁾ Includes net unrealized investment gains (losses) recognized from (i) ongoing Participation Contracts and (ii) Participation Contracts prior to classification as pending sale.

Kudu Results—Three Months Ended June 30, 2024 versus Three Months Ended June 30, 2023

Kudu reported total revenues of \$70 million, pre-tax income of \$61 million and adjusted EBITDA of \$12 million in the second quarter of 2024 compared to total revenues of \$19 million, pre-tax income of \$10 million and adjusted EBITDA of \$12 million in the second quarter of 2023. Total revenues, pre-tax income and adjusted EBITDA included \$16 million of net investment income in the second quarter of 2024 compared to \$15 million in the second quarter of 2023. Total revenues and pre-tax income also included \$55 million of net realized and unrealized investment gains in the second quarter of 2024 compared to \$5 million in the second quarter of 2023. Investment gains for the second quarter of 2024 were driven primarily by increases in the fair value of Kudu's Participation Contracts as a result of lower discount rates as well as higher AUM growth at several underlying asset managers. Investment gains for the second quarter of 2023 were driven primarily by increases in the fair value of Kudu's Participation Contracts as a result of lower discount rates as well as higher AUM growth at several underlying asset managers, largely offset by an unrealized loss from a publicly listed security received by Kudu in a prior sales transaction.

Kudu Results—Six Months Ended June 30, 2024 versus Six Months Ended June 30, 2023

Kudu reported total revenues of \$81 million, pre-tax income of \$63 million and adjusted EBITDA of \$26 million in the first six months of 2024 compared to total revenues of \$63 million, pre-tax income of \$45 million and adjusted EBITDA of \$23 million in the first six months of 2023. Total revenues, pre-tax income and adjusted EBITDA included \$33 million of net investment income in the first six months of 2024 compared to \$29 million in the first six months of 2023. The increase in net investment income in the first six months of 2024 compared to the first six months of 2023 was driven primarily by amounts earned from new deployments that Kudu made subsequent to March 31, 2023. Total revenues and pre-tax income also included \$48 million of net realized and unrealized investment gains in the first six months of 2024 compared to \$34 million in the first six months of 2023. Investment gains for the first six months of 2024 were driven primarily by increases in the fair value of Kudu's Participation Contracts as a result of lower discount rates as well as higher AUM growth at several underlying asset managers. Investment gains for the first six months of 2023 were driven primarily by increases in the fair value of Kudu's Participation Contracts as a result of lower discount rates as well as higher AUM growth at several underlying asset managers, partially offset by an unrealized loss from a publicly listed security received by Kudu in a prior sales transaction.

Bamboo

On January 2, 2024, White Mountains closed the Bamboo Transaction in accordance with the terms of the Bamboo Merger Agreement, investing \$297 million of equity into Bamboo, which included the contribution of \$36 million to retire Bamboo's legacy credit facility and the contribution of \$20 million of primary capital. The consideration is subject to customary purchase price adjustments. At closing, White Mountains owned 72.8% of Bamboo on a basic shares outstanding basis (63.7% on a fully-diluted/fully-converted basis, taking account of management's equity incentives), while Bamboo management owned 16.1% of basic shares outstanding (26.6% on a fully-diluted/fully-converted basis). See **Note 2 — "Significant Transactions"**.

Bamboo is a capital-light, tech- and data-enabled insurance distribution platform providing homeowners' insurance and related products to the residential property market in California. Bamboo operates primarily through Bamboo MGA, its full-service MGA business, where the company manages all aspects of the placement process on behalf of its fronting and reinsurance partners, including product development, marketing, underwriting, policy issuance and claims oversight, and it earns commissions based on the volume and profitability of the insurance that it places. It offers both admitted and non-admitted products. Bamboo also operates two separate but integrated businesses: (i) a retail agency, within Bamboo MGA, offering ancillary products on behalf of third parties and (ii) Bamboo Captive, a Bermuda-domiciled captive reinsurer that participates in the underwriting risk of Bamboo's MGA programs to align interests with reinsurance partners.

The following table presents the components of GAAP net income (loss), MGA net income (loss), MGA EBITDA and MGA Adjusted EBITDA included in White Mountains's Bamboo segment for the three and six months ended June 30, 2024.

Millions	Three Months Ended June 30, 2024	Six Months Ended June 30, 2024
Commission and fee revenues	\$ 32.7	\$ 54.6
Earned insurance premiums	8.0	16.4
Other revenues	1.3	2.1
Total revenues	42.0	73.1
Broker commission expenses	12.7	22.0
Loss and loss adjustment expenses	4.3	10.1
Acquisition expenses	2.9	6.0
General and administrative expenses	15.7	27.7
Total expenses	35.6	65.8
GAAP pre-tax income (loss)	6.4	7.3
Income tax (expense) benefit	(2.2)	(1.5)
GAAP net income (loss)	4.2	5.8
Exclude:		
Net (income) loss, Bamboo Captive	(4)	—
MGA net income (loss) ⁽¹⁾	3.8	5.8
Add back:		
Income tax expense (benefit)	2.2	1.5
Amortization of other intangible assets	4.3	8.5
MGA EBITDA ⁽¹⁾	10.3	15.8
Exclude:		
Non-cash equity-based compensation expense	.3	.6
Software implementation expenses	.4	.9
Restructuring expenses	.5	.6
MGA adjusted EBITDA ⁽¹⁾	\$ 11.5	\$ 17.9

⁽¹⁾ See "NON-GAAP FINANCIAL MEASURES" on page 80.

Bamboo Results—Three and Six Months Ended June 30, 2024

Bamboo reported commission and fee revenues of \$33 million and \$55 million and pre-tax income of \$6 million and \$7 million for the second quarter and first six months of 2024. Commission and fee revenues were nearly triple Bamboo's commissions and fee revenues for the second quarter and first six months of 2023 (prior to White Mountains's ownership of Bamboo), driven primarily by higher managed premiums. Bamboo reported MGA pre-tax income of \$6 million and \$7 million and MGA adjusted EBITDA of \$12 million and \$18 million for the second quarter and first six months of 2024.

Managed premiums

Managed premiums represent the total premiums placed by Bamboo during the period. Managed premiums were \$120 million for the second quarter of 2024 compared to \$41 million for the second quarter of 2023 (prior to White Mountains's ownership of Bamboo). Managed premiums were \$209 million for the first six months of 2024 compared to \$69 million for the first six months of 2023 (prior to White Mountains's ownership of Bamboo). The increase in managed premiums was driven primarily by growth in new business volume as well as a growing renewal book.

The following table presents Bamboo's managed premiums for the three and six months ended June 30, 2024 and 2023, which includes periods prior to White Mountains's ownership of Bamboo. White Mountains believes this information is useful in understanding the overall growth in Bamboo's premium base.

Millions	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
New	\$ 85.3	\$ 24.7	\$ 151.1	\$ 38.0
Renewal	34.5	15.8	58.2	30.7
Total Managed Premiums	\$ 119.8	\$ 40.5	\$ 209.3	\$ 68.7

Other Operations

The following table presents the components of pre-tax income (loss) included in White Mountains's Other Operations for the three and six months ended June 30, 2024 and 2023:

Millions	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
Earned insurance premiums	\$ 8.6	\$ —	\$ 8.6	\$ —
Net investment income	8.4	7.0	18.3	14.0
Net realized and unrealized investment gains (losses)	8.5	76.0	30.7	117.8
Net realized and unrealized investment gains (losses) from investment in MediaAlpha	(139.2)	(77.3)	71.5	7.9
Commission and fee revenues	3.4	3.2	7.0	6.5
Other revenues	14.5	21.3	28.9	51.9
Total revenues	<u>(95.8)</u>	<u>30.2</u>	<u>165.0</u>	<u>198.1</u>
Loss and loss adjustment expenses	3.9	—	3.9	—
Acquisition expenses	2.6	—	2.6	—
Cost of sales	7.0	11.6	14.6	25.5
General and administrative expenses	43.2	48.8	93.5	88.5
Interest expense	.6	1.2	1.3	2.0
Total expenses	<u>57.3</u>	<u>61.6</u>	<u>115.9</u>	<u>116.0</u>
Pre-tax income (loss)	\$ (153.1)	\$ (31.4)	\$ 49.1	\$ 82.1

Other Operations Results—Three Months Ended June 30, 2024 versus Three Months Ended June 30, 2023

White Mountains's Other Operations reported pre-tax loss of \$153 million in the second quarter of 2024 compared to \$31 million in the second quarter of 2023. White Mountains's Other Operations reported net realized and unrealized investment losses from its investment in MediaAlpha of \$139 million in the second quarter of 2024 compared to \$77 million in the second quarter of 2023. Excluding MediaAlpha, White Mountains's Other Operations reported net realized and unrealized investment gains of \$9 million in the second quarter of 2024, driven primarily by gains from common equity securities, compared to \$76 million in the second quarter of 2023, driven primarily by gains from other long-term investments and common equity securities. White Mountains's Other Operations reported net investment income of \$8 million in the second quarter of 2024 compared to \$7 million in the second quarter of 2023. See **Summary of Investment Results** on page 73.

White Mountains's Other Operations reported \$15 million of other revenues in the second quarter of 2024 compared to \$21 million in the second quarter of 2023. White Mountains's Other Operations reported \$7 million of cost of sales in the second quarter of 2024 compared to \$12 million in the second quarter of 2023.

White Mountains's Other Operations reported general and administrative expenses of \$43 million in the second quarter of 2024 compared to \$49 million in the second quarter of 2023. Other Operations general and administrative expenses in the first six months of 2024 included \$21 million of parent company compensation and benefits compared to \$20 million in the first six months of 2023.

In April 2024, White Mountains committed up to \$30 million in Bamboo CRV, a Bermuda special purpose collateralized reinsurance vehicle to provide reinsurance capacity to Bamboo. During the second quarter of 2024, White Mountains capitalized Bamboo CRV by purchasing \$12 million of preference shares that were deposited into a collateral trust account. Bamboo CRV entered into a collateralized quota share agreement with Bamboo's fronting partner to provide reinsurance protection on Bamboo's admitted and non-admitted business written in the 2024 treaty year. In the second quarter of 2024, White Mountains's Other Operations reported \$9 million of earned premiums, \$4 million of loss and loss adjustment expenses and \$3 million of acquisition expenses related to Bamboo CRV.

Other Operations Results—Six Months Ended June 30, 2024 versus Six Months Ended June 30, 2023

White Mountains's Other Operations reported pre-tax income of \$49 million in the first six months of 2024 compared to \$82 million in the first six months of 2023. White Mountains's Other Operations results included net realized and unrealized investment gains from its investment in MediaAlpha of \$72 million in the first six months of 2024 compared to \$8 million in the first six months of 2023. Excluding MediaAlpha, White Mountains's Other Operations results included net realized and unrealized investment gains of \$31 million in the first six months of 2024 compared to \$118 million in the first six months of 2023, driven primarily by gains from other long-term investments and common equity securities in both periods. White Mountains's Other Operations results included net investment income of \$18 million in the first six months of 2024 compared to \$14 million in the first six months of 2023. See **Summary of Investment Results** on page 73.

White Mountains's Other Operations reported \$29 million of other revenues in the first six months of 2024 compared to \$52 million in the first six months of 2023. White Mountains's Other Operations reported \$15 million of cost of sales in the first six months of 2024 compared to \$26 million in the first six months of 2023. The decrease in other revenues and cost of sales were driven primarily by a business sold within Other Operations in 2023.

White Mountains's Other Operations reported general and administrative expenses of \$94 million in the first six months of 2024 compared to \$89 million in the first six months of 2023. Other Operations general and administrative expenses in the first six months of 2024 included \$51 million of parent company compensation and benefits compared to \$40 million in the first six months of 2023. The increase in parent company compensation and benefits was driven primarily by higher long-term incentive compensation costs due to the increase in White Mountains's share price during the first six months of 2024.

In the first six months of 2024, White Mountains's Other Operations reported \$9 million of earned premiums, \$4 million of loss and loss adjustment expenses and \$3 million of acquisition expenses related to Bamboo CRV.

II. Summary of Investment Results

White Mountains's total investment results include results from all segments. For purposes of discussing rates of return, percentages are presented gross of management fees and trading expenses.

Gross Investment Returns and Benchmark Returns

The following table presents the pre-tax investment returns for White Mountains's consolidated portfolio for the three and six months ended June 30, 2024 and 2023:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
Fixed income investments	1.0 %	0.5 %	1.7 %	2.4 %
<i>Bloomberg Barclays U.S. Intermediate Aggregate Index</i>	0.5 %	(0.7)%	0.0 %	1.6 %
Common equity securities	3.3 %	4.8 %	7.8 %	9.6 %
Investment in MediaAlpha	(36.7)%	(31.3)%	15.6 %	3.4 %
Other long-term investments	4.1 %	4.9 %	5.6 %	9.3 %
Total common equity securities, investment in MediaAlpha and other long-term investments	(1.3)%	1.4 %	8.1 %	9.1 %
Total common equity securities and other long-term investments	3.9 %	4.9 %	6.0 %	9.5 %
<i>S&P 500 Index (total return)</i>	4.3 %	8.7 %	15.3 %	16.9 %
Total consolidated portfolio	(0.1)%	0.9 %	4.5 %	5.5 %
Total consolidated portfolio - excluding MediaAlpha	2.2 %	3.0 %	3.5 %	6.1 %

Investment Returns—Three and Six Months Ended June 30, 2024 versus Three and Six Months Ended June 30, 2023

White Mountains's total consolidated portfolio return on invested assets was -0.1% in the second quarter of 2024, which included \$139 million of net realized and unrealized investment losses from White Mountains's investment in MediaAlpha. Excluding MediaAlpha, the total consolidated portfolio return on invested assets was 2.2% in the second quarter of 2024, driven primarily by net realized and unrealized investment gains from other-long term investments and net investment income from the fixed income portfolio and other long-term investments portfolios. White Mountains's total consolidated portfolio return on invested assets was 0.9% in the second quarter of 2023, which included \$77 million of unrealized investment losses from White Mountains's investment in MediaAlpha. Excluding MediaAlpha, the total consolidated portfolio return on invested assets was 3.0% in the second quarter of 2023, driven primarily by net unrealized investment gains from other long-term investments, net realized and unrealized investment gains from common equity securities, and net investment income from the fixed income portfolio.

White Mountains's total consolidated portfolio return on invested assets was 4.5% in the first six months of 2024, which included \$72 million of net realized and unrealized investment gains from White Mountains's investment in MediaAlpha. Excluding MediaAlpha, the total consolidated portfolio return on invested assets was 3.5% in the first six months of 2024, driven primarily by net realized and unrealized gains from other-long term investments, net investment income from the fixed income portfolio, and unrealized investment gains from common equity securities. White Mountains's total consolidated portfolio return on invested assets was 5.5% in the first six months of 2023, which included \$8 million of unrealized investment gains from White Mountains's investment in MediaAlpha. Excluding MediaAlpha, the total consolidated portfolio return on invested assets was 6.1% in the first six months of 2023, driven primarily by net realized and unrealized investment gains from other long-term investments and common equity securities, as well as net investment income from the fixed income portfolio.

Fixed Income Results

White Mountains's fixed income portfolio, including short-term investments, was \$3.6 billion as of both June 30, 2024 and December 31, 2023, which represented 55% and 56% of total invested assets. The duration of White Mountains's fixed income portfolio, including short-term investments, was 2.1 years and 1.9 years as of June 30, 2024 and December 31, 2023. White Mountains's fixed income portfolio includes fixed maturity and short-term investments held on deposit or as collateral. See **Note 3 — "Investment Securities."**

White Mountains's fixed income portfolio returned 1.0% in the second quarter of 2024 compared to 0.5% in the second quarter of 2023, outperforming the Bloomberg Barclays U.S. Intermediate Aggregate Index returns of 0.5% and -0.7% for the comparable periods. The results in the second quarter of 2024 were driven primarily by net investment income. The results in the second quarter of 2023 were driven primarily by net investment income, partially offset by net unrealized investment losses due to the increase in interest rates on White Mountains's short duration fixed income portfolio.

White Mountains's fixed income portfolio returned 1.7% in the first six months of 2024 compared to 2.4% in the first six months of 2023, outperforming the Bloomberg Barclays U.S. Intermediate Aggregate Index returns of 0.0% and 1.6% for the comparable periods. The results in the first six months of 2024 were driven primarily by net investment income, partially offset by net unrealized investment losses due to the increase in interest rates on White Mountains's short duration fixed income portfolio. The results in the first six months of 2023 were driven primarily by net investment income.

Common Equity Securities, Investment in MediaAlpha and Other Long-Term Investments Results

White Mountains's portfolio of common equity securities, its investment in MediaAlpha and other long-term investments totaled \$2.9 billion and \$2.8 billion as of June 30, 2024 and December 31, 2023, which represented 45% and 44% of total invested assets. See **Note 3 — "Investment Securities."**

White Mountains's portfolio of common equity securities, its investment in MediaAlpha and other long-term investments returned -1.3% in the second quarter of 2024, which included \$139 million of net realized and unrealized investment losses from White Mountains's investment in MediaAlpha. White Mountains's portfolio of common equity securities and other long-term investments returned 3.9% in the second quarter of 2024. White Mountains's portfolio of common equity securities, its investment in MediaAlpha and other long-term investments returned 1.4% in the second quarter of 2023, which included \$77 million of unrealized investment losses from White Mountains's investment in MediaAlpha. White Mountains's portfolio of common equity securities and other long-term investments returned 4.9% in the second quarter of 2023.

White Mountains's portfolio of common equity securities, its investment in MediaAlpha and other long-term investments returned 8.1% in the first six months of 2024, which included \$72 million of net realized and unrealized investment gains from White Mountains's investment in MediaAlpha. White Mountains's portfolio of common equity securities and other long-term investments returned 6.0% in the first six months of 2024. White Mountains's portfolio of common equity securities, its investment in MediaAlpha and other long-term investments returned 9.1% in the first six months of 2023, which included \$8 million of net unrealized investment gains from White Mountains's investment in MediaAlpha. White Mountains's portfolio of common equity securities and other long-term investments returned 9.5% in the first six months of 2023.

White Mountains's portfolio of common equity securities consists of international listed equity funds, as well as passive ETFs that seek to provide investment results generally corresponding to the performance of the S&P 500 Index. White Mountains's portfolio of common equity securities was \$631 million and \$538 million as of June 30, 2024 and December 31, 2023.

White Mountains's portfolio of common equity securities returned 3.3% in the second quarter of 2024 compared to 4.8% in the second quarter of 2023, underperforming the S&P 500 Index returns of 4.3% and 8.7% for the comparable periods. White Mountains's portfolio of common equity securities returned 7.8% in the first six months of 2024 compared to 9.6% in the first six months of 2023, underperforming the S&P 500 Index returns of 15.3% and 16.9% for the comparable periods. The results in the second quarter and first six months of 2024 and 2023 were driven primarily by relatively lower returns from White Mountains's international listed equity funds as compared to the S&P 500 Index.

White Mountains maintains a portfolio of other long-term investments that consists primarily of unconsolidated entities, including Kudu's Participation Contracts, private equity funds and hedge funds, a bank loan fund, Lloyd's trust deposits, ILS funds and private debt instruments. White Mountains's portfolio of other long-term investments was \$2.0 billion as of both June 30, 2024 and December 31, 2023.

White Mountains's portfolio of other long-term investments returned 4.1% in the second quarter of 2024 compared to 4.9% in the second quarter of 2023. Investment returns for the second quarter of 2024 were driven primarily by net investment income and net realized and unrealized investment gains from Kudu's Participation Contracts. Investment returns for the second quarter of 2023 were driven primarily by net unrealized investment gains from private equity funds and net investment income from Kudu's Participation Contracts.

White Mountains's portfolio of other long-term investments returned 5.6% in the first six months of 2024 compared to 9.3% in the first six months of 2023. Investment returns for the first six months of 2024 were driven primarily by net investment income and net realized and unrealized investment gains from Kudu's Participation Contracts, as well as net investment income and net unrealized gains from private equity funds, hedge funds and ILS funds. Investment returns for the first six months of 2023 were driven primarily by net investment income and net realized and unrealized investment gains from Kudu's Participation Contracts, as well as net unrealized investment gains from private equity funds.

Foreign Currency Exposure

As of June 30, 2024, White Mountains had foreign currency exposure on \$255 million of net assets, primarily related to Ark/WM Outrigger's non-U.S. contracts, Kudu's non-U.S. Participation Contracts and certain other foreign consolidated and unconsolidated entities.

The following table presents the fair value of White Mountains's foreign denominated net assets (liabilities) by segment as of June 30, 2024:

\$ in Millions Currency	Ark/WM Outrigger	Kudu	Other Operations	Total Fair Value	% of Total Shareholders' Equity
CAD	\$ 94.3	\$ 77.0	\$ —	\$ 171.3	3.5 %
AUD	31.9	66.5	—	98.4	2.0
GBP	(4.6)	—	—	(4.6)	(0.1)
EUR	(38.6)	19.4	8.3	(10.9)	(0.2)
All other	—	—	.4	.4	—
Total	\$ 83.0	\$ 162.9	\$ 8.7	\$ 254.6	5.2 %

III. Income Taxes

On December 27, 2023, Bermuda enacted a corporate income tax that will generally become effective on January 1, 2025. The Bermuda legislation defers the effective date until January 1, 2030, for Bermuda companies in consolidated groups that meet certain requirements. To qualify for the deferral, the group must (i) have permanent establishments in six or fewer countries, (ii) have less than €50 million of net tangible assets outside of the country where the group has the largest amount of net tangible assets and (iii) not have a Bermuda company directly or indirectly owned by a parent entity that is subject to the Income Inclusion Rule ("IIR") of Pillar Two in any jurisdiction. White Mountains expects to meet the requirements to be exempt from the Bermuda corporate income tax until January 1, 2030. The Bermuda legislation also provides for an economic transition adjustment that will reduce future years' taxable income. Under GAAP, this economic transition adjustment was required to be recognized as a net deferred tax asset as of December 31, 2023. Accordingly, White Mountains's net income for 2023 included a net deferred tax benefit of \$68 million, of which \$51 million was recorded at Ark and \$17 million was recorded at HG Global. These deferred tax assets remain unchanged as of June 30, 2024.

On December 15, 2022, European Union Member States voted to adopt the EU Minimum Tax Directive in conformity with the OECD's Pillar Two initiative. The EU Minimum Tax Directive required European Union Member States to enact conforming law by December 31, 2023. The main rule of the EU Minimum Tax Directive, the IIR, will become effective for fiscal years beginning on or after December 31, 2023, while the Undertaxed Profits Rule ("UTPR") will become effective for fiscal years beginning on or after December 31, 2024. On December 20, 2023, Luxembourg enacted conforming Pillar Two legislation including the IIR, UTPR and the associated Qualified Domestic Minimum Top-Up Tax ("QDMTT"). The Luxembourg legislation defers the effective date of the UTPR until fiscal years beginning on or after December 31, 2029 for Luxembourg companies in consolidated groups with a non-EU parent company that meet certain requirements. To qualify for the deferral, the group must (i) have permanent establishments in six or fewer countries and (ii) have less than €50 million of net tangible assets outside of the country where the group has the largest amount of net tangible assets. White Mountains expects to meet the requirements to be exempt from the Luxembourg UTPR until January 1, 2030. On July 11, 2023, the U.K. enacted conforming legislation adopting the Pillar Two IIR and the associated QDMTT which will become effective for fiscal years beginning on or after December 31, 2023. The U.K. has proposed legislation to adopt the Pillar Two UTPR effective for fiscal years beginning on or after December 31, 2024; however, this legislation has not yet been enacted.

As of June 30, 2024, the primary jurisdictions in which the Company's subsidiaries and branches operate and were subject to tax are Israel, Luxembourg, the United Kingdom and the United States. On April 1, 2023, the U.K. corporate tax rate increased from 19% to 25%.

White Mountains's income tax expense related to pre-tax loss from continuing operations for the three months ended June 30, 2024 represented an effective tax rate of (19)%. The effective tax rate was different from the U.S. statutory rate of 21.0%, driven primarily by a change in forecasted income between jurisdictions for 2024.

White Mountains's income tax expense related to pre-tax income from continuing operations for the six months ended June 30, 2024 represented an effective tax rate of 9%. The effective tax rate was different from the U.S. statutory rate of 21.0%, driven primarily by full year forecasted income in jurisdictions with lower tax rates than the United States.

White Mountains's income tax expense related to pre-tax income from continuing operations for the three and six months ended June 30, 2023 represented an effective tax rate of 1% and 6%. The effective tax rate was different from the U.S. statutory rate of 21.0%, driven primarily by full year forecasted income in jurisdictions with lower tax rates than the United States.

LIQUIDITY AND CAPITAL RESOURCES

Operating Cash and Short-term Investments

Holding Company Level

The primary sources of cash for the Company and certain of its intermediate holding companies are expected to be distributions from its insurance, reinsurance and other operating subsidiaries, net investment income, proceeds from sales, repayments and maturities of investments, capital raising activities and, from time to time, proceeds from sales of operating subsidiaries. The primary uses of cash are expected to be general and administrative expenses, purchases of investments, payments to tax authorities, payments on and repurchases/retirements of debt obligations, dividend payments to holders of the Company's common shares, distributions to noncontrolling interest holders of consolidated subsidiaries, contributions to operating subsidiaries and, from time to time, purchases of operating subsidiaries and repurchases of the Company's common shares.

Operating Subsidiary Level

The primary sources of cash for White Mountains's insurance, reinsurance and other operating subsidiaries are expected to be premium and fee collections, commissions, net investment income, proceeds from sales, repayments and maturities of investments, contributions from holding companies and capital raising activities. The primary uses of cash are expected to be claim payments, policy acquisition costs, general and administrative expenses, broker commission expenses, cost of sales, purchases of investments, payments to tax authorities, payments on and repurchases/retirements of debt obligations, distributions to holding companies, distributions to noncontrolling interest holders and, from time to time, purchases of operating subsidiaries.

Both internal and external forces influence White Mountains's financial condition, results of operations and cash flows. Premium and fee collections, investment returns, claim payments and cost of sales may be impacted by changing rates of inflation and other economic conditions. Some time may lapse between the occurrence of an insured loss, the reporting of the loss to White Mountains's insurance and reinsurance operating subsidiaries and the settlement of the liability for that loss. The exact timing of the payment of losses cannot be predicted with certainty. White Mountains's insurance and reinsurance operating subsidiaries maintain portfolios of invested assets with varying maturities and a substantial amount of cash and short-term investments to provide adequate liquidity for the payment of claims.

Management believes that White Mountains's cash balances, cash flows from operations and routine sales and maturities of investments are adequate to meet expected cash requirements for the foreseeable future at both a holding company and insurance, reinsurance and other operating subsidiary level.

Dividend Capacity

Following is a description of the dividend capacity of White Mountains's insurance and reinsurance and other operating subsidiaries:

Ark/WM Outrigger

During any 12-month period, GAIL, a class 4 licensed Bermuda insurer, has the ability to (i) make capital distributions of up to 15% of its total statutory capital reported in the previous year's statutory financial statements, or (ii) make dividend payments of up to 25% of its total statutory capital and surplus reported in the previous year's statutory financial statements, without prior approval of Bermuda regulatory authorities. Accordingly, GAIL will have the ability to pay a dividend of up to \$272 million during 2024, which is equal to 25% of its December 31, 2023 statutory capital and surplus of \$1,088 million, subject to meeting all appropriate liquidity and solvency requirements. During the six months ended June 30, 2024, GAIL did not pay any dividends to its immediate parent.

During the six months ended June 30, 2024, Ark declared and paid a \$33 million dividend to its shareholders, including \$24 million that was paid to White Mountains. As of June 30, 2024, Ark and its intermediate holding companies had \$6 million of net unrestricted cash and short-term investments outside of its regulated and unregulated insurance and reinsurance operating subsidiaries.

WM Outrigger Re is a special purpose insurer subject to regulation and supervision by the BMA. WM Outrigger Re does not require regulatory approval to pay dividends, however, its dividend capacity is limited to amounts held outside of the collateral trust pursuant to the reinsurance agreements with GAIL. As of June 30, 2024, WM Outrigger Re had less than \$1 million of net unrestricted cash and investments held outside the collateral trust. As of June 30, 2024, WM Outrigger Re had \$223 million of statutory capital and surplus and \$239 million of assets held in the collateral trusts pursuant to the reinsurance agreements with GAIL.

During January 2024, White Mountains received a return of capital of \$68 million from WM Outrigger Re as a result of its reduced capital commitment relating to the 2024 underwriting year. White Mountains expects to receive an initial return of profits as well as a further return of capital from the 2023 underwriting year beginning in the third quarter of 2024.

HG Global/BAM

As of June 30, 2024, HG Global had \$619 million face value of preferred shares outstanding, of which White Mountains owned 96.9%. Holders of the HG Global preferred shares are entitled to receive cumulative dividends at a fixed annual rate of 6.0% on a quarterly basis, payable when and if declared by HG Global. As of June 30, 2024, HG Global has accrued \$444 million of dividends payable to holders of its preferred shares, \$431 million of which is payable to White Mountains and is eliminated in consolidation. As of June 30, 2024, HG Global and its subsidiaries had less than \$1 million of net unrestricted cash outside of HG Re.

HG Re is a special purpose insurer subject to regulation and supervision by the BMA. HG Re does not require regulatory approval to pay dividends, however, its dividend capacity is limited to amounts held outside of the Collateral Trusts pursuant to the FLRT with BAM. As of June 30, 2024, HG Re had \$1 million of net unrestricted cash and investments. As of June 30, 2024, HG Re had \$136 million of accrued interest on the BAM Surplus Notes held outside the Collateral Trusts. As of June 30, 2024, HG Re had \$804 million of statutory capital and surplus and \$945 million of assets held in the Collateral Trusts.

On a monthly basis, BAM deposits cash equal to ceded premiums, net of ceding commissions, due to HG Re under the FLRT directly into the Regulation 114 Trust. The Regulation 114 Trust target balance is equal to HG Re's unearned premiums and unpaid loss and LAE reserves, if any. If, at the end of any quarter, the Regulation 114 Trust balance is below the target balance, funds will be withdrawn from the Supplemental Trust and deposited into the Regulation 114 Trust in an amount equal to the shortfall. If, at the end of any quarter, the Regulation 114 Trust balance is above 102% of the target balance, funds will be withdrawn from the Regulation 114 Trust and deposited into the Supplemental Trust.

The Supplemental Trust Target Balance is \$603 million, less the amount of cash and securities in the Regulation 114 Trust in excess of its target balance. If, at the end of any quarter, the Supplemental Trust balance exceeds the Supplemental Trust Target Balance, such excess may be distributed to HG Re. The distribution will be made first as an assignment of accrued interest on the BAM Surplus Notes and second in cash and/or fixed income securities. As the BAM Surplus Notes are repaid over time, the BAM Surplus Notes will be replaced in the Supplemental Trust by cash and fixed income securities. The Supplemental Trust balance as of June 30, 2024 was \$604 million.

As of June 30, 2024, the Collateral Trusts held assets of \$945 million, which included \$609 million of cash and investments, \$317 million of BAM Surplus Notes and \$19 million of interest receivable on the BAM Surplus Notes.

Through June 30, 2024, the interest rate on the BAM Surplus Notes is a variable rate equal to the one-year U.S. Treasury rate plus 300 basis points, set annually. Accordingly, in 2024 the interest rate on the BAM Surplus Notes was 8.2% through June 30, 2024. Effective July 1, 2024 and through maturity, HG Global and BAM amended the interest rate on the BAM Surplus Notes to be 10.0%, with a higher proportion of each payment to be applied to outstanding principal.

Under its agreements with HG Global, BAM is required to seek regulatory approval to pay principal and interest on the BAM Surplus Notes only to the extent that its remaining qualified statutory capital and other capital resources continue to support its outstanding obligations, its business plan and its "AA/stable" financial strength rating from Standard & Poor's. No payment of principal or interest on the BAM Surplus Notes may be made without the approval of the NYDFS.

During the six months ended June 30, 2024, BAM made an \$8 million cash payment of principal and interest on the BAM Surplus Notes held by HG Global. Of this payment, \$5 million was a repayment of principal held in the Supplement Trust, less than \$1 million was a payment of accrued interest held in the Supplemental Trust and \$3 million was a payment of accrued interest held outside the Supplemental Trust.

See **Note 10 — "Municipal Bond Guarantee Insurance."**

Kudu

During the six months ended June 30, 2024, Kudu distributed \$10 million to unitholders, substantially all of which was paid to White Mountains. As of June 30, 2024, Kudu had \$24 million of net unrestricted cash and short-term investments.

Bamboo

During any 12-month period, Bamboo Captive, a class 2 licensed Bermuda insurer, has the ability to make capital distributions of up to 15% of its total statutory capital reported in the previous year's statutory financial statements without prior approval of Bermuda regulatory authorities. Accordingly, Bamboo Captive will have the ability to pay a dividend of up to \$1 million during 2024, which is equal to 15% of its December 31, 2023 statutory capital surplus of \$5 million, subject to meeting all appropriate liquidity and solvency requirements. During the six months ended June 30, 2024, Bamboo Captive did not pay any dividends to its immediate parent. As of June 30, 2024, Bamboo Captive had \$1 million of net unrestricted cash and short-term investments.

As of June 30, 2024, Bamboo had \$22 million of net unrestricted cash and short-term investments outside of Bamboo Captive.

Other Operations

During the six months ended June 30, 2024, White Mountains paid a \$3 million common share dividend. As of June 30, 2024, the Company and its intermediate holding companies had \$464 million of net unrestricted cash, short-term investments and fixed maturity investments, \$235 million of MediaAlpha common stock, \$209 million of common equity securities and \$391 million of private equity and hedge funds, ILS funds and certain unconsolidated entities.

Financing

The following table presents White Mountains's capital structure as of June 30, 2024 and December 31, 2023:

\$ in Millions	June 30, 2024	December 31, 2023
Ark 2007 Subordinated Notes ⁽¹⁾	\$ —	\$ 30.0
Ark 2021 Subordinated Notes ⁽¹⁾⁽²⁾	155.0	155.5
HG Global Senior Notes ⁽¹⁾⁽²⁾	147.2	146.9
Kudu Credit Facility ⁽¹⁾⁽²⁾	203.3	203.8
Other Operations debt ⁽¹⁾⁽²⁾	24.7	28.4
Total debt	530.2	564.6
Noncontrolling interests—excluding BAM	603.1	460.9
Total White Mountains's common shareholders' equity	4,422.6	4,240.5
Total capital	5,555.9	5,266.0
HG Global's unearned premium reserve ⁽³⁾	271.7	265.4
HG Global's net deferred acquisition costs ⁽³⁾	(78.5)	(76.5)
Time-value discount on expected future payments on the BAM Surplus Notes ⁽³⁾	(84.7)	(87.9)
Total adjusted capital	\$ 5,664.4	\$ 5,367.0
Total debt to total capital	9.5 %	10.7 %
Total debt to total adjusted capital	9.4 %	10.5 %

⁽¹⁾ See Note 7 — "Debt" for details of debt arrangements.

⁽²⁾ Net of unamortized issuance costs and, where applicable, the original issue discount.

⁽³⁾ Amount reflects White Mountains's preferred share ownership in HG Global of 96.9%.

Management believes that White Mountains has the flexibility and capacity to obtain funds externally through debt or equity financing on both a short-term and long-term basis. However, White Mountains can provide no assurance that, if needed, it would be able to obtain additional debt or equity financing on satisfactory terms, if at all.

It is possible that, in the future, one or more of the rating agencies may lower White Mountains's existing ratings. If one or more of its ratings were lowered, White Mountains could incur higher borrowing costs on future borrowings and its ability to access the capital markets could be impacted.

Covenant Compliance

As of June 30, 2024, White Mountains was in compliance in all material respects with all of the covenants under its debt instruments.

Share Repurchase Programs

White Mountains's Board of Directors has authorized the Company to repurchase its common shares from time to time, subject to market conditions. The repurchase authorizations do not have a stated expiration date. As of June 30, 2024, White Mountains may repurchase an additional 301,014 shares under these Board authorizations. In addition, from time to time, White Mountains has also repurchased its common shares through self-tender offers that were separately approved by its Board of Directors.

During the six months ended June 30, 2024, White Mountains repurchased and retired 5,269 of its common shares for \$8 million at an average share price of \$1,505, which was approximately 85% of White Mountains's adjusted book value per share as of June 30, 2024. All of the shares White Mountains repurchased in the first six months of 2024 were to satisfy employee income tax withholding pursuant to employee benefit plans, which do not reduce the amount available under the Board repurchase authorizations.

During the six months ended June 30, 2023, White Mountains repurchased and retired 24,165 of its common shares for \$33 million at an average share price of \$1,355, which was approximately 86% of White Mountains's adjusted book value per share as of June 30, 2023. Of the shares White Mountains repurchased in the first six months of 2023, 4,629 were to satisfy employee income tax withholding pursuant to employee benefit plans, which do not reduce the amount available under the Board repurchase authorizations.

Cash Flows

Detailed information concerning White Mountains's cash flows from continuing operations during the six months ended June 30, 2024 and 2023 follows:

Cash flows from operations for the six months ended June 30, 2024 and June 30, 2023

Net cash provided from operations was \$253 million for the six months ended June 30, 2024 compared to \$157 million for the six months ended June 30, 2023. The increase in cash provided from operations was driven primarily by cash provided from operations at Ark, Kudu and Bamboo in 2024. As of June 30, 2024, the Company and its intermediate holding companies had \$464 million of net unrestricted cash, short-term investments and fixed maturity investments, \$235 million of MediaAlpha common stock, \$209 million of common equity securities and \$391 million of private equity funds, hedge funds, ILS funds and unconsolidated entities.

Cash flows from investing and financing activities for the six months ended June 30, 2024

Financing and Other Capital Activities

During the six months ended June 30, 2024, the Company declared and paid a \$3 million cash dividend to its common shareholders.

During the six months ended June 30, 2024, White Mountains repurchased and retired 5,269 of its common shares for \$8 million, all of which were to satisfy employee income tax withholding pursuant to employee benefit plans.

During the six months ended June 30, 2024, Ark repaid the outstanding balance of \$30 million and extinguished the Ark 2007 Subordinated Notes.

During the six months ended June 30, 2024, BAM received \$26 million in MSC.

Acquisitions and Dispositions

On January 2, 2024, White Mountains closed the Bamboo Transaction in accordance with the terms of the Bamboo Merger Agreement, investing \$297 million of equity into Bamboo, which included the contribution of \$36 million to retire Bamboo's legacy credit facility and the contribution of \$20 million of primary capital.

Cash flows from investing and financing activities for the six months ended June 30, 2023

Financing and Other Capital Activities

During the six months ended June 30, 2023, the Company declared and paid a \$3 million cash dividend to its common shareholders.

During the six months ended June 30, 2023, White Mountains repurchased and retired 24,165 of its common shares for \$33 million. Of the shares White Mountains repurchased in the first three months of 2023, 4,629 were to satisfy employee income tax withholding pursuant to employee benefit plans.

During the six months ended June 30, 2023, BAM received \$27 million in MSC.

During the six months ended June 30, 2023, Kudu borrowed \$12 million in term loans under the Kudu Credit Facility.

During the six months ended June 30, 2023, Kudu repaid \$17 million in term loans under the Kudu Credit Facility.

NON-GAAP FINANCIAL MEASURES

This report includes ten non-GAAP financial measures that have been reconciled from their most comparable GAAP financial measures.

Adjusted book value per share

Adjusted book value per share is a non-GAAP financial measure, which is derived by adjusting (i) the GAAP book value per share numerator and (ii) the common shares outstanding denominator, as described below.

The GAAP book value per share numerator is adjusted (i) to add back the unearned premium reserve, net of deferred acquisition costs, at HG Global and (ii) to include a discount for the time value of money arising from the modeled timing of cash payments of principal and interest on the BAM Surplus Notes.

The value of HG Global's unearned premium reserve, net of deferred acquisition costs, was \$199 million, \$196 million, \$195 million, and \$182 million as of June 30, 2024, March 31, 2024, December 31, 2023 and June 30, 2023, respectively.

Under GAAP, White Mountains is required to carry the BAM Surplus Notes, including accrued interest, at nominal value with no consideration for time value of money. Based on a debt service model that forecasts operating results for BAM through maturity of the BAM Surplus Notes, the present value of the BAM Surplus Notes, including accrued interest and using an 8% discount rate, was estimated to be \$87 million, \$89 million, \$91 million and \$95 million less than the nominal GAAP carrying values as of June 30, 2024, March 31, 2024, December 31, 2023 and June 30, 2023, respectively.

White Mountains believes these adjustments are useful to management and investors in analyzing the intrinsic value of HG Global, including the value of the in-force business at HG Re, HG Global's reinsurance subsidiary, and the value of the BAM Surplus Notes.

The denominator used in the calculation of adjusted book value per share equals the number of common shares outstanding, adjusted to exclude unearned restricted common shares, the compensation cost of which, at the date of calculation, has yet to be amortized. Restricted common shares are earned on a straight-line basis over their vesting periods. The reconciliation of GAAP book value per share to adjusted book value per share is included on page 49.

Kudu's EBITDA and adjusted EBITDA

Kudu's EBITDA and adjusted EBITDA are non-GAAP financial measures. EBITDA is a non-GAAP financial measure that adds back interest expense on debt, income tax (expense) benefit, depreciation and amortization of other intangible assets to GAAP net income (loss). Adjusted EBITDA is a non-GAAP financial measure that excludes certain other items in GAAP net income (loss) in addition to those added back to calculate EBITDA. The items relate to (i) net realized and unrealized investment gains (losses) on Kudu's Participation Contracts, (ii) non-cash equity-based compensation expense and (iii) transaction expenses. A description of each item follows:

- *Net realized and unrealized investment gains (losses)* - Represents net unrealized investment gains and losses on Kudu's Participation Contracts, which are recorded at fair value under GAAP, and realized investment gains and losses on Kudu's Participation Contracts sold during the period.
- *Non-cash equity-based compensation expense* - Represents non-cash expenses related to Kudu's management compensation that are settled with equity units in Kudu.
- *Transaction expenses* - Represents costs directly related to Kudu's mergers and acquisitions activity, such as external lawyer, banker, consulting and placement agent fees, which are not capitalized and are expensed under GAAP.

White Mountains believes that these non-GAAP financial measures are useful to management and investors in evaluating Kudu's performance. The reconciliation of Kudu's GAAP net income (loss) to EBITDA and adjusted EBITDA is included on page 68.

Bamboo's MGA pre-tax income (loss), MGA net income (loss), MGA EBITDA and MGA adjusted EBITDA

Bamboo's MGA pre-tax income (loss), MGA net income (loss), MGA EBITDA and MGA adjusted EBITDA are non-GAAP financial measures.

MGA pre-tax income (loss) and MGA net income (loss) are non-GAAP financial measures that exclude the results of the Bamboo Captive, which is consolidated under GAAP, from Bamboo's consolidated GAAP pre-tax income (loss) and net income (loss). The following table presents the reconciliation from Bamboo's consolidated GAAP pre-tax income (loss) to MGA pre-tax income (loss):

Millions	Three Months Ended June 30, 2024		Six Months Ended June 30, 2024	
Bamboo's consolidated GAAP pre-tax income (loss)	\$	6.4	\$	7.3
Remove pre-tax (income) loss, Bamboo Captive		(.4)		—
MGA pre-tax income (loss)	\$	6.0	\$	7.3

MGA EBITDA is a non-GAAP financial measure that adds back interest expense on debt, income tax (expense) benefit, depreciation and amortization of other intangible assets to MGA net income (loss). MGA adjusted EBITDA is a non-GAAP financial measure that excludes certain other items in GAAP net income (loss) in addition to those added back to calculate MGA EBITDA. The items relate to (i) non-cash equity-based compensation expense, (ii) software implementation expenses and (iii) restructuring expenses. A description of each item follows:

- *Non-cash equity-based compensation expense* - Represents non-cash expenses related to Bamboo's management compensation that are settled with equity units in Bamboo.
- *Software implementation expenses* - Represents costs directly related to Bamboo's implementation of new software.
- *Restructuring expenses* - Represents costs directly related to Bamboo's corporate restructuring and capital planning activities associated with the development of new markets.

White Mountains believes that these non-GAAP financial measures are useful to management and investors in evaluating Bamboo's performance. See page 70 for the reconciliation of Bamboo's consolidated GAAP net income (loss) to MGA net income (loss), MGA EBITDA and MGA adjusted EBITDA.

Total consolidated portfolio return excluding MediaAlpha

Total consolidated portfolio return excluding MediaAlpha is a non-GAAP financial measure that removes the net investment income and net realized and unrealized investment gains (losses) from White Mountains's investment in MediaAlpha. White Mountains believes this measure to be useful to management and investors by showing the underlying performance of White Mountains's investment portfolio without regard to MediaAlpha.

The following tables present reconciliations from GAAP to the reported percentages for three and six months ended June 30, 2024 and 2023:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
Total consolidated portfolio return	(0.1)%	0.9 %	4.5 %	5.5 %
Remove MediaAlpha	2.3 %	2.1 %	(1.0)%	0.6 %
Total consolidated portfolio return excluding MediaAlpha	2.2 %	3.0 %	3.5 %	6.1 %

Total adjusted capital and total debt to total adjusted capital

Total capital at White Mountains is comprised of White Mountains's common shareholders' equity, debt and noncontrolling interests other than noncontrolling interests attributable to BAM. Total adjusted capital is a non-GAAP financial measure, which is derived by adjusting total capital (i) to add back the unearned premium reserve, net of deferred acquisition costs, at HG Global and (ii) to include a discount for the time value of money arising from the expected timing of cash payments of principal and interest on the BAM Surplus Notes. Total debt to total adjusted capital is a non-GAAP financial measure that is derived using the ratio of total debt to total adjusted capital. The reconciliation of total capital to total adjusted capital is included on page 78.

CRITICAL ACCOUNTING ESTIMATES

Refer to the Company's 2023 Annual Report on Form 10-K for a complete discussion regarding White Mountains's critical accounting estimates.

FORWARD-LOOKING STATEMENTS

This report may contain “forward-looking statements” within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. All statements, other than statements of historical facts, included or referenced in this report which address activities, events or developments which White Mountains expects or anticipates will or may occur in the future are forward-looking statements. The words “could”, “will”, “believe”, “intend”, “expect”, “anticipate”, “project”, “estimate”, “predict” and similar expressions are also intended to identify forward-looking statements. These forward-looking statements include, among others, statements with respect to White Mountains’:

- change in book value per share, adjusted book value per share or return on equity;
- business strategy;
- financial and operating targets or plans;
- incurred loss and LAE and the adequacy of its loss and LAE reserves and related reinsurance;
- projections of revenues, income (or loss), earnings (or loss) per share, EBITDA, adjusted EBITDA, dividends, market share or other financial forecasts of White Mountains or its businesses;
- expansion and growth of its business and operations; and
- future capital expenditures.

These statements are based on certain assumptions and analyses made by White Mountains in light of its experience and perception of historical trends, current conditions and expected future developments, as well as other factors believed to be appropriate in the circumstances. However, whether actual results and developments will conform to its expectations and predictions is subject to risks and uncertainties that could cause actual results to differ materially from expectations, including:

- the risks that are described from time to time in White Mountains’ filings with the Securities and Exchange Commission, including but not limited to White Mountains’ Annual Report on Form 10-K for the fiscal year ended December 31, 2023;
- claims arising from catastrophic events, such as hurricanes, windstorms, earthquakes, floods, wildfires, tornadoes, tsunamis, severe weather, public health crises, terrorist attacks, war and war-like actions, explosions, infrastructure failures or cyber-attacks;
- recorded loss reserves subsequently proving to have been inadequate;
- the market value of White Mountains’ investment in MediaAlpha;
- the trends and uncertainties from the COVID-19 pandemic, including judicial interpretations on the extent of insurance coverage provided by insurers for COVID-19 pandemic related claims;
- business opportunities (or lack thereof) that may be presented to it and pursued;
- actions taken by rating agencies, such as financial strength or credit ratings downgrades or placing ratings on negative watch;
- the continued availability of capital and financing;
- the continued availability of fronting and reinsurance capacity;
- deterioration of general economic, market or business conditions, including due to outbreaks of contagious disease (including the COVID-19 pandemic) and corresponding mitigation efforts;
- competitive forces, including the conduct of other insurers;
- changes in domestic or foreign laws or regulations, or their interpretation, applicable to White Mountains, its competitors or its customers; and
- other factors, most of which are beyond White Mountains’ control.

Consequently, all of the forward-looking statements made in this report are qualified by these cautionary statements, and there can be no assurance that the actual results or developments anticipated by White Mountains will be realized or, even if substantially realized, that they will have the expected consequences to, or effects on, White Mountains or its business or operations. White Mountains assumes no obligation to publicly update any such forward-looking statements, whether as a result of new information, future events or otherwise.

Item 3. Quantitative and Qualitative Disclosures About Market Risk.

Refer to White Mountains's 2023 Annual Report on Form 10-K and in particular **Item 7A. - "Quantitative and Qualitative Disclosures About Market Risk."**

Item 4. Controls and Procedures.

The Principal Executive Officer ("PEO") and the Principal Financial Officer ("PFO") of White Mountains have evaluated the effectiveness of its disclosure controls and procedures (as defined in Rule 13a-15(e) of the Exchange Act) as of June 30, 2024. Based on that evaluation, the PEO and PFO have concluded that White Mountains's disclosure controls and procedures are adequate and effective.

There were no changes to White Mountains's internal control over financial reporting that occurred during the second quarter of 2024 that have materially affected, or are reasonably likely to materially affect, White Mountains's internal control over financial reporting.

Part II. OTHER INFORMATION**Item 1. Legal Proceedings.**

None.

Item 1A. Risk Factors.

There have been no material changes to any of the risk factors previously disclosed in the Registrant's 2023 Annual Report on Form 10-K.

Item 2. Issuer Purchases of Equity Securities.

Months	Total Number of Shares Purchased	Average Price Paid per Share	Total Number of Shares Purchased as Part of Publicly Announced Plans ⁽¹⁾	Maximum Number of Shares that May Yet Be Purchased Under the Plans ⁽¹⁾
April 1 - April 30, 2024	—	\$ —	—	301,014
May 1 - May 31, 2024	—	\$ —	—	301,014
June 1 - June 30, 2024	—	\$ —	—	301,014
Total	—	\$ —	—	301,014

⁽¹⁾ White Mountains's Board of Directors has authorized the Company to repurchase its common shares, from time to time, subject to market conditions. The repurchase authorizations do not have a stated expiration date.

Item 3. Defaults Upon Senior Securities.

None.

Item 4. Mine Safety Disclosures.

None.

Item 5. Other Information.

None.

Item 6. Exhibits.

(a)	Exhibit number	Name
	2.1	— Plan of Reorganization (incorporated by reference herein to the Company's Registration Statement on S-4 (No. 333-87649) dated September 23, 1999)
	3.1	— Memorandum of Continuance of the Company (incorporated by reference herein to Exhibit (3)(i) of the Company's Current Report on Form 8-K dated November 1, 1999)
	3.2	— Amended and Restated Bye-Laws of the Company (incorporated by reference herein to Exhibit 3 of the Company's Report on Form 10-Q dated May 2, 2017)
	10.1	— Fourth Amended and Restated Surplus Note Purchase Agreement between Build America Mutual Assurance Company, as Issuer and HG Holdings Ltd. and HG Re Ltd. as Purchasers, dated July 1, 2024. (*)
	10.2	— Second Amendment to Loan and Servicing Agreement dated as of June 28, 2024 among Kudu Investment Holdings, LLC, Kudu Investment US, LLC, Kudu Investment Management, LLC, KFO Holdings, Ltd., KWCP Holdings UK, Ltd., Massachusetts Mutual Life Insurance Company and Alter Domus (US) LLC and Barings Finance LLC (*) (**)
	31.1	— Principal Executive Officer Certification Pursuant to Rule 13a-14 (a) of the Securities Exchange Act of 1934, as Amended. (*)
	31.2	— Principal Financial Officer Certification Pursuant to Rule 13a-14 (a) of the Securities Exchange Act of 1934, as Amended. (*)
	32.1	— Principal Executive Officer Certification Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002. (*)
	32.2	— Principal Financial Officer Certification Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002. (*)
	101	— XBRL Instance Document - the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document.

(*) Included herein

(**) Portions of this exhibit are redacted pursuant to Item 601(b)(10)(iv) of Regulation S-K.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

WHITE MOUNTAINS INSURANCE GROUP, LTD.

(Registrant)

Date: August 7, 2024

By: /s/ Michaela J. Hildreth

Michaela J. Hildreth

Managing Director and Chief Accounting Officer

Execution Copy

**FOURTH AMENDED AND RESTATED
SURPLUS NOTE PURCHASE AGREEMENT**

Between

BUILD AMERICA MUTUAL ASSURANCE COMPANY,
as Issuer

and

HG HOLDINGS LTD.

and

HG RE LTD.
as Purchasers

Dated July 1, 2024

This FOURTH AMENDED AND RESTATED SURPLUS NOTE PURCHASE AGREEMENT, dated July 1, 2024, is made by and between Build America Mutual Assurance Company, a New York mutual insurance company (together with its successors and assigns, the "Company" or the "Issuer"), HG Holdings Ltd., an exempted Bermuda limited company (together with its successors and assigns, the "Series 2012-A Purchaser"), and HG Re Ltd., an exempted Bermuda limited company ("HG Re", together with its successors and assigns, the "Series 2012-B Purchaser" and, together with the Series 2012-A Purchaser, the "Purchasers" and each a "Purchaser").

RECITALS

WHEREAS, the Issuer was formed as a mutual property and casualty insurance company to issue surety and financial guaranty insurance coverages; and

WHEREAS, in order to provide the Issuer with sufficient capital support to conduct its insurance business, upon the terms and subject to the conditions of this Agreement, (i) the Issuer desired to issue and sell to the Series 2012-A Purchaser, and the Series 2012-A Purchaser desired to purchase from the Issuer, surplus notes (the "Series 2012-A Notes") in an aggregate principal amount of U.S. \$203,000,000, and (ii) the Issuer desired to issue and sell to the Series 2012-B Purchaser, and the Series 2012-B Purchaser desired to purchase from the Issuer, surplus notes (the "Series 2012-B Notes") in an aggregate principal amount of U.S. \$300,000,000.

WHEREAS, the parties hereto previously amended and restated this agreement, in order to modify certain terms and provisions of this Agreement and the Series 2012-A Notes and Series 2012-B Notes (collectively, the "Original Notes").

WHEREAS, the parties hereto previously amended and restated this agreement this agreement, in order to arrange the consolidation of the Original Notes into a single series of surplus notes (the "Surplus Notes") with aggregate principal amount of U.S. \$503,000,000 while retaining all accrued liabilities and legal obligations of the Original Notes. For purposes of the transactions specifically contemplated by this amendment and restatement, the terms "Purchaser" and "Purchasers" shall both be deemed to refer to HG Re Ltd. where appropriate.

WHEREAS, the parties hereto previously amended and restated this agreement, in order to address the timing for changes to the interest rate applicable to the Surplus Notes.

WHEREAS, the parties hereto now desired to amend and restate this agreement, in order to modify certain terms and provisions of this Agreement and the Surplus Notes.

NOW, THEREFORE, for full and fair consideration, the parties hereto agree as follows:

ARTICLE I DEFINITIONS

Section 1.01 Definitions. The following capitalized terms shall have the following meanings:

"Agreement" means this Fourth Amended and Restated Surplus Note Purchase Agreement, as the same may from time to time be amended, supplemented or otherwise modified in accordance with the terms hereof.

"Amendment Date" means January 15, 2020.

"Applicable Interest Rate" means (i) for the period from July 17, 2012 to and including December 31, 2023, the rates specified in, or determined according to, the Third Amended and Restated version of this Agreement, (ii) for the period from January 1, 2024, through and including [June 30,] 2024, 8.2% and (iii) at all times following [June 30], 2024, 10.0%.

"Business Day" means any day other than a Saturday or a Sunday or any day on which banking institutions, in New York, New York, or the Islands of Bermuda, are authorized or obligated by law, regulation or executive order to be closed.

"Dollar" or "U.S.\$" means a dollar or other equivalent unit in such coin or currency of the United States as at the time shall be legal tender for all debts, public and private.

"Event of Default" has the meaning specified in Section 6.01 hereof.

"Holder" means, with respect to any Surplus Note, the Person in whose name such Surplus Note is registered in the Surplus Note Register.

"Insolvency Event" means that (x) an involuntary bankruptcy, insolvency or similar proceeding shall be commenced or an involuntary petition shall be filed in a court of competent jurisdiction seeking (i) relief in respect of the Issuer or of all or substantially all of its property or assets under any applicable bankruptcy, insolvency, receivership or similar law, (ii) the appointment of a receiver, trustee, custodian, sequestrator, conservator, rehabilitator, liquidator or similar official with respect to the Issuer or all or substantially all of its property or assets, or (iii) the winding-up, liquidation or dissolution of the Issuer, and any such proceeding or petition shall continue undismissed for a period of thirty (30) or more consecutive calendar days or an order or decree approving or ordering any of the foregoing shall be entered, or (y) the Issuer shall (i) voluntarily commence any proceeding or file any petition seeking relief (or take any similar or analogous action) under any applicable bankruptcy, insolvency, receivership or similar law, (ii) consent to the institution of, or fail to contest in a timely and appropriate manner to, any proceeding or the filing of any petition described in clause (x) above, (iii) apply for or consent to the appointment of a receiver, trustee, custodian, sequestrator, conservator, rehabilitator, liquidator or similar official with respect to the Issuer or all or substantially all of its property or assets, (iv) file an answer admitting the material allegations of a petition filed against it in any proceeding or petition described in clause (x) above, (v) make a general assignment for the benefit of its creditors, or (vi) become unable, admit in writing its inability, or fail generally to pay its debts or contractual obligations as they become due.

"Issue Date" means, with respect to any Surplus Note, the date on which the Issuer issues such Surplus Note.

"Maturity Date" means, with respect to any Surplus Notes, the date on which all outstanding unpaid principal on such Surplus Note becomes due and payable as therein or herein provided, whether at the Stated Maturity Date or by declaration of acceleration.

"Payment Date" means, for any Semi-annual Payment Date or the Maturity Date for which Regulatory Approval has been received pursuant to Section 3.03(a), the later of (i) five Business Days following the receipt of Regulatory Approval or (ii) said Semi-annual Payment Date or the Maturity Date.

"Person" means an individual, corporation (including a business trust), partnership, limited liability company, joint venture, association, joint stock company, trust (including any beneficiary thereof), unincorporated association or government or any agency or political subdivision thereof.

"Purchasers" has the meaning specified in the introduction to this Agreement.

"Record Date" means the date on which the Holders of any Surplus Note entitled to receive a payment with respect to principal or interest on the next succeeding Payment Date are determined, such date as to any Payment Date being five (5) Business Days prior to such Payment Date.

"Regulatory Authority" means, with respect to the Issuer, the Superintendent of the New York State Department of Financial Services.

"Regulatory Approval" means, with respect to any action by the Issuer, approval of the Superintendent of the New York State Department of Financial Services.

"Semi-annual Payment Date" means each June 1 and December 1, commencing December 1, 2024, provided that if such day is not a Business Day, the next succeeding Business Day.

"Series 2012-A Notes" means surplus notes of the Issuer denominated as Series 2012-A Notes in an aggregate principal amount of U.S.\$203,000,000.

"Series 2012-B Notes" means surplus notes of the Issuer denominated as Series 2012-B Notes in an aggregate principal amount of U.S.\$300,000,000.

"Series 2012-A Purchaser" has the meaning specified in the introduction to this Agreement.

"Series 2012-B Purchaser" has the meaning specified in the introduction to this Agreement.

"Stated Maturity Date" means April 1, 2042.

"Superintendent" means the Superintendent of the New York State Department of Financial Services.

"Supplemental Trust Agreement" means that certain Amended and Restated Supplemental Trust Agreement of even date herewith between the Company as beneficiary, HG Re Ltd. as grantor and The Bank of New York Mellon as trustee.

"Surplus Note Register" has the meaning specified in Section 4.01 hereof.

"Surplus Notes" has the meaning specified in the recitals hereof.

"Wire Transfer" means the payment instructions given by the Purchaser or the Issuer, respectively, in connection with any Surplus Note payments.

Section 1.02 Other Definitional Provisions.

(a) All terms defined in this Agreement shall have the defined meanings when used in any certificate or other document made or delivered pursuant hereto.

(b) The words "hereof," "herein" and "hereunder" and words of similar import when used in this Agreement shall refer to this Agreement as a whole and not to any particular provision of this Agreement; and Section and subsection references contained in this Agreement are references to Sections or subsections in or to this Agreement unless otherwise specified.

**ARTICLE II
CONSOLIDATION OF ORIGINAL NOTES**

Section 2.01 Consolidation of Original Notes. Upon the terms and subject to the conditions set forth in this Agreement, and in reliance on the covenants and agreements herein set forth, on the Amendment Date, in order to effect the consolidation of the Original Notes as contemplated herein, the Issuer shall issue the Surplus Notes to the Purchaser and the Purchaser shall surrender all of its Series 2012-A Notes and 2012-B Notes in exchange therefor. Following the issuance of the Surplus Notes, the Surplus Note Register shall reflect any and all interest previously accrued but not yet paid on the surrendered Original Notes through and including the Amendment Date as interest legally accrued and due on the Surplus Note, to be paid to the holders of the rights to receive such interest from time to time.

Section 2.02 Deleted.

Section 2.03 Forms of Surplus Notes. The Surplus Notes shall be issued substantially in the form attached as Exhibit A hereto and shall be duly executed and delivered by the Issuer as hereinafter provided.

**ARTICLE III
TERMS AND CONDITIONS OF REPAYMENT; MATURITY**

Section 3.01 Interest.

(a) As of immediately prior to the Amendment Date, the aggregate amount of accrued and unpaid interest owing under the Original Notes was \$119,836,742.93. As of

the Issue Date of the Surplus Notes, \$119,836,742.93 (the “Carryover Interest Amount”) shall be legally accrued and owing under the Surplus Notes. The parties agree that the right to receive the Carryover Accrued Interest is allocated as follows: \$48,363,536.41 to HG Holdings, Ltd. (in respect of interest accrued on the former Series A Surplus Notes), \$63,465,051.63 to HG Re Ltd. (in respect of previously-assigned rights to received interest accrued on the former Series B Surplus Notes), and \$8,008,154.89 to the HG Re Ltd. Supplemental Trust Account (as defined in the Supplemental Trust Agreement) (in respect of interest accrued on the former Series B Surplus Notes and not previously assigned).

(b) In addition to the obligation to pay the Carryover Accrued Interest, the Surplus Notes shall bear interest at the Applicable Interest Rate on the outstanding principal amount of the Surplus Notes from the Amendment Date to but excluding the date that the applicable principal is repaid.

(c) Interest shall be due and payable as provided in Section 3.03(a), subject to the receipt of Regulatory Approval and the priority of payments set forth in Section 3.04.

Section 3.02 Principal. Subject to the receipt of Regulatory Approval and the priority of payments set forth in Section 3.04, the principal of the Surplus Notes shall be due and payable on the Stated Maturity Date.

Section 3.03 Payments by the Issuer.

(a) Unless Regulatory Approval has previously been obtained, not later than fifteen (15) calendar days prior to any Semi-annual Payment Date or the Stated Maturity Date, the Issuer shall request Regulatory Approval to (i) make payments on the Surplus Notes in an amount equal to or greater than the accrued interest as of such Semi-annual Payment Date and (ii) repay the principal of the Surplus Notes on the Stated Maturity Date, as applicable, and use its best efforts to obtain such approval. To the extent Regulatory Approval is obtained, the Issuer shall make payment on the Surplus Notes in accordance with the terms of this Agreement. Interest unpaid on any Payment Date shall be deferred until Regulatory Approval is obtained for the payment of such interest, and no interest shall accrue on any such deferred interest. Payment of any principal remaining outstanding as of the Stated Maturity Date shall be deferred until Regulatory Approval shall have been obtained for such payment. Pursuant to Section 1307(b) of the New York Insurance Law, interest and principal shall be repaid only out of free and divisible surplus of the Issuer with the approval of the Superintendent whenever, in his judgment, the financial condition of the Issuer warrants. In the event of insolvency of the Issuer, unearned premiums shall be deemed to be part of its free and divisible surplus.

(b) Principal that has not been paid on the Stated Maturity Date shall continue to accrue interest at the Applicable Interest Rate up to but excluding the date on which such amount is actually paid.

(c) All payments required to be made by the Issuer with respect to this Article III shall be made: (i) by Wire Transfer of immediately available funds not later than 1:00

p.m., New York City time, and (ii) to the account of the applicable Holders, or to such other account as such Holders may have most recently designated in writing for such purpose by notice to the Issuer.

(d) The Issuer and any agent of the Issuer may treat the Person in whose name any Surplus Note is registered on the Surplus Note Register as the owner of such Surplus Note on the applicable Record Date for the purpose of receiving payments of principal and interest on such Surplus Note and on any other date for all other purposes whatsoever (whether or not such payment is overdue), and neither the Issuer nor any agent of the Issuer shall be affected by notice to the contrary.

Section 3.04 Priority of Payment. As funds become available, they will be used on each Payment Date to make payments of outstanding principal and accrued interest on the Surplus Notes in the following manner:

- (i) The total amount paid (the "Payment Amount") shall be divided by the sum of (x) principal plus (y) total accrued interest, each as outstanding as of the Payment Date (the resulting ratio, the "Payment Fraction");
- (ii) The principal amount paid ("Principal Payment") on the Payment Date shall be the product of (x) 1.20, (y) the Payment Fraction and (z) principal outstanding as of the Payment Date;
- (iii) The accrued interest paid ("Interest Payment") on the Payment Date shall be the Payment Amount less the Principal Payment;
- (iv) All payments in respect of accrued interest on the Surplus Notes shall be paid to the holders of the rights to receive such interest pro rata in proportion to their rights as of the date of any such payment.

The Issuer shall not make any payment of principal on any debt subordinated to the Surplus Notes until all interest due and all outstanding principal on all of the Surplus Notes has been paid.

Section 3.05 Pre-Payment. Subject to the receipt of Regulatory Approval and the priority of payments set forth in Section 3.04, the Issuer may, at its sole option, pre-pay any or all of the principal on the Surplus Notes on any Payment Date, upon five (5) Business Days' prior written notice to the Holders in accordance with Section 10.01.

ARTICLE IV REGISTRATION OF SURPLUS NOTES; TRANSFER AND EXCHANGE

Section 4.01 Surplus Note Register. The Issuer shall keep a register (the "Surplus Note Register") at its office in New York, New York, in which it shall provide for the registration of the Surplus Notes, the registration of transfers of the Surplus Notes and a record of all payments made of interest and principal. Such Surplus Note Register shall be in written form or in any other form capable of being converted into written form within a reasonable time. Upon surrender for registration of transfer of any Surplus Note at the office of the Issuer and in

compliance with the restrictions set forth in any legend appearing on any Surplus Note, the Issuer shall execute and deliver, in the name of the designated transferee or transferees, one or more new Surplus Notes of like terms.

Section 4.02 Exchanges and Transfers. At the option of any Holder, Surplus Notes may be exchanged for one or more Surplus Notes to effectuate the division of any Surplus Notes held by the Holder into paid and unpaid portions and the surrender of the paid portion, upon surrender of the Surplus Notes to be exchanged at the office of the Issuer or such other office as the Issuer may designate for such purposes. Whenever any Surplus Note is surrendered for exchange, the Issuer shall execute and deliver the Surplus Note that the Holder making the exchange is entitled to receive. Any Surplus Notes issued upon any registration of transfer or exchange of a Surplus Note shall be the valid obligations of the Issuer, evidencing the same debt, and entitled to the same benefits under this Agreement, as the Surplus Note surrendered upon such registration of transfer or exchange. Every Surplus Note presented or surrendered for registration of transfer or exchange shall be duly endorsed, or be accompanied by a written instrument of transfer in form satisfactory to the Issuer duly executed by the Holder thereof or its attorney duly authorized in writing. No service charge shall be made to a purchaser for any registration of transfer or exchange of a Surplus Note, but the Issuer may require payment of a sum sufficient to cover the expenses of delivery (if any) not made by regular mail or any tax or other governmental charge payable in connection therewith.

ARTICLE V PURCHASERS' REPRESENTATIONS

Section 5.01 Investment Intent. Each Purchaser represents that it is purchasing the Surplus Notes for its own account for investment and not with a view to the distribution thereof and has no present intention of selling, negotiating or otherwise disposing of the Surplus Notes, except for contributions to direct or indirect wholly-owned subsidiaries.

ARTICLE VI EVENTS OF DEFAULT

Section 6.01 Events of Default. The occurrence of any of the following events shall constitute an "Event of Default" hereunder:

- (a) default is made in the payment of any installment of interest on the Surplus Notes when such interest becomes due and payable and such default continues for a period of 30 calendar days, provided that the Issuer has obtained Regulatory Approval for such interest payment in accordance with Section 3.03(a) hereof; or
- (b) default is made in the payment of the principal of the Surplus Notes when such principal becomes due and payable, provided that the Issuer has obtained Regulatory Approval for such principal payment in accordance with Section 3.03(a) hereof; or
- (c) an Insolvency Event; or

(d) the Issuer fails to comply with the covenants set forth in Sections 8.01(b) or 8.01(c) within thirty (30) calendar days following receipt of written notice from a Holder of a breach of the applicable covenant; or

(e) the Issuer violates the covenant set forth in Section 8.01(d).

Section 6.02 Remedies Upon an Event of Default. Upon the occurrence of an Event of Default, to the extent provided in any Regulatory Approval, and subject to the priority of payments set forth in Section 3.04, each Holder of a Surplus Note may give notice of such Event of Default to the Issuer, and demand payment of the entire outstanding principal amount of such Surplus Note, plus accrued interest, plus interest on such overdue principal at the Applicable Interest Rate, plus such further amounts as shall be necessary to cover the Holder's costs and expenses of collection, including reasonable attorneys' fees.

ARTICLE VII REPRESENTATIONS AND WARRANTIES

Section 7.01 Representations and Warranties. The Company hereby represents and warrants to the Purchasers:

(a) The Company has been duly incorporated and is validly existing in good standing under the laws of the State of New York, and has the necessary power, capacity and authority to conduct its business as described in its Charter;

(b) The Company has full power and authority to execute and deliver this Agreement and the certificates representing the Surplus Notes and to consummate the transactions contemplated hereby and thereby and has taken all necessary corporate or other action to approve and authorize the same;

(c) The Company is licensed as an insurance company in the State of New York;

(d) The issuance of the Surplus Notes and compliance by the Company with all of the provisions of the Surplus Notes and this Agreement, and the consummation of the transactions herein and therein contemplated, will not conflict with or result in a breach or violation of any of the terms or provisions of, or constitute a default under, any indenture, mortgage, deed of trust, loan agreement, or other agreement or instrument to which the Company is a party or by which the Company is bound or to which any of the property or assets of the Company is subject, or which affects the validity, performance or consummation of the transactions contemplated by this Agreement, nor will such action result in any violation of any statute or any order, rule or regulation of any court or insurance regulatory authority or other governmental agency or body having jurisdiction over the Company or any of its properties; and

(e) This Agreement has been duly authorized, executed and delivered by the Company.

ARTICLE VIII COVENANTS OF THE ISSUER

Section 8.01 Covenants. So long as any amount shall remain owing by the Issuer under this Agreement or the Surplus Notes, the Issuer shall take the following actions:

(a) Payment of Interest and Principal. Subject to the receipt of Regulatory Approval, the Issuer shall duly and punctually pay the interest and principal on the Surplus Notes, in accordance with the terms hereof.

(b) Reporting Requirements.

(i) The Issuer shall publish and shall provide to the Holders annual audited statutory financial statements promptly after it has filed the same with the Regulatory Authority; and

(ii) The Issuer shall provide to the Holders quarterly and annual unaudited statutory financial statements promptly after they have filed the same with the Regulatory Authority.

(c) Limitation on Payments. The Issuer shall request Regulatory Approval, and use reasonable best efforts to obtain such approval, as provided in Section 3.03(a) to make payment of interest or principal on the Surplus Notes.

(d) Limitation on Additional Debt. Until the full principal amount of the Surplus Notes and any interest incurred thereon has been paid to the Holders, the Issuer shall not issue any debt obligations (i) to which the Surplus Notes would be subordinated or with which they would rank *pari passu* or (ii) the principal of which is payable, in whole or in part, prior to the payment in full of the principal of the Surplus Notes and interest incurred thereon.

ARTICLE IX SUBORDINATION

Section 9.01 Subordination. The Issuer covenants and agrees, and the Holders by their acceptance of the Surplus Notes, likewise covenant and agree, that in the event of the liquidation of the Issuer pursuant to the New York Insurance Code, the payment of the principal and interest on the Surplus Notes shall be expressly subordinate and junior in right of payment to the prior payment in full of all policy obligations and all other liabilities of the Issuer other than any indebtedness that is expressly subordinate to, or *pari passu* with, the Surplus Notes, but prior to the distribution of assets to members. Amounts distributable to the Holders of the Surplus Notes shall nevertheless be distributed in accordance with the priority of payments set forth in Section 3.04.

**ARTICLE X
MISCELLANEOUS**

Section 10.01 Notices. Except in the case of notices and other communications expressly permitted to be given by telephone, all notices and other communications provided for herein shall be delivered by the following means: (i) hand delivery, (ii) overnight courier service (e.g., FedEx or DHL); (iii) registered or certified U.S. mail, postage prepaid and return receipt requested; or (iv) facsimile transmission. If any notice or other communication provided for herein is sent by any party by electronic e-mail it shall not be deemed to have been delivered to the addressee if the party sending such notice or communication receives a response from the intended addressee that he or she will not be able to retrieve e-mail due to vacation, other absence from the office, system failure or other reason. All such notices shall be delivered to the parties as set forth on Schedule I hereof. 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.

Section 10.02 IRS Forms. Each Holder, by its acceptance of a Surplus Note, agrees to provide a completed Form W-8 BEN, or other similar form required by the Internal Revenue Service, if requested by the Company, establishing that the interest paid on the Surplus Note is not subject to U.S. withholding tax.

Section 10.03 Amendments, Waivers.

(a) Except as otherwise expressly provided herein, no amendment or waiver of any provision of this Agreement shall in any event be effective unless the same shall be in writing and signed by the parties hereto.

(b) Each such amendment, waiver or consent shall be effective only in the specific instance and for the specific purpose for which given. A failure or delay in exercising any right, power or privilege with respect to this Agreement will not be presumed to operate as a waiver, and a single or partial exercise of any right, power or privilege will not be presumed to preclude any subsequent or further exercise of that right, power or privilege or the exercise of any other right, power or privilege.

Section 10.04 Successors and Assigns; Third Party Beneficiaries. The provisions of this Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors. This Agreement shall not be transferred or assigned except as mutually agreed by the parties in writing. Nothing in this Agreement, expressed or implied, shall be construed to confer upon any Person (other than the parties hereto and their respective successors and permitted transferees) any legal or equitable right, remedy or claim under or by reason of this Agreement. In the event the Issuer consolidates or merges into another entity or transfers substantially all of its assets to another entity, the entity into which the Company consolidates or merges or to which the assets of the Issuer are transferred must assume the liability of the Company hereunder.

Section 10.05 Severability. Any provision of this Agreement held to be invalid, illegal or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such invalidity, illegality or unenforceability without affecting the validity, legality and enforceability of the remaining provisions hereof; and the invalidity of a particular provision in a particular jurisdiction shall not invalidate such provision in any other jurisdiction.

Section 10.06 Binding Effect. This Agreement shall remain in full force and effect until such time as all of the Surplus Notes issued to either Purchaser shall have been repaid in full and cancelled.

Section 10.07 GOVERNING LAW. THIS AGREEMENT SHALL IN ALL RESPECTS BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK AND APPLICABLE REGULATIONS ISSUED PURSUANT THERETO.

Section 10.08 Execution in Counterparts. This Agreement may be executed in any number of counterparts and by different parties hereto in separate counterparts, each of which when so executed shall be deemed to be an original and all of which when taken together shall constitute one and the same agreement. Delivery of an executed counterpart of a signature page of this Agreement by telecopy shall be effective as delivery of a manually executed counterpart of this Agreement.

Section 10.09 Entire Agreement. This Agreement constitutes the entire agreement between the parties relating to the subject matter hereof and supersedes any and all previous agreements and understandings, oral or written, relating to the subject matter hereof.

Section 10.10 Limited Recourse. The obligation of the Issuer to pay the Surplus Notes shall not be part of the legal liabilities of the Issuer and shall not be a basis of any set-off but until the Surplus Notes are repaid, all statements published by the Issuer or filed with the Superintendent shall show, as a footnote, the amount then remaining unpaid.

Section 10.11 Headings. Article and Section headings used herein are for convenience of reference only, are not part of this Agreement and shall not affect the construction of, or be taken into consideration in interpreting, this Agreement.

Section 10.12 Information Rights.

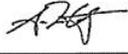
(a) Except to the extent prohibited or limited by applicable law, the Issuer shall provide (i) initially, the data and assistance required to rebuild Issuer's "BAMBM model", and (ii) going forward, information required for Purchasers' public company reporting, including all data and information required to update the aforementioned model as set forth in Exhibit B of this Agreement.

(b) To the extent such additional information is required by the Purchasers (including any financial or management information or information necessary to enable the Purchasers to comply with any applicable legal, regulatory, reporting or tax requirements) in the future, in addition to the aforementioned and any information provided under Section 8 of the

Tenth Amended and Restated First Loss Reinsurance Treaty Agreement between the Issuer and HG Re, as amended, or the Third Amended and Restated Individual Credit Excess of Loss Facultative Reinsurance Treaty Agreement between the Issuer and HG Re, as amended, the Issuer shall use its commercially reasonable efforts to assist Purchaser in accessing and interpreting relevant information that is available in the Company's BAMBOB system (or any successor or supplement thereto).

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

BUILD AMERICA MUTUAL ASSURANCE
COMPANY
as Issuer

By:  _____
Name: Sean McCarthy
Title: President

HG HOLDINGS LTD.

By: _____
Name:
Title:

HG RE LTD.

By: _____
Name:
Title:

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

BUILD AMERICA MUTUAL ASSURANCE
COMPANY
as Issuer

By: _____
Name: Sean McCarthy
Title: President

HG HOLDINGS LTD.

By: 
Name: KEVIN M. PEARSON
Title: PRESIDENT

HG RE LTD.

By: 
Name: KEVIN M. PEARSON
Title: PRESIDENT

SCHEDULE I
to
**Third Amended and Restated Surplus Note Purchase Agreement between Build America
Mutual Assurance Company,
HG Holdings Ltd. and HG Re Ltd.**

NOTICE INFORMATION

Address for Notices to Issuer:

Build America Mutual Assurance Company
ATTN: General Counsel
200 Liberty St., 27th Floor
New York, NY 10281
Telephone: [REDACTED]
Email: [REDACTED]

Address for Notices to the holder of the Surplus Note:

HG Re Ltd.
ATTN: President
A.S. Cooper Building, 26 Reid Street Hamilton HM 11
Bermuda
Telephone: [REDACTED]
Fax: [REDACTED]
Email: [REDACTED]

With a copy to:

White Mountains Insurance Group, Ltd.
ATTN: General Counsel
23 South Main Street, Suite 3B
Hanover, NH 03755
Telephone: [REDACTED]
Fax: [REDACTED]
Email: [REDACTED]

EXHIBIT A
FORM OF SURPLUS NOTE

August 14, 2017

Build America Mutual Assurance Company, a mutual insurance company duly organized and existing under the laws of the State of New York (the "Company"), for value received hereby promises to pay in cash to HG Re Ltd., or its assigns, on April 1, 2042, the outstanding balance of the principal sum of U.S.\$503,000,000 (Five Hundred Three Million Dollars) plus interest thereon at the Applicable Interest Rate plus aggregate interest previously accrued up to and including August 14, 2017 in the amount of \$119,836,742.93. Interest will be computed on the basis of a 360-day year of twelve 30-day months. All principal and interest shall be paid at the principal corporate office of the Company or such other place, which shall be acceptable to the Company, as the holder hereof shall designate in writing to the Company, in collected and immediately available funds in lawful money of the United States of America.

Principal and interest shall be payable on the terms and conditions set forth below and as otherwise provided in the Second Amended and Restated Surplus Note Purchase Agreement pursuant to which this Surplus Note was issued (the "Agreement"). This Surplus Note represents the consolidation of the Series 2012-A Surplus Notes and Series 2012-B Surplus Notes previously issued by the Company, and all the amounts accrued in respect thereof including interest, into a single series of Surplus Note, as set forth in the Agreement. The Applicable Interest Rate in effect from time to time will be determined in accordance with the terms of the Agreement. Capitalized terms not otherwise defined herein shall have the meaning given them in the Agreement.

Other than contributions to direct or indirect wholly-owned subsidiaries, this Surplus Note may not be sold, transferred or assigned, in whole or in part, unless it has been released from the trust account established pursuant to the Supplemental Trust Agreement dated as of July 17, 2012, among the Company, HG Re Ltd., an exempted Bermuda limited company and The Bank of New York Mellon, as trustee.

1. No payment of principal or interest shall be permitted on this Surplus Note without Regulatory Approval. The Company covenants that it shall use its best efforts to obtain such approvals as specified in the Agreement.

2. **Payment of principal and interest hereon shall be subject to the priority of payments set forth in the Agreement.** The Company hereby covenants it shall not make any payment of principal or interest on any debt subordinated to this Surplus Note until all outstanding principal and all interest due on this Surplus Note has been paid.

3. Subject to the provisions of Paragraph 1 and 2 hereof, and as provided by and subject to the provisions of the Agreement, the Issuer may pre-pay principal on the Surplus Notes from time to time upon five (5) Business Days prior written notice to HG Re Ltd. or its assigns.

4. To the extent that a payment of all or a portion of the principal of this Surplus Note or interest hereon is prohibited pursuant to the provisions of Paragraph 1 hereof, such prohibition shall not be considered to be a forgiveness of the indebtedness hereunder, and interest shall continue to be accrued and paid at the rate provided herein through the date of payment on any such unpaid principal (but not on interest the payment of which was prohibited pursuant to the provisions of Paragraph 1 hereof, during the period of such prohibition), and promptly (and in no event later than 30 calendar days) after the removal of any such prohibition the Company shall make payment of all amounts then past due and owing hereunder.

5. Upon the occurrence of an Event of Default, the Company will, upon demand by the holder of this Surplus Note, and subject to the provisions of Paragraph 1 hereof, pay to it the whole amount of the principal of this Surplus Note, plus accrued interest, with interest upon the overdue principal; and, in addition thereof, such further amount as shall be sufficient to cover the costs and expenses of collection, including reasonable attorneys' fees.

6. In the event of the liquidation of the Company pursuant to the New York Code, the claims under this Surplus Note shall only be paid out of any assets remaining after the payment of all policy obligations and all other liabilities of the Company but before distribution of assets to members or to any holders of indebtedness expressly subordinated to the Surplus Notes.

7. Except for the events described in Paragraphs 1 and 5 above, no provision of this Surplus Note shall alter or impair the obligation of the Company, which is absolute and unconditional, to pay the principal of and interest on this Surplus Note at the times, place and rate, and in the coin or currency, herein prescribed. No provision of this Surplus Note shall extinguish ultimate liability for the payment of principal and interest hereunder.

8. No payment obligation of the Company on this Surplus Note shall form a part of the Company's legal liabilities, or be a basis of any setoff, until Regulatory Approval therefor has been received. All statements published or filed with the Superintendent by the Company shall show the amount then remaining unpaid on the Company's Surplus Notes as a special surplus account. The obligation of the Company under this Surplus Note may not be offset or be subject to recoupment with respect to any liability or obligation owed to the Company.

9. Each payment made hereunder will be made in accordance with Section 3.04 of the Agreement.

10. In the event that any payment of principal or interest on this Surplus Note is scheduled to be made on a day that is not a Business Day, then such payment shall be made on the next following Business Day and no additional interest shall accrue as a result of payment on such following Business Day. For the purpose of this Paragraph 10, "Business Day" shall mean any day that is not a Saturday, Sunday or any other day on which banking institutions in the State of New York are permitted or required by any applicable law to close.

11. No agreement or interest securing any obligation of the Company, whether existing on the date of this Surplus Note or subsequently entered into, shall apply to or secure the obligation of the Company under this Surplus Note.

12. In the event the Company consolidates or merges into another entity or transfers substantially all of its assets to another entity, the entity into which the Company consolidates or merges or to which the assets of the Company are transferred must assume the liability of the Company hereunder.

13. This Surplus Note shall in all respects be governed by, and construed in accordance with, the laws of the State of New York and applicable regulations issued pursuant thereto.

14. The Original Notes in their forms before the amendment and restatement of the Agreement are each marked as "superseded" and stapled to the rear of this Surplus Note.

IN WITNESS WHEREOF, the Company has caused this Surplus Note to be executed in its name and attested to by its authorized officer, and its corporate seal to be hereunto affixed, all as of the date first written above.

BUILD AMERICA MUTUAL ASSURANCE
COMPANY

(CORPORATE SEAL)

By: 
Name: Sean McCarthy
Title: President

Attest: _____

EXHIBIT B

Information Rights

1. Annual Budget once it has been approved by the Issuer's Board of Directors
 2. Mid-Year Forecast if prepared for the Issuer's Board of Directors
 3. Preliminary Portfolio Run-Off Report no later than 10th business day of January each year
 4. The following reports on an annual basis no later than January 31st of each year
 - a. **Contingency Reserve Runoff Report for embedded book**
 - i. See attached file 1. ContReserveRunoff 2023-12-31.xlsx
 - b. **Statutory Debt Service Runoff for embedded book**
 - i. See attached file 2. DebtServiceByUnderwritingYear 2023-12-31.xlsx
 - c. **Statutory Premium Runoff for embedded book Earnings and UPR**
 - i. See attached file 3. PremiumRunOffReport 2023-12-31.xlsx
 - d. **Installment premium cash flows for embedded book**
 - i. See attached file 4.
PV_IP_Reporting__Risk_Premium__MSC_Future_Cashflows.xlsx
 - e. **Installment premium PV opening balances**
 - i. See attached file 5. PV_IP_Reporting__Ultimate_PV_Rollforward.xlsx
-

Second Amendment to Loan and Servicing Agreement

This Second Amendment to Loan and Servicing Agreement, dated as of June 28, 2024 (the "Second Amendment"), is entered into by and among KUDU INVESTMENT HOLDINGS, LLC, as a Co-Borrower ("Kudu"), KUDU INVESTMENT US, LLC, as a Co-Borrower ("Kudu US" and, collectively with Kudu, the "Co-Borrowers"), KUDU INVESTMENT MANAGEMENT LLC, as Holdings ("Holdings"), KFO HOLDINGS, LTD., as a UK Guarantor ("KFO Holdings"), KWCP HOLDINGS UK, LTD., as a UK Guarantor ("KWCP Holdings" and, collectively with KFO Holdings, the "UK Guarantors" and, collectively with the Co-Borrowers and Holdings, the "Amendment Parties"), MASSACHUSETTS MUTUAL LIFE INSURANCE COMPANY, as Initial Lender (the "Initial Lender"), ALTER DOMUS (US) LLC, as the administrative agent (the "Administrative Agent"), and BARINGS FINANCE LLC, as the Servicer (the "Servicer") and amends that certain Loan and Servicing Agreement, dated as of March 23, 2021 (as amended, restated, supplemented or otherwise modified from time to time, the "Loan and Servicing Agreement"; the Loan and Servicing Agreement, after giving effect to the effectiveness of this Second Amendment, the "Amended Loan and Servicing Agreement"), by and among the Co-Borrowers, Holdings, the UK Guarantors, the Initial Lender and the other lenders from time to time party thereto (collectively, the "Lenders"), the Administrative Agent and the Servicer. Capitalized terms used herein and not otherwise defined herein shall have the respective meanings given such terms in the Loan and Servicing Agreement.

WHEREAS, the Co-Borrowers have requested that that the Lenders increase the amount of the Commitments and the Maximum Facility Amount by \$50,000,000, from \$300,000,000 to \$350,000,000 effective as of the Second Amendment Effective Date (as defined below) (collectively, the "Commitment Increase");

WHEREAS, as of the date hereof, the Initial Lender entirely constitutes (i) the Lenders, and (ii) the Majority Lenders;

WHEREAS, the parties hereto have agreed to amend the Loan and Servicing Agreement pursuant to the terms hereof, effective as of the Second Amendment Effective Date; and

NOW, THEREFORE, in consideration of the premises and for other good and valuable consideration (the receipt and sufficiency of which is hereby acknowledged), the parties hereto hereby agree as follows.

SECTION 1. CONSENTS TO LOAN AND SERVICING AGREEMENT.

Subject to the terms and conditions hereof, the Initial Lender, constituting the Majority Lenders as of the date hereof, hereby irrevocably consents to the Commitment Increase and the other terms of this Second Amendment.

SECTION 2. AMENDMENTS TO LOAN AND SERVICING AGREEMENT.

Effective as of the Second Amendment Effective Date, the Loan and Servicing Agreement shall be amended as follows:

(a) The Loan and Servicing Agreement shall be amended to delete the stricken text (indicated textually in the same manner as the following example: ~~stricken-text~~) and to add the double-underlined text (indicated textually in the same manner as the following example: double-underlined text) as set forth in the form attached as Annex A to this Second Amendment.

(b) The Exhibits to the Loan and Servicing Agreement shall be amended to delete the stricken text (indicated textually in the same manner as the following example: ~~stricken-text~~) and to add the double-underlined text (indicated textually in the same manner as the following example: double-underlined text) as set forth in the form attached as Annex B to this Second Amendment.

SECTION 3. CONDITIONS PRECEDENT.

This Second Amendment shall become effective as of the date first written above when, and only when, each of the following conditions precedent shall have been satisfied or waived (such date, the “Second Amendment Effective Date”) by the Lenders party hereto:

(a) the Administrative Agent and the Lenders shall have received a counterpart of this Second Amendment, duly executed by each of the parties hereto;

(b) no Market Trigger Event, Event of Default or Potential Default shall have occurred and be continuing on the Second Amendment Effective Date, or immediately after giving effect to the Commitment Increase and the amendments contemplated herein;

(c) the representations and warranties contained in the Loan and Servicing Agreement, this Second Amendment and each other Transaction Document are true and correct in all material respects on the Second Amendment Effective Date, and immediately after giving effect to the Commitment Increase and the amendments contemplated herein, with the same force and effect as if made on and as of the date hereof (except to the extent that such representations and warranties expressly relate to an earlier date); provided that if a representation or warranty is qualified as to materiality, with respect to such representation or warranty, the foregoing materiality qualifier shall be disregarded for the purposes of this condition;

(d) the Administrative Agent and the Lenders shall have received a certificate of a Responsible Person of each Loan Party and Holdings, dated as of the Second Amendment Effective Date, certifying (i) the names and true signatures of the Responsible Persons of each Loan Party and Holdings authorized to sign on behalf of each Loan Party and Holdings, this Second Amendment and all other documents and transactions to be entered into in connection therewith (collectively, the “Amendment Documents”) to which it is a party (on which certificate the Administrative Agent and the Lenders may conclusively rely until such time as the Administrative Agent receives from each Loan Party and Holdings a revised certificate meeting the requirements of this paragraph (b)(i)), (ii) that the copy of the Constituent Documents of each

Loan Party and Holdings, as applicable, is a complete and correct copy and that such Constituent Documents have not been amended, modified or supplemented and are in full force and effect, (iii) the authorization document or resolution of the managing member, board of directors, the shareholders or board of trustees, as applicable, approving and authorizing the execution, delivery and performance by such Person of the Second Amendment and the other Amendment Documents and consenting to the transactions contemplated therein including, without limitation, the Commitment Increase, are true and correct copies thereof and are in full force and effect, (iv) that the copy of the certificates relating to the good standing of each Loan Party and Holdings is complete and correct, has not been amended, modified or supplemented and is in full force and effect and (v) the accuracy of the matters set forth in paragraphs (b) and (c) above, all in form and substance reasonably satisfactory to the Lenders;

(e) the Administrative Agent and the Lenders shall have received one or more favorable opinions of counsel to (i) the each Co-Borrower and Holdings and (ii) the Initial Lender in respect of the UK Guarantors, each reasonably acceptable to the Administrative Agent and the Majority Lenders and addressed to the Administrative Agent and the Lenders;

(f) the Lenders shall have received an amended and restated structuring fee letter, in form and substance reasonably satisfactory to the Lenders, duly executed by the parties thereto;

(g) the Co-Borrowers shall have obtained an investment grade debt rating (BBB or higher) from an Acceptable Rating Agency (as defined in the Amended Loan and Servicing Agreement) on the Maximum Facility Amount, as increased by the Commitment Increase, and the Lenders shall have a received a copy of any rating letter issued in connection therewith, in form and substance reasonably satisfactory to the Lenders; and

(h) all fees that are required to be paid hereunder or under the Amended Loan and Servicing Agreement have been paid in full.

SECTION 4. REPRESENTATIONS AND WARRANTIES.

To induce the other parties hereto to enter into this Second Amendment, each of the Amendment Parties jointly and severally represents and warrants to the Administrative Agent and the Lenders party hereto that, as of the Second Amendment Effective Date, both before and after giving effect to this Second Amendment and the transactions contemplated hereby:

(a) Each Amendment Party (i) has the power, authority and legal right (limited liability company power and authority, or otherwise, as applicable) to (A) execute and deliver this Second Amendment and the other Amendment Documents and (B) perform and carry out the terms of this Second Amendment and the other Amendment Documents and the transactions contemplated thereby, and (ii) has taken all necessary action to authorize the execution, delivery and performance of this Second Amendment and the other Amendment Documents.

(b) This Second Amendment (i) has been duly executed and delivered by each Amendment Party (ii) constitutes the legal, valid and binding obligation of such Amendment Party, enforceable against such Amendment Party, in accordance with its terms, except as the

enforceability hereof may be limited by Bankruptcy Laws and by general principles of equity (whether considered in a proceeding in equity or at law).

(c) No consent of any other party and no consent, license, approval or authorization of, or registration or declaration with, any Governmental Authority, bureau or agency is required in connection with the execution, delivery or performance by each Amendment Party of this Second Amendment or the other Amendment Documents to which it is a party or the validity or enforceability of this Second Amendment or any such Amendment Document or grant of a security interest in the Collateral, Pledged Equity or any other collateral under the applicable Transaction Document, other than such as have been waived, met or obtained and are in full force and effect.

(d) The execution, delivery and performance of this Second Amendment and the other Amendment Documents will not (i) conflict with, result in any breach of any of the terms and provisions of, or constitute (with or without notice or lapse of time or both) a default under, any Amendment Party's Constituent Documents, (ii) result in the creation or imposition of any Lien on the Collateral or Pledged Equity or any other collateral under the applicable Transaction Document, other than Permitted Liens, (iii) violate any Applicable Law or (iv) violate any contract or other agreement to which any Amendment Party is a party or by which any Amendment Party or any of its property or assets may be bound.

SECTION 5. REAFFIRMATIONS.

(a) Each of the Amendment Parties (i) acknowledges and consents to all of the terms and conditions of this Second Amendment and the other Amendment Documents and (ii) affirms all of its obligations under the Loan and Servicing Agreement and the other Transaction Documents to which it is a party.

(b) Each of the Amendment Parties (i) affirms the validity and enforceability of each of the Liens and security interests heretofore granted in or pursuant to the Transaction Documents as collateral security for the Obligations under the Transaction Documents in accordance with their respective terms and (ii) acknowledges that all of such Liens and security interests, and all collateral and pledged equity heretofore pledged as security for such Obligations, in each case, which have not been released in accordance with the Loan and Servicing Agreement, continues to be and remains collateral and pledged equity pledged as security for such Obligations from and after the date hereof.

SECTION 6. MISCELLANEOUS.

(a) As of the Second Amendment Effective Date, each reference in the Amended Loan and Servicing Agreement to "*this Agreement*," "*hereunder*," "*hereof*," "*herein*," or words of like import, and each reference in the other Transaction Documents to the Loan and Servicing Agreement (including, without limitation, by means of words like "*thereunder*," "*thereof*" and words of like import), shall mean and be a reference to the Loan and Servicing Agreement as amended by this Second Amendment.

(b) Except as expressly amended hereby, all of the terms and provisions of the Loan and Servicing Agreement and all other Transaction Documents are and shall remain in full force and effect and are hereby ratified and confirmed.

(c) The execution, delivery and effectiveness of this Second Amendment shall not, except as expressly provided herein, operate as a waiver of any right, power or remedy of the Administrative Agent, any Lender or the Amendment Parties under the Loan and Servicing Agreement, or any other Transaction Document, or constitute a waiver or amendment of any other provision of the Loan and Servicing Agreement or any other Transaction Document (as amended hereby) except as and to the extent expressly set forth herein.

(d) Section headings contained in this Second Amendment are included herein for convenience of reference only and shall not constitute a part of this Second Amendment for any other purposes.

(e) The provisions of Section 11.06 and Section 11.10 of the Loan and Servicing Agreement are hereby incorporated into this Second Amendment as if fully set forth herein, *mutatis mutandis*.

(f) This Second Amendment may be executed in any number of counterparts by facsimile or other written form of communication, each of which shall be deemed to be an original as against any party whose signature appears thereon, and all of which shall together constitute one and the same instrument. The words "execution," "execute", "signed," "signature," and words of like import in or related to any document to be signed in connection with this Second Amendment and the transactions contemplated hereby shall be deemed to include electronic signatures approved by each of the parties hereto (and, for the avoidance of doubt, electronic signatures utilizing the DocuSign platform shall be deemed approved), or the keeping of records in electronic form, each of which shall be of the same legal effect, validity or enforceability as a manually executed signature or the use of a paper-based recordkeeping system, as the case may be, to the extent and as provided for in any applicable law, including the Federal Electronic Signatures in Global and National Commerce Act, the New York State Electronic Signatures and Records Act, or any other similar state laws based on the Uniform Electronic Transactions Act. The Administrative Agent, Servicer and the Lenders shall not incur any liability arising out of the use of electronic methods for any and all purposes in connection with the execution of this Second Amendment, including the authorization, execution, delivery or submission of documents, instruments, notices, directions, instructions, reports, opinions and certificates to the Administrative Agent.

(b) This Second Amendment is a Transaction Document, and together with the other Transaction Documents, incorporates all negotiations of the parties hereto with respect to the subject matter hereof and is the final expression and agreement of the parties hereto with respect to the subject matter hereof.

[SIGNATURE PAGES FOLLOW]

IN WITNESS WHEREOF, the parties hereto have caused this Second Amendment to be executed by their respective officers and members thereunto duly authorized, as of the date indicated above.

The Co-Borrowers:

KUDU INVESTMENT HOLDINGS, LLC,
as a Co-Borrower

By: 
Name: Rob Jakacki
Title: CEO

KUDU INVESTMENT US, LLC,
as a Co-Borrower

By: 
Name: Rob Jakacki
Title: CEO

Holdings:

KUDU INVESTMENT MANAGEMENT
LLC,
as Holdings

By: 
Name: Rob Jakacki
Title: CEO

The UK Guarantors:

KFO HOLDINGS, LTD.,
as a UK Guarantor

By:  _____
Name: Rob Jakacki
Title: CEO

KWCP HOLDINGS UK, LTD.,
as a UK Guarantor

By:  _____
Name: Rob Jakacki
Title: CEO

Initial Lender:

MASSACHUSETTS MUTUAL LIFE
INSURANCE COMPANY,
as the Initial Lender

By: Barings LLC, its Investment Adviser

By: Shubz Chandna
Name: Shubham Chandna
Title: Managing Director

[Signature Page to Second Amendment to Loan and Servicing Agreement]

The Administrative Agent:

ALTER DOMUS (US) LLC,
as the Administrative Agent

By: 
Name: Pinju Chiu
Title: Associate Counsel

[Signature Page to Second Amendment to Loan and Servicing Agreement]

The Servicer:

BARINGS FINANCE LLC,
as the Servicer

By: Shubz Chandna
Name: Shubham Chandna
Title: Managing Director

[Signature Page to Second Amendment to Loan and Servicing Agreement]

ANNEX A

Amended Loan and Servicing Agreement

[Attached]

Annex A-1

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LOAN AND SERVICING AGREEMENT

among

KUDU INVESTMENT MANAGEMENT, LLC,
as Holdings,

KUDU INVESTMENT HOLDINGS, LLC, and
KUDU INVESTMENT US, LLC,
as the Co-Borrowers,

KFO HOLDINGS, LTD., and
KWCP HOLDINGS UK, LTD.,
as the UK Guarantors,

MASSACHUSETTS MUTUAL LIFE INSURANCE COMPANY and
the other Lenders from time to time party hereto,

~~MASSACHUSETTS MUTUAL LIFE INSURANCE COMPANY~~BARINGS FINANCE LLC,
as the Servicer,

and

ALTER DOMUS (US) LLC,
as the Administrative Agent

Dated as of March 23, 2021

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SCHEDULE IV	Lender Commitments
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EXHIBIT A	Form of LTV Certificate
EXHIBIT B	Form of Notice of Borrowing
EXHIBIT C	Form of Borrowing Base Certificate
EXHIBIT D	Form of Revolving Loan Note
EXHIBIT E	Form of U.S. Tax Compliance Certificate
EXHIBIT F	Form of Payment Date Report
EXHIBIT G	Form of Assignment and Assumption Agreement
EXHIBIT H	Form of Power of Attorney

Execution Version
Annex A to ~~First~~Second Amendment to Loan and Servicing Agreement
Conformed through Second Amendment to Loan and Servicing Agreement

LOAN AND SERVICING AGREEMENT, dated as of March 23, 2021, by and among:

- (1) KUDU INVESTMENT MANAGEMENT, LLC, a Delaware limited liability company ("Holdings");
- (2) KUDU INVESTMENT HOLDINGS, LLC, a Delaware limited liability company ("Kudu");
- (3) KUDU INVESTMENT US, LLC, a Delaware limited liability company ("Kudu US"); together with Kudu, collectively, the "Co-Borrowers";
- (4) KFO HOLDINGS, LTD., a limited liability company incorporated in England and Wales under number 11786202 ("KFO Holdings");
- (5) KWCP HOLDINGS UK, LTD., a limited liability company incorporated in England and Wales under number 11860833 ("KWCP Holdings");
- (6) MASSACHUSETTS MUTUAL LIFE INSURANCE COMPANY, and each of the other lenders from time to time party hereto, as Lenders (as defined herein);
- (7) ~~MASSACHUSETTS MUTUAL LIFE INSURANCE COMPANY~~BARINGS FINANCE LLC, as the Servicer; and
- (8) ALTER DOMUS (US) LLC, as the Administrative Agent.

The Lenders have agreed, on the terms and conditions set forth herein, to provide a senior secured revolving loan facility (the "Facility") that provides for Advances from time to time in the amounts and in accordance with the terms set forth herein.

The proceeds of the Advances will be used by the Co-Borrowers for general corporate purposes, together with such other purposes as set forth in Section 5.02(m).

Accordingly, the parties agree as follows:

ARTICLE I.
INTERPRETATION

SECTION 1.01 Certain Defined Terms. As used in this Agreement and the exhibits, schedules and other attachments hereto (each of which is hereby incorporated herein and made a part hereof), the following terms have the following meanings (such meanings to be equally applicable to both the singular and plural forms of the terms defined):

"1940 Act" means the Investment Company Act of 1940 and the rules and regulations promulgated thereunder.

“Acceptable Rating Agency” means any credit rating agency that is recognized as a nationally recognized statistical rating organization by the SEC and approved by the Majority Lenders, so long as, in each case, any such credit rating agency continues to be a nationally recognized statistical rating organization recognized by the SEC and is approved as a “Credit Rating Provider” (or other similar designation) by the NAIC.

“Accounts” means all deposit accounts and securities accounts maintained by, or for the benefit of, any Loan Party, as set forth on Schedule VIII on the First Amendment Effective Date and as updated from time to time as provided herein.

“Account Bank” means with respect to each Co-Borrower, First Republic Bank, in its capacity as the “custodian,” “bank” or “securities intermediary” and each other Person acting in the capacity as the “bank”, the “securities intermediary” or such other similar term or capacity pursuant to an Account Control Agreement or any agreement replacing or substituting for any such Account Control Agreement.

“Account Control Agreement” means (a) for each Account that is a deposit account, a deposit account control agreement in form reasonably acceptable to Administrative Agent, (b) for each Account that is a securities account, a securities account control agreement in form reasonably satisfactory to Administrative Agent, and (c) any similar agreement under local law, in each case, executed by each Co-Borrower (as applicable), Administrative Agent and the Account Bank and which permits, among other things, the Administrative Agent, acting at the direction of the Servicer, on behalf of the Secured Parties to direct disposition of the funds in such Account following a Notice of Exclusive Control, as such agreement may be amended, restated, modified, replaced or otherwise supplemented from time to time.

“Additional Amount” has the meaning assigned to that term in Section 2.13(a).

~~“Adjusted Term SOFR” means for purposes of any calculation, the rate per annum equal to (a) Term SOFR for such calculation plus (b) the Term SOFR Adjustment; provided that if Adjusted Term SOFR as so determined would be less than the Floor, then Adjusted Term SOFR shall be deemed to be the Floor.~~

“Administrative Agent” means Alter Domus (US) LLC, in its capacity as administrative agent for the Lenders, together with its successors and permitted assigns, including any successor appointed pursuant to Article VII.

“Administrative Borrower” means Kudu.

“Advance” means each loan advanced by the Lenders to any Co-Borrower pursuant to Article II.

“Advance Date” means, with respect to any Advance, the day on which such Advance is made.

“Advance Rate” means 35.0%.

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“Advances Outstanding” means, at any time, the aggregate outstanding principal amount of all Advances at such time.

“Affiliate” when used with respect to a Person, means any other Person Controlling, Controlled by or under common Control with such Person.

“Agent Fee Letter” means, the fee letter between the Administrative Agent and the Co-Borrowers, dated as of the Closing Date, as amended, restated, supplemented or otherwise modified from time to time to the extent permitted hereunder.

“Agreement” means this Loan and Servicing Agreement, as may be amended, restated, modified, replaced or otherwise supplemented from time to time.

“Alternate Base Rate” means, for any day, a rate per annum equal to the higher of (a) the Prime Rate in effect on such day and (b) the Federal Funds Rate in effect on such day plus 0.50% per annum. Any change in the Alternate Base Rate due to a change in the Prime Rate or the Federal Funds Rate shall be effective from and including the effective date of such change in the Prime Rate or the Federal Funds Rate, respectively. The Alternate Base Rate is a reference rate and does not necessarily represent the lowest or best rate actually charged to any customer of the Administrative Agent or any Lender.

“Anti-Corruption Laws” means the Foreign Corrupt Practices Act of 1977, as amended, and the rules and regulations thereunder and, as to any person, any other comparable anti-corruption law applicable to such person.

“Anti-Money Laundering Laws” means, as to any person, any and all applicable anti-money laundering, financial recordkeeping and reporting requirements of Applicable Law relevant to such person, including those of the Bank Secrecy Act (as amended by Title III of the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001 (USA PATRIOT Act)) and any comparable anti-money laundering statutes of other jurisdictions applicable to such person, as well as the rules and regulations thereunder and any related or similar rules, regulations or guidelines, issued, administered or enforced by any governmental agency applicable to such person.

“Applicable Accounting Principles” shall mean GAAP, IFRS or any other internationally accepted accounting standard that may be used by Holdings and the Loan Parties for their financial reporting requirements from time to time.

“Applicable Law” means for any Person all existing and future laws, rules, regulations (including temporary and final income tax regulations), statutes, treaties, codes, and ordinances, including any binding interpretation or administration thereof by any Governmental Authority charged with the enforcement, interpretation or administration thereof and all permits, certificates, orders, licenses of and binding interpretations by any Governmental Authority, applicable to such Person and applicable judgments, decrees, injunctions, writs, awards or orders of any court, arbitrator or other administrative, judicial, or quasi-judicial tribunal or agency of competent jurisdiction.

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“Applicable Spread” means ~~4.30~~4.45%.

“Assignment and Assumption Agreement” means an agreement among the Co-Borrowers (if required under Section 11.04), a Lender, an Eligible Assignee and the Administrative Agent, substantially in the form of Exhibit G or any other form (including electronic documentation generated by use of an electronic platform) reasonably approved by the Administrative Agent, and delivered in connection with a Person becoming a Lender hereunder after the Closing Date.

“Australian Collateral” has the meaning assigned to the term “Collateral” in the Australian Pledge Agreement.

“Australian Equity Notes” has the meaning assigned to the term “Equity Notes” in the Australian Pledge Agreement.

“Australian Pledge Agreement” means the document entitled “Specific Security Deed (Equity Notes)” dated on or around the date of this Agreement between Kudu and the Administrative Agent.

“Australian PPSA” means the Personal Property Securities Act 2009 (Cth).

“Australian PPSR” means the “Personal Property Securities Register” established under section 147 of the Australian PPSA.

“Availability Period” means the period commencing on the Closing Date and ending on the earlier of (i) ~~March 23~~June 28, 2024~~2027~~ or if an Availability Period Extension occurs pursuant to Section 2.17, the Availability Period Extension Date, and (ii) the date the Commitments are terminated in accordance with this Agreement, whether as a result of an Event of Default or otherwise, and subject to the suspension thereof upon the occurrence of an Event of Default or a Market Trigger Event.

“Availability Period Extension” has the meaning given to such term in Section 2.17.

“Availability Period Extension Date” has the meaning given to such term in Section 2.17.

“Available Collections” means all cash Collections and other cash proceeds with respect to any Portfolio Asset deposited in any Collection Account and all other amounts on deposit in any Collection Account from time to time, but excluding Excluded Amounts.

“Available Tenor” means, as of any date of determination and with respect to the then-current Benchmark, as applicable, if such Benchmark is a term rate, any tenor for such Benchmark (or component thereof) that is or may be used for determining the length of an interest period pursuant to this Agreement as of such date and not including, for the avoidance of doubt, any tenor for such Benchmark that is then-removed from the definition of “Interest Period” pursuant to Section 2.06(c)(iv).

“Bail-In Action” means the exercise of any Write-Down and Conversion Powers by the applicable EEA Resolution Authority in respect of any liability of an EEA Financial Institution.

“Bail-In Legislation” means, with respect to any EEA Member Country implementing Article 55 of Directive 2014/59/EU of the European Parliament and of the Council of the European Union, the implementing law for such EEA Member Country from time to time that is described in the EU Bail-In Legislation Schedule.

“Bankruptcy Code” means Title 11, United States Code, 11 U.S.C. §§ 101 *et seq.*, as amended from time to time.

“Bankruptcy Event” is deemed to have occurred with respect to a Person if either:

(a) a case or other proceeding shall be commenced, without the application or consent of such Person, in any court, seeking the liquidation, administration, reorganization, debt arrangement, dissolution, winding up, receivership, or composition or readjustment of debts of such Person, the appointment of a trustee, receiver, receiver and manager, controller, custodian, liquidator, provisional liquidator, administrator, restructuring practitioner, assignee, sequestrator or the like for such Person or all or substantially all of its assets or, in the case of any Loan Party or Holdings, or any similar action with respect to such Person under the Bankruptcy Laws, and such case or proceeding shall continue undismissed, or unstayed and in effect, for a period of sixty (60) consecutive days; or an order for relief in respect of such Person shall be entered in an involuntary case under the federal Bankruptcy Laws or other similar laws now or hereafter in effect and such case or proceeding shall continue undismissed, or unstayed and in effect, for a period of sixty (60) consecutive days; or

(b) such Person shall commence a voluntary case or other proceeding under any Bankruptcy Laws now or hereafter in effect, or shall consent to the appointment of or taking possession by a receiver, receiver and manager, controller, liquidator, provisional liquidator, administrator, restructuring practitioner, assignee, trustee, custodian, sequestrator (or other similar official) for such Person or all or substantially all of its assets under the Bankruptcy Laws, or shall make any general assignment for the benefit of creditors or enter into any arrangement, moratorium, reorganization or composition involving one or more of its creditors, or shall fail to, or admit in writing its inability to, or be presumed under any Bankruptcy Laws to be unable to, pay its debts generally as they become due, or, if a corporation or similar entity, its board of directors or members shall vote to implement any of the foregoing;

(c) the Person executes a deed of company arrangement or makes a restructuring plan under the Corporations Act 2001 (Cth); or

(d) if a corporation or similar entity, the Person is deregistered as a company or otherwise dissolved.

“Bankruptcy Laws” means the Bankruptcy Code, the Insolvency Act 1986 (U.K.), Enterprise Act 2002 (U.K.), Companies Act 2006 (U.K.), the Corporations Act 2001 (Cth) and all other applicable liquidation, conservatorship, bankruptcy, moratorium, rearrangement,

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receivership, insolvency, reorganization, suspension of payments, winding up, general assignment for the benefit of creditors, administration, or similar debtor relief laws from time to time in effect affecting the rights of creditors generally.

“Benchmark” means, initially, the Term SOFR Reference Rate; provided that if a Benchmark Transition Event has occurred with respect to the Term SOFR Reference Rate or the then-current Benchmark, then “Benchmark” means the applicable Benchmark Replacement to the extent that such Benchmark Replacement has replaced such prior benchmark rate pursuant to Section 2.06(c).

“Benchmark Replacement” means, with respect to any Benchmark Transition Event, the sum of: (a) the alternate benchmark rate that has been selected by the Administrative Agent (at the direction of the Majority Lenders), the Initial Lender and the Administrative Borrower giving due consideration to (i) any selection or recommendation of a replacement benchmark rate or the mechanism for determining such a rate by the Relevant Governmental Body or (ii) any evolving or then-prevailing market convention for determining a benchmark rate as a replacement to the then-current Benchmark for Dollar-denominated syndicated credit facilities at such time and (b) the related Benchmark Replacement Adjustment; provided that, if such Benchmark Replacement as so determined would be less than the Floor, such Benchmark Replacement will be deemed to be the Floor for the purposes of this Agreement and the other Transaction Documents.

“Benchmark Replacement Adjustment” means, with respect to any replacement of the then-current Benchmark with an Unadjusted Benchmark Replacement, the spread adjustment, or method for calculating or determining such spread adjustment, (which may be a positive or negative value or zero) that has been selected by the Initial Lender, the Administrative Agent (at the direction of the Majority Lenders) and the Co-Borrowers giving due consideration to (a) any selection or recommendation of a spread adjustment, or method for calculating or determining such spread adjustment, for the replacement of such Benchmark with the applicable Unadjusted Benchmark Replacement by the Relevant Governmental Body or (b) any evolving or then-prevailing market convention for determining a spread adjustment, or method for calculating or determining such spread adjustment, for the replacement of such Benchmark with the applicable Unadjusted Benchmark Replacement for Dollar-denominated syndicated credit facilities at such time.

“Benchmark Replacement Date” means the earliest to occur of the following events with respect to the then-current Benchmark:

(a) in the case of clause (a) or (b) of the definition of “Benchmark Transition Event,” the later of (i) the date of the public statement or publication of information referenced therein and (ii) the date on which the administrator of such Benchmark (or the published component used in the calculation thereof) permanently or indefinitely ceases to provide such Benchmark (or such component thereof) or, if such Benchmark is a term rate, all Available Tenors of such Benchmark (or such component thereof); or

(b) in the case of clause (c) of the definition of “Benchmark Transition Event,” the first date on which such Benchmark (or the published component used in the calculation thereof) has been, or, if such Benchmark is a term rate, all Available Tenors of such Benchmark (or such

component thereof) have been determined and announced by the regulatory supervisor for the administrator of such Benchmark (or such component thereof) to be non-representative; provided that such non-representativeness will be determined by reference to the most recent statement or publication referenced in such clause (c) and even if such Benchmark (or such component thereof) or, if such Benchmark is a term rate, any Available Tenor of such Benchmark (or such component thereof) continues to be provided on such date.

For the avoidance of doubt, if such Benchmark is a term rate, the “Benchmark Replacement Date” will be deemed to have occurred in the case of clause (a) or (b) with respect to any Benchmark upon the occurrence of the applicable event or events set forth therein with respect to all then-current Available Tenors of such Benchmark (or the published component used in the calculation thereof).

“Benchmark Transition Event” means the occurrence of one or more of the following events with respect to the then-current Benchmark:

(a) a public statement or publication of information by or on behalf of the administrator of such Benchmark (or the published component used in the calculation thereof) announcing that such administrator has ceased or will cease to provide such Benchmark (or such component thereof) or, if such Benchmark is a term rate, all Available Tenors of such Benchmark (or such component thereof), permanently or indefinitely; provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide such Benchmark (or such component thereof) or, if such Benchmark is a term rate, any Available Tenor of such Benchmark (or such component thereof);

(b) a public statement or publication of information by the regulatory supervisor for the administrator of such Benchmark (or the published component used in the calculation thereof), the Federal Reserve Board, the Federal Reserve Bank of New York, an insolvency official with jurisdiction over the administrator for such Benchmark (or such component), a resolution authority with jurisdiction over the administrator for such Benchmark (or such component) or a court or an entity with similar insolvency or resolution authority over the administrator for such Benchmark (or such component), which states that the administrator of such Benchmark (or such component) has ceased or will cease to provide such Benchmark (or such component) or, if such Benchmark is a term rate, all Available Tenors of such Benchmark (or such component) permanently or indefinitely; provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide such Benchmark (or such component thereof) or, if such Benchmark is a term rate, any Available Tenor of such Benchmark (or such component); or

(c) a public statement or publication of information by the regulatory supervisor for the administrator of such Benchmark (or the published component used in the calculation thereof) announcing that such Benchmark (or such component thereof) or, if such Benchmark is a term rate, all Available Tenors of such Benchmark (or such component thereof) are not, or as of a specified future date will not be, representative.

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For the avoidance of doubt, if such Benchmark is a term rate, a “Benchmark Transition Event” will be deemed to have occurred with respect to any Benchmark if a public statement or publication of information set forth above has occurred with respect to each then-current Available Tenor of such Benchmark (or the published component used in the calculation thereof).

“Benchmark Transition Start Date” means, in the case of a Benchmark Transition Event, the earlier of (a) the applicable Benchmark Replacement Date and (b) if such Benchmark Transition Event is a public statement or publication of information of a prospective event, the “90th day prior to the expected date of such event as of such public statement or publication of information (or, if the expected date of such prospective event is fewer than 90 days after such statement or publication, the date of such statement or publication).

“Benchmark Unavailability Period” means the period (if any) (a) beginning at the time that a Benchmark Replacement Date has occurred if, at such time, no Benchmark Replacement has replaced the then-current Benchmark for all purposes hereunder and under any Transaction Document in accordance with Section 2.06(c) and (b) ending at the time that a Benchmark Replacement has replaced the then-current Benchmark for all purposes hereunder and under any Transaction Document in accordance with Section 2.06(c).

“Borrower AML and International Trade Default” means, any one of the following events: (a) any representation contained Section 4.01(cc) is or becomes false at any time; or (b) any Loan Party fails to comply with the covenant contained in Section 11.21(d)(ii) at any time.

“Borrower Covered Entity” means each of (a) the Co-Borrowers, (b) the UK Guarantors, and (c) Holdings.

“Borrowing Base” means, as of any date of determination, the Advance Rate multiplied by the aggregate Investment Value of all Eligible Portfolio Assets as of such date.

“Borrowing Base Certificate” means a certificate setting forth the calculation of the Borrowing Base as of the applicable date of determination, substantially in the form of Exhibit C prepared by the Administrative Borrower.

“Business Day” means a day of the year other than (a) Saturday or a Sunday or (b) any other day on which commercial banks and/or insurance companies in New York, New York, Chicago, Illinois or the offices of the Account Bank or Administrative Agent are authorized or required by Applicable Law, regulation or executive order to close.

“Capital Lease Obligations” of any Person shall mean all 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 finance leases on a balance sheet of such Person under Applicable Accounting Principles, and the amount of such obligations shall be the capitalized amount thereof determined in accordance with Applicable Accounting Principles.

“Change in Law” means the occurrence, after the Closing Date, of any of the following: (a) the adoption or taking effect of any law, rule, regulation or treaty; (b) any change in any law, rule, regulation or treaty or in the administration, interpretation, implementation or application thereof by any Governmental Authority; or (c) the making or issuance of any request, rule, guideline or directive (whether or not having the force of law) by any Governmental Authority; provided that notwithstanding anything herein to the contrary, (i) the Dodd-Frank Wall Street Reform and Consumer Protection Act and all requests, rules, guidelines or directives thereunder or issued in connection therewith and (ii) all requests, rules, guidelines or directives promulgated by the Bank for International Settlements, the Basel Committee on Banking Supervision (or any successor or similar authority) or the United States or foreign regulatory authorities, in each case pursuant to Basel III, shall in each case be deemed to be a “Change in Law”, regardless of the date enacted, adopted or issued.

“Change of Control” is deemed to have occurred if (i) White Mountains Insurance Group, Ltd. or any of its Affiliates fails to own, directly or indirectly, 51% of the membership interests of Holdings, (ii) Holdings fails to own, directly or indirectly, 100% of the membership interests of each Co-Borrower, or (iii) Kudu fails to own, directly or indirectly, 100% of the membership interests of each UK Guarantor.

~~“Change of Control Denial” has the meaning assigned to that term in Section 2.04(d).~~

“Closing Date” means the date of this Agreement.

“Co-Borrower” and “Co-Borrowers” means, each of Kudu and Kudu US.

“Code” means the Internal Revenue Code of 1986, as amended.

“Collateral” means the US Collateral and the UK Collateral.

“Collateral Portfolio” means, all right, title and interest (whether now owned or hereafter acquired or arising, and wherever located) of a Loan Party in all assets of such Loan Party (other than any Excluded Assets) securing the Obligations pursuant to the Transaction Documents, including the property identified below in clauses (a) through (c), and all accounts, money, cash and currency, chattel paper, tangible chattel paper, electronic chattel paper, intellectual property, goods, equipment, fixtures, contract rights, general intangibles, documents, instruments, certificates of deposit, certificated securities, uncertificated securities, financial assets, securities entitlements, commercial tort claims, securities accounts, deposit accounts, inventory, investment property, letter-of-credit rights, software, supporting obligations, accessions or other property consisting of, arising out of, or related to any of the following:

- (a) the Portfolio Assets and all funds due or to become due in payment under such Portfolio Assets on and after any related Cut-Off Date, including all Available Collections;
- (b) each Collection Account and the Interest Reserve Account; and
- (c) all income and Proceeds of the foregoing.

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“Collection Accounts” means one or more Accounts and any related sub-accounts established with the Account Bank in the name of a Co-Borrower, and under the “control” (within the meaning of Section 9-104 or 9-106 of the UCC, as applicable) of the Administrative Agent for the benefit of the Secured Parties pursuant to an Account Control Agreement; provided that, subject to the rights of the Administrative Agent hereunder with respect to funds, the funds deposited therein from time to time shall constitute the property and assets of such Co-Borrower, and such Co-Borrower (or its direct or indirect equityholders, as applicable) shall be solely liable for any Taxes payable with respect to the Collection Account of such Co-Borrower and each subaccount that may be established from time to time.

“Collections” means all Distributions, cash collections and other cash proceeds with respect to any Portfolio Asset (including, without limitation, dividends, distributions, fees, royalties, Management Contracts, management fees and all other amounts received in respect of such Portfolio Asset), all recoveries, all insurance proceeds and proceeds of any liquidations or Sales in each case, attributable to such Portfolio Asset and owing or owned by a Loan Party, and all other proceeds or other funds of any kind or nature received by such Loan Party, or the Account Bank with respect to any Portfolio Asset.

“Commitment” means, with respect to any Lender, (a) during the Availability Period, the amount set forth on Schedule IV or on its respective Assignment and Assumption Agreement, as the same may be increased from time to time in accordance with Section 2.14, reduced from time to time by the Administrative Borrower pursuant to Section 2.04, Section 2.12(e), Section 2.16(b) and (c) or Section 11.04, or increased or reduced by assignment to or by such Lender pursuant to Section 11.04 and (b) after the end of the Availability Period, such Lender’s Pro Rata Share of the aggregate Advances Outstanding on the last day of the Availability Period, as the same may be increased or reduced by assignment to or by such Lender pursuant to Section 11.04.

~~“Commitment Fee Letter” means, if applicable, any fee letter or letters between the Initial Lender and the Co-Borrowers dated as of the Closing Date, as amended, restated, supplemented or otherwise modified from time to time.~~

“Conforming Changes” means, with respect to either the use or administration of ~~Adjusted~~ Term SOFR or the use, administration, adoption or implementation of any Benchmark Replacement, any technical, administrative or operational changes (including changes to the definition of “Alternate Base Rate,” the definition of “Business Day,” the definition of “U.S. Government Securities Business Day,” the definition of “Interest Period,” or any similar or analogous definition (or the addition of a concept of “interest period”), timing and frequency of determining rates and making payments of interest, timing of borrowing requests or prepayment, conversion or continuation notices, the applicability and length of lookback periods and other technical, administrative or operational matters) that the Administrative Agent decides may be appropriate to reflect the adoption and implementation of any such rate or to permit the use and administration thereof by the Administrative Agent in a manner substantially consistent with market practice (or, if the Administrative Agent decides that adoption of any portion of such market practice is not administratively feasible or if the Administrative Agent (at the direction of

the Majority Lenders) determines that no market practice for the administration of any such rate exists, in such other manner of administration as the Administrative Agent (at the direction of the Majority Lenders) decides is reasonably necessary in connection with the administration of this Agreement and the other Transaction Documents).

“Constituent Documents” means, for any Person, its constituent or organizational documents and any governmental or other filings related thereto, including: (a) in the case of any limited partnership, exempted limited partnership or other form of business entity, the limited partnership agreement, exempted limited partnership agreement, articles of association, statutory statement or other applicable agreement of formation and any agreement, instrument, filing or notice with respect thereto filed in connection with its formation with the secretary of state, registrar or other department in the state or jurisdiction of its formation; (b) in the case of any limited liability company, the certificate of formation, memorandum and articles of association, limited liability company agreement and/or operating agreement for such Person; and (c) in the case of a corporation or an exempted company, the certificate of incorporation and the memorandum of association and articles of association and/or the bylaws (or equivalent) for such Person.

“Control” means 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 ability to exercise voting power, by contract or otherwise.

“Cut-Off Date” means, with respect to a Portfolio Asset, the date (which may be the Closing Date) such Portfolio Asset is Transferred to a Loan Party.

“Debt Rating” means the debt rating of the Facility as determined from time to time by any Acceptable Rating Agency; provided that if at any time there are two (2) or more Debt Ratings issued from Acceptable Rating Agencies, the Debt Rating shall be the lower of such Debt Ratings.

“Debt Service” means, for any period, interest expense paid or payable by the Loan Parties for such period plus scheduled principal amortization and mandatory principal repayments (whether pursuant to this Agreement or otherwise) of all Indebtedness for borrowed money for such period paid or payable by the Loan Parties.

“Debt Service Coverage Ratio” means, for any four calendar quarter period then ended, ~~beginning with such period ending on March 31, 2021,~~ the ratio of EBITDA of the Loan Parties, for such period to Debt Service for such period; ~~provided that, to the Debt Service Coverage Ratio~~ extent an acquisition of Eligible Portfolio Assets is made within such four calendar quarter period, earnings attributable to such Eligible Portfolio Assets shall be ~~calculated (a) annualized for the calendar quarter ending March 31, 2021, by annualizing purpose of determining~~ EBITDA and Debt Service ~~for of the calendar quarter then ended by multiplying EBITDA and Debt Service by 4, (b) for the calendar quarter ending June 30, 2021, by annualizing EBITDA and Debt Service for the period equal to the two consecutive calendar quarters then ended by multiplying EBITDA and Debt Service by 2, and (c) for the calendar quarter ending September 30, 2021, by annualizing EBITDA and Debt Service for the period equal to the three consecutive~~

~~calendar quarters then ended by multiplying EBITDA and Debt Service by 1.33~~ Loan Parties under this definition.

“Default Rate” means, as of any date of determination, a rate per annum equal to the interest rate that is or would be applicable to the Advances at such time plus 2.0%.

“Defaulting Lender” means, subject to Section 2.16, any Lender that (a) has failed to (i) fund all or any portion of its Advances within two (2) Business Days of the date such Advances were required to be funded hereunder unless such Lender notifies the Administrative Agent and the Administrative Borrower in writing that such failure is the result of such Lender’s determination that one or more conditions precedent to funding (each of which conditions precedent, together with any applicable default, shall be specifically identified in such writing) has not been satisfied, or (ii) pay to the Administrative Agent or any other Lender any other amount required to be paid by it hereunder within two (2) Business Days of the date when due, (b) has notified the Administrative Borrower or the Administrative Agent in writing that it does not intend to comply with its funding obligations hereunder, or has made a public statement to that effect (unless such writing or public statement relates to such Lender’s obligation to fund an Advance hereunder and states that such position is based on such Lender’s determination that a condition precedent to funding (which condition precedent, together with any applicable default, shall be specifically identified in such writing or public statement) cannot be satisfied), (c) has failed, within three (3) Business Days after written request by the Administrative Agent or the Administrative Borrower, to confirm in writing to the Administrative Agent and the Administrative Borrower that it will comply with its prospective funding obligations hereunder (provided that such Lender shall cease to be a Defaulting Lender pursuant to this clause (c) upon receipt of such written confirmation by the Administrative Agent and the Administrative Borrower), or (d) has, or has a direct or indirect parent company that has, (i) become the subject of a Bankruptcy Event, (ii) had appointed for it a receiver, custodian, conservator, trustee, administrator, assignee for the benefit of creditors or similar Person charged with reorganization or liquidation of its business or assets, including the Federal Deposit Insurance Corporation or any other state or federal regulatory authority acting in such a capacity or (iii) become the subject of a Bail-In Action; provided that a Lender shall not be a Defaulting Lender solely by virtue of the ownership or acquisition of any equity interest in that Lender or any direct or indirect parent company thereof by a Governmental Authority so long as such ownership interest does not result in or provide such Lender with immunity from the jurisdiction of courts within the United States or from the enforcement of judgments or writs of attachment on its assets or permit such Lender (or such Governmental Authority) to reject, repudiate, disavow or disaffirm any contracts or agreements made with such Lender. Any determination by the Administrative Agent that a Lender is a Defaulting Lender under any one or more of clauses (a) through (d) above shall be conclusive and binding absent manifest error, and such Lender shall be deemed to be a Defaulting Lender (subject to Section 2.16) upon delivery of written notice of such determination to the Administrative Borrower and each Lender.

“Determination Date” means, for any Payment Date, the date that is five (5) Business Days prior to such Payment Date.

“Disqualified Lender” means (i) each Person that is set forth on Schedule VI or otherwise identified by Holdings in writing to the Administrative Agent and the Servicer prior to the Closing Date as a competitor of White Mountains Insurance Group, Ltd. or Holdings, and (ii) Affiliates of any Person identified in clause (i) above that are either identified in writing to the Administrative Agent and the Servicer by Holdings from time to time or readily identifiable solely based on similarity of such Affiliate’s name. Notwithstanding anything to the contrary contained in this Agreement, (a) the Administrative Agent shall not be responsible or have any liability for, or have any duty to ascertain, inquire into, monitor or enforce, compliance with the provisions hereof relating to Disqualified Lenders and (b) the Co-Borrowers (on behalf of themselves and the other Loan Parties) and the Lenders acknowledge and agree that the Administrative Agent shall have no responsibility or obligation to determine whether any Lender or potential Lender is a Disqualified Lender and that the Administrative Agent shall have no liability with respect to any assignment or participation made to a Disqualified Lender.

“Distribution” means (a) any dividend, distribution or payment, direct or indirect, to or for the benefit of any holder of any Equity Interests of a Person now or hereafter outstanding, except (i) a Distribution in Kind or (ii) the issuance of Equity Interests upon the exercise of outstanding warrants, options or other rights, (b) any redemption, retirement, sinking fund or similar payment, purchase or other acquisition for value direct or indirect, of any Equity Interests of a Person now or hereafter outstanding, or (c) any distribution or payment of principal or interest required to be made to a Loan Party by an Obligor on a Loan Asset pursuant to the terms of the related Underlying Loan Agreement.

“Distribution in Kind” means any non-cash dividend or distribution, direct or indirect, for the benefit of a holder of Equity Interests.

“Dollar Equivalent” means (i) with respect to any amount denominated in Dollars, such amount, and (ii) with respect to any amount denominated in any other currency (the “Non-Dollar Amount”), the amount of Dollars that could be converted into the Non-Dollar Amount on the basis of the Spot Rate as reasonably determined in good faith by the Account Bank (acting upon the instructions of the Administrative Borrower) as of the most recent Determination Date or other applicable date of determination.

“Dollar(s)” and the sign “\$” means the lawful money of the United States of America.

“EBITDA” means, for any specified period of measurement of Loan Parties, calculated on a consolidated basis, (a) Net Income, plus (b) to the extent reducing Net Income, the sum of (without duplication), (i) amounts for interest expense under this Agreement, (ii) Taxes, (iii) amounts for costs, fees and expenses in connection with this Agreement (iv) placement fees in connection with the consummation of the transactions pursuant to this Agreement (including without limitation in relation to any future Advances under the Agreement) and in connection with the raising of any equity, (v) transaction fees and expenses relating to Portfolio Assets and the incurrence of Indebtedness permitted under the Agreement (whether or not any transaction is actually consummated), (vi) unrealized losses attributable to the revaluation of any asset, (vii) unrealized foreign currency losses, (viii) non-cash compensation expenses (ix) depreciation and

amortization, including amortization of fees related to the consummation of transactions contemplated under this Agreement, (x) non-cash losses relating to hedging activities and (xi) non-recurring or non-cash items expensed during the specified period that have been approved by the Initial Lender as add-backs to EBITDA (such approval not to be unreasonably withheld, conditioned or delayed), minus (c) to the extent increasing Net Income, the sum of, without duplication, (i) unrealized gains attributable to the revaluation of any asset, (ii) unrealized foreign currency gains, (iii) non-cash gains relating to hedging activities, (iv) amounts for other non-cash gains increasing Net Income for such period (excluding any such non-cash item to the extent it represents the reversal of an accrual or reserve for potential cash item in any prior period) and (v) other non-recurring or non-cash gains earned during the specified period.

“EEA Financial Institution” means (a) any credit institution or investment firm established in any EEA Member Country that is subject to the supervision of an EEA Resolution Authority, (b) any entity established in an EEA Member Country that is a parent of an institution described in clause (a) of this definition, or (c) any financial institution established in an EEA Member Country that is a subsidiary of an institution described in clauses (a) or (b) of this definition and is subject to consolidated supervision with its parent.

“EEA Member Country” means any of the member states of the European Union, Iceland, Liechtenstein, and Norway.

“EEA Resolution Authority” means any public administrative authority or any person entrusted with public administrative authority of any EEA Member Country (including any delegatee) having responsibility for the resolution of any EEA Financial Institution.

“Eligible Assignee” means (a) a Lender or any of its Affiliates, (b) any Person managed by a Lender or any of its Affiliates or (c) any financial or other institution reasonably acceptable to the Majority Lenders (such consent not to be unreasonably withheld, conditioned or delayed) (other than a Co-Borrower or an Affiliate thereof); provided, however, prior to an Event of Default arising pursuant to Section 6.01(a) or 6.01(d) in no event shall a Disqualified Lender constitute an Eligible Assignee.

“Eligible Portfolio Asset” means (i) each of the Initial Portfolio Assets, (ii) each other General Partner Investment owned by a Loan Party which complies with the Investment Guidelines (as determined at the time such Eligible Portfolio Asset is included in the Borrowing Base) including, any assets received as Distributions In Kind, and (iii) each other Portfolio Asset that constitutes a Loan Asset that is approved by the Servicer, and in each case, that is not subject to any security interest, Lien or other encumbrance other than those granted to Administrative Agent herein (subject to Permitted Liens), subject to removal from the Borrowing Base and a corresponding reduction to the LTV, at the election of the Servicer if there has been (a) a Material Investment Event, (b) a Material Modification, (c) Underlying Obligor Default, (d) proceedings pending or, to any Loan Party’s knowledge, threatened (i) with respect to a Bankruptcy Event with respect to any applicable Obligor or (ii) wherein any applicable Obligor, any other party or any governmental entity has alleged that such Portfolio Asset or its related Underlying Agreement or any of its Required Portfolio Documents is illegal or unenforceable has occurred and is continuing and (e) in connection with a Sale under Section

2.11; provided, that any Eligible Portfolio Asset so removed from the Borrowing Base shall cease to be an Eligible Portfolio Asset; provided, further, that with respect to each Initial Portfolio Asset described in Schedule VII, each such Initial Portfolio Asset shall be deemed not to be an Eligible Portfolio Asset, and shall not be included in the Borrowing Base or the calculation of the LTV until the Post Closing Condition with respect to such Initial Portfolio Asset is satisfied, as determined by the Administrative Agent, acting at the direction of the Majority Lenders.

“Eligible Receivable” means an amount which is due and owing with respect to an Eligible Portfolio Asset which is not more than 60 days past due and for which the applicable Loan Party reasonably believe such amount will be paid prior to the end of such 60 day period.

“Employee Benefit Plan” means any “employee benefit plan” as defined in Section 3(3) of ERISA which is or was subject to ERISA (other than a Pension Plan or Multiemployer Plan) and maintained by, contributed to, or required to be maintained or contributed to by a Co-Borrower, Holdings or any ERISA Affiliate.

“Environmental Laws” means any and all foreign, federal, State and local laws, statutes, ordinances, rules, regulations, permits, licenses, approvals, interpretations and orders of courts or Governmental Authorities, relating to the protection of human health or the environment, including, but not limited to, requirements pertaining to the manufacture, processing, distribution, use, treatment, storage, disposal, transportation, handling, reporting, licensing, permitting, investigation or remediation of Hazardous Materials.

“Equity Interests” means, all shares, options, warrants, general or limited partnership interests, membership interests or other equivalents (regardless of how designated) of or in a corporation, partnership, limited liability company or equivalent entity, whether voting or nonvoting, including common stock, preferred stock or any other “equity security” (as such term is defined in Rule 3a11-1 of the General Rules and Regulations promulgated by the Securities and Exchange Commission under the Exchange Act).

“Equity Investment” means any investment or co-investment made by a Loan Party directly in the Equity Interests of another Person.

“Equity Investment Agreement” means, the investment agreement, co-investment agreement, partnership agreement, limited liability company agreement, shareholder agreement, subscription agreement, or other similar document governing and evidencing an Equity Investment, including any side letters relating thereto to which a Loan Party is a party or is otherwise binding on such Loan Party.

“Equity Investment Capital Call” means with respect to an Equity Investment, a call upon all or any Obligors for payment of all or any portion of their Equity Investment Capital Commitment.

“Equity Investment Capital Commitment” means, with respect to any Equity Investment, the commitment, if any, of an Obligor to make Equity Investment Capital Contributions or otherwise providing funding to any Obligor in response to an Equity Investment Capital Call

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pursuant to the Equity Investment Agreement and any related subscription agreement or other offering materials governing such Equity Investment from time to time.

“Equity Investment Capital Contribution” means, for any Obligor with respect to any Equity Investment, any capital contribution or other funding made by such Obligor in response to an Equity Investment Capital Call.

“Equity Investment Obligations” means, the obligations of any Person with respect to any Equity Investments (including any related Equity Investment Capital Commitment).

“Equity Investment Transfer Agreement” means, any transfer agreement or consent to transfer relating to an Equity Investment, to the extent required in connection with such transfer.

“ERISA” means the United States Employee Retirement Income Security Act of 1974, as amended from time to time.

“ERISA Affiliate” means any trade or business (whether or not incorporated) under common control with a Loan Party or Holdings within the meaning of Section 414(b) or (c) of the Code (and Sections 414(m) and (o) of the Code for purposes of provisions relating to Section 412 of the Code or Section 302 of ERISA).

“ERISA Event” means (a) the occurrence of any Reportable Event; (b) the failure by Holdings, a Loan Party or any ERISA Affiliate to meet the minimum funding standard of Section 412 or 430 of the Code and Section 302 or 303 of ERISA with respect to any Pension Plan (whether or not waived), the failure to make by its due date a required installment under Section 430(j) of the Code or Section 303(j) of ERISA with respect to any Pension Plan or the failure by Holdings, a Loan Party or any ERISA Affiliate to make any required contribution to a Multiemployer Plan; (c) the determination that any Pension Plan is considered an at-risk plan or that any Multiemployer Plan is endangered or is in critical status within the meaning of Section 430, 431 or 432 of the IRC or Section 303, 304 or 305 of ERISA, as applicable; (d) the incurrence by Holdings, a Loan Party or any ERISA Affiliate of any liability under Title IV of ERISA, other than for PBGC premiums not yet due; (e) the provision to Holdings, a Loan Party or any ERISA Affiliate from the PBGC or a plan administrator of any notice relating to an intention to terminate any Pension Plan or Multiemployer Plan or to appoint a trustee to administer any Pension Plan or Multiemployer Plan or the occurrence of any event or condition which would reasonably be expected to constitute grounds under Section 4041 or 4042 of ERISA for the termination of, or the appointment of a trustee to administer any Pension Plan or Multiemployer Plan or the institution by the PBGC of proceedings to terminate any Pension Plan or Multiemployer Plan; (f) the withdrawal of a Holdings, Loan Party or any ERISA Affiliate from a Pension Plan or the termination of any such Pension Plan resulting in liability pursuant to Section 4063 or 4064 of ERISA or the cessation of operations by Holdings, a Loan Party or any ERISA Affiliate that would be treated as a withdrawal from a Pension Plan under Section 4062(e) of ERISA; (g) the imposition of liability on a Holdings, Loan Party or any ERISA Affiliate pursuant to Section 4062(e) or 4069 of ERISA or by reason of the application of Section 4212(c) of ERISA; (h) the partial or complete withdrawal (within the meaning of Section 4203 and 4205 of ERISA) by Holdings, a Loan Party or any ERISA Affiliate from any

Multiemployer Plan or the receipt by Holdings, a Loan Party or any ERISA Affiliate of notice from any Multiemployer Plan that it is in insolvency pursuant to Section 4245 of ERISA, or that it intends to terminate or has terminated under Section 4041A or 4042 of ERISA; (i) the assertion of a material claim (other than routine claims for benefits) against any Employee Benefit Plan, or the assets thereof, or against a Holdings, Loan Party, or any ERISA Affiliate in connection with any Employee Benefit Plan; or (j) the imposition of a Lien on the property of Holdings, a Loan Party pursuant to Section 430(k) of the Code or pursuant to Section 303(k) or 4068 of ERISA or otherwise.

“Erroneous Payment” has the meaning assigned to it in Section 7.10(a).

“Event of Default” has the meaning assigned to that term in Section 6.01.

“Excepted Persons” has the meaning assigned to that term in Section 11.11(a).

“Exchange Act” means the United States Securities Exchange Act of 1934, as amended, and the rules and regulations promulgated thereunder.

“Excluded Amounts” means, without duplication, (a) any amount received in any Collection Account which is attributable to the payment of any non-income Tax, fee or other charge imposed by any Governmental Authority on any Portfolio Asset or on any Underlying Collateral, and (b) any amount received in the Collection Account with respect to any Portfolio Asset that is no longer owned by a Loan Party pursuant to a Sale pursuant to Section 2.11(a) to the extent such received amount is attributable to a time after the effective date of such Sale and (c) amounts deposited in any Collection Account which were not required to be deposited therein or were deposited in error.

“Excluded Assets” has the meaning assigned to that term in Section 2.10(c).

“Excluded Taxes” means any of the following Taxes imposed on or with respect to a Recipient or required to be withheld or deducted from a payment to a Recipient under any Transaction Document: (a) any Taxes imposed on (or measured by) net income (however denominated), any franchise Taxes, and any branch profits Taxes, in each case by (i) the jurisdiction under the laws of which such Recipient is organized or in which such Recipient’s principal office is located or, in the case of any Lender, in which such Lender’s applicable lending office is located or (ii) a jurisdiction as the result of any other present or former connection between such Recipient and the jurisdiction imposing such Tax (other than connections arising from such Recipient having executed, delivered, become a party to, performed its obligations under, received payments under, received or perfected a security interest under, engaged in any other transaction pursuant to or enforced any Transaction Document, or sold or assigned an interest in any Transaction Document or any Advance, loan or commitment made pursuant to this Agreement); (b) in the case of a Lender, United States federal withholding Taxes imposed on amounts payable to or for the account of such Lender with respect to an applicable interest in an Advance or Commitment pursuant to a law in effect on the date on which (i) such Lender acquires such interest in the Advance or Commitment (other than pursuant to an assignment requested by Section 2.15(b)) or (ii) such Lender changes its lending office, except in each case to the extent that, pursuant to Section 2.13, amounts with respect to

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such Taxes were payable either to such Lender's assignor immediately before such Lender became a party hereto or to such Lender immediately before it changed its lending office; (c) Taxes attributable to such Recipient's failure to comply with Section 2.13(e) or (f); and (d) any withholding Taxes imposed under FATCA.

"Facility Increase" has the meaning assigned to that term in Section 2.14(a).

"Facility Increase Notice" has the meaning assigned to that term in Section 2.14(a).

"Facility Termination Date" means the date on which the aggregate outstanding principal amount of the Advances have been repaid in full and all accrued and unpaid interest thereon, all Fees and all other Obligations (other than contingent indemnification obligations not then due and owing) have been paid in full, the Commitments of the Lenders hereunder have been terminated and the Co-Borrowers have no further right to request any additional Advances.

~~"Facility Upsize Denial" has the meaning assigned to that term in Section 2.04(d).~~

"FATCA" means Sections 1471 through 1474 of the Code as in effect on the date hereof (or any amended or successor version that is substantively comparable and not materially more onerous to comply with) and any current or future regulations promulgated thereunder or official interpretations thereof, any agreements entered into pursuant to Section 1471(b)(1) of the Code as of the date hereof (or any amended or successor version described above) and any intergovernmental agreements (or related rules, legislation or official administrative guidance) implementing such provisions of the Code or any non-U.S. laws implementing the foregoing.

"Federal Funds Rate" means, for any day, the rate per annum equal to the weighted average of the rates on overnight Federal funds transactions with members of the Federal Reserve System, as published by the Federal Reserve Bank of New York on the Business Day next succeeding such day; *provided*, (i) if such day is not a Business Day, the Federal Funds Rate for such day shall be such rate on such transactions on the next preceding Business Day as so published on the next succeeding Business Day, and (ii) if no such rate is so published on such next succeeding Business Day, the Federal Funds Rate for such day shall be the average rate (rounded upward, if necessary, to a whole multiple of 1/100 of 1%) charged to major banks selected by the Administrative Agent on such day on such transactions as reasonably determined by the Administrative Agent. Notwithstanding the foregoing or any other provision of this Agreement, the rate determined pursuant to this definition shall not be less than the Floor.

"Fee Letters" means the Agent Fee Letter, the Servicer Fee Letter, the ~~Commitment Structuring~~ Fee Letter and each other fee letter agreement entered into by and among the Co-Borrowers and any of the Administrative Agent, the Servicer, Barings LLC and any Lender in connection with the transactions contemplated by this Agreement.

"Fees" means the fees payable to the Servicer, the Administrative Agent, any Account Bank, Barings LLC, any Lender or any other applicable agent or party pursuant to the terms of the Fee Letters or the other Transaction Documents.

"Floor" means 0.25%

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“First Amendment Effective Date” means June 28, 2023.

“Foreign Pledge Agreements” means collectively, the Australian Pledge Agreement, the Guernsey Pledge Agreement, and the UK Pledge Agreement

“GAAP” means, generally accepted accounting principles as in effect from time to time in the United States.

“General Partner” means an entity into which a General Partner Investment was made.

“General Partner Investment” means, an Equity Investment the recipient of which is an entity that is responsible, either alone or with others, for managing, operating or Controlling an Investment Fund as a general partner, managing member or other Person of similar authority.

“Governmental Authority” means, with respect to any Person, any nation or government, any state or other political subdivision thereof or any entity, authority, agency, division or department exercising the executive, legislative, judicial, taxing, regulatory or administrative powers or functions of or pertaining to a government and any court or arbitrator having jurisdiction over such Person (including any supra-national bodies such as the European Union or the European Central Bank) and any group or body charged with setting financial accounting or regulatory capital rules or standards (including the Financial Accounting Standards Board, the Bank for International Settlements or the Basel Committee on Banking Supervision or any successor or similar authority to any of the foregoing).

“Guarantee” of or by any Person (the “guarantor”) shall mean any obligation, contingent or otherwise, of the guarantor 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, direct or indirect, of the guarantor (i) 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 thereof, (ii) to purchase or lease property, securities or services for the purpose of assuring the owner of such Indebtedness or other obligation of the payment thereof, (iii) 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 or (iv) as an account party in respect of any letter of credit or letter of guaranty issued in support of such Indebtedness or obligation; provided that the term “Guarantee” shall not include endorsements for collection or deposit in the ordinary course of business. The amount of any Guarantee shall be deemed to be an amount equal to the stated or determinable amount of the primary obligation in respect of which such Guarantee is made or, if not so stated or determinable, the maximum reasonably anticipated liability in respect thereof (assuming such Person is required to perform thereunder) as determined by such Person in good faith. The term “Guarantee” used as a verb has a corresponding meaning.

“Guarantors” means each UK Guarantor and each other Person that from time to time guaranties the Obligations.

“Guaranty Agreement” means that certain Guaranty Agreement, dated as of the date hereof, by and among the UK Guarantors from time to time party thereto and the Administrative Agent.

“Guernsey Pledge Agreement” means the Guernsey law governed document entitled “Security Interest Agreement” dated on or around the date of this Agreement between Kudu and the Administrative Agent and creating a security interest in and to the collateral described therein to the Administrative Agent in favor of the Lenders

“Hazardous Materials” means any substances or materials (a) that are or become defined as hazardous wastes, hazardous substances, pollutants, contaminants, chemical substances or mixtures or toxic substances under any Environmental Law; (b) that are toxic, explosive, corrosive, flammable, infectious, radioactive, carcinogenic, mutagenic or otherwise harmful to human health or the environment and are or become regulated as such by any Governmental Authority; (c) the presence of which require investigation or remediation under any Environmental Law or common law, (d) the discharge or emission or release of which requires a permit or license under any Environmental Law or other approval by a Governmental Authority; (e) that are deemed to constitute a nuisance or a trespass that pose a health or safety hazard to Persons or neighboring properties; (f) that consist of underground or aboveground storage tanks, whether empty, filled or partially filled with any substance; or (g) that contain, without limitation, asbestos, polychlorinated biphenyls, urea formaldehyde foam insulation, petroleum hydrocarbons, petroleum derived substances or waste, crude oil, nuclear fuel, natural gas or synthetic gas.

“Holdings” has the meaning assigned to that term in the preamble hereto.

“Holdings AML and International Trade Default” means, any one of the following events: (a) that any representation contained Section 4.05(l) is or becomes false at any time; or (b) a Loan Party fails to comply with the covenant contained in Section 11.21(d)(i) in any material respect at any time.

“IFRS” means international accounting standards within the meaning of International Accounting Standards Regulation 1606/2002 to the extent applicable to the relevant financial statements delivered under or referred to herein.

“Indebtedness” of any Person means, without duplication, (i) all obligations of such Person for borrowed money, (ii) all obligations of such Person evidenced by bonds, debentures, notes or other similar instruments, (iii) all obligations of such Person in respect of the deferred purchase price of property or services (other than trade payables incurred in the ordinary course of business), (iv) all obligations of such Person under any conditional sale or other title retention agreement(s) relating to property acquired by such Person, (v) all Capital Lease Obligations of such Person, (vi) all obligations, contingent or otherwise, of such Person in respect of letters of credit, acceptances or similar extensions of credit, (vii) all Guarantees of such Person of the type of Indebtedness described in clauses (i) through (vi) above, (viii) all Indebtedness of a third party secured by any Lien on property owned by such Person, whether or not such Indebtedness has been assumed by such Person, (ix) all obligations of such Person, contingent or otherwise, to

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purchase, redeem, retire or otherwise acquire for value any Equity Interests of such Person (other than pursuant to any repurchase or redemption offer voluntarily made by such Person), (x) all net obligations of such Person in respect of derivative transactions and (xi) all Off-Balance Sheet Liabilities.

“Indemnified Amounts” has the meaning assigned to that term in Section 10.01(a).

“Indemnified Party” has the meaning assigned to that term in Section 10.01(a).

“Indemnified Taxes” means (a) Taxes, other than Excluded Taxes, imposed on or with respect to any payment made by or on account of any obligation of a Loan Party or Holdings under any Transaction Document and (b) to the extent not otherwise described in (a), Other Taxes.

“Indorsement” has the meaning specified in Section 8-102(a)(11) of the UCC, and “Indorsed” has a corresponding meaning.

“Information” has the meaning assigned to that term in Section 11.11(e).

“Initial Advance” means the first Advance made to a Co-Borrower pursuant to Article II.

“Initial Lender” means, Massachusetts Mutual Life Insurance Company.

“Initial Portfolio Assets” means, the General Partnership Investments owned by a Loan Party on the Closing Date, as set forth on Schedule I delivered on the Closing Date.

“Interest Period” means, with respect to any Advance (a) initially, the period commencing on the Advance Date with respect to such Advance to but excluding the first Payment Date to occur after the date of such Advance and (b) thereafter, each successive period from and including each Payment Date to but excluding the following Payment Date; provided that, if an Interest Period would extend beyond the Maturity Date, then such Interest Period shall end on the Maturity Date.

“Interest Reserve Account” means the account established at the Account Bank which shall be subject to an Account Control Agreement pursuant to which the Co-Borrowers shall maintain the Interest Reserve Amount.

“Interest Reserve Amount” means as of any date of determination an amount equal to the aggregate amount of interest payments payable on Indebtedness arising under this Agreement for the most recent quarter then ended multiplied by (4) four, which amount may consist of cash and/or Eligible Receivables expected to accrue as of such quarter-end; provided that the aggregate amount of Eligible Receivables may not exceed more than 30% of the Interest Reserve Amount.

“Interim-Period Payment Date” has the meaning assigned to that term in the definition of “Payment Date”.

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“Investment Advisers Act” means the U.S. Investment Advisers Act of 1940, as amended from time to time.

“Investment Fund” means any investment vehicle (regardless of form), including any intermediate vehicle, for which a General Partner acts as the general partner, managing member or other Person of similar authority or having a similar role.

“Investment Fund Agreements” means for any Investment Fund, its organizational documents of which a Responsible Person of a Co-Borrower has knowledge, including: (a) in the case of any limited partnership, exempted limited partnership or similar form of business entity, the limited partnership agreement, exempted limited partnership agreement of such Person, agreement with any investor or partner, offering document, private placement memorandum, or other agreement to which the Investment Fund is a party; (b) in the case of any limited liability company, the certificate of formation, limited liability company agreement and/or operating agreement of such Person, agreement with any investor or partner, offering document, private placement memorandum, or other agreement to which the Investment Fund is a party; and (c) in the case of a corporation or an exempted company, the certificate of incorporation and the memorandum of association and articles of association and/or the bylaws (or equivalent) of such Person, agreement with any investor or partner, offering document, private placement memorandum, or other agreement to which the Investment Fund is a party.

“Investment Guidelines” means the investment guidelines set forth on Schedule V as may be amended from time to time with the prior written consent of the Servicer, not to be unreasonably withheld, conditioned or delayed.

“Investment Value” means, as of any date of determination, with respect to any Eligible Portfolio Asset, the fair value calculated in accordance with Applicable Accounting Principles and subject to the Valuation Policy, as reported by the Loan Parties in their latest quarterly reports delivered by the Administrative Borrower to the Administrative Agent; provided that if the Initial Lender believes in good faith and determines in a commercially reasonable manner that the valuation does not reflect the accurate value of an Eligible Portfolio Asset then the Initial Lender may select a third party valuation firm with the consent of the Administrative Borrower, and the value for such Eligible Portfolio Asset shall be the Lender’s new valuation (the reasonable and documented out-of-pocket costs and expenses of the first new valuation requested by the Initial Lender during any twelve-month period will be paid, on a joint and several basis, by the Co-Borrowers and the costs and expenses of each subsequent new valuation requested by the Initial Lender during such twelve-month period will be paid by the Lenders).

“Kudu” has the meaning given to that term in the preamble hereto.

“Kudu US” has the meaning given to that term in the preamble hereto.

“Lender” means collectively, the Initial Lender and any other Person to whom any Lender assigns any part of its rights and obligations under this Agreement and the other Transaction Documents in accordance with the terms of Section 11.04 and any other party that becomes a lender pursuant to an Assignment and Assumption Agreement.

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“Lender Covered Entity” means each (a) Lender and its subsidiaries and (b) each Person that, directly or indirectly, is in control of a Person described in clause (a) above. For purposes of this definition, control of a Person shall mean the direct or indirect (i) ownership of, or power to vote, 25% or more of the issued and outstanding Equity Interests having ordinary voting power for the election of directors of such Person or other Persons performing similar functions for such Person or (ii) power to direct or cause the direction of the management and policies of such Person whether by ownership of Equity Interests, contract or otherwise.

“Lien” means any mortgage or deed of trust, pledge, hypothecation, collateral assignment, deposit arrangement, encumbrance, lien (statutory or other), charge, claim, preference, priority or other security interest or preferential arrangement in the nature of a security interest of any kind or nature whatsoever (including any conditional sale, lease or other title retention agreement, sale subject to a repurchase obligation, any easement, right of way or other encumbrance on title to real property, and any financing lease having substantially the same economic effect as any of the foregoing and including any “security interest” under the Australian PPSA, but excluding any interest described in section 12(3) of the Australian PPSA that does not, in substance, secure payment or performance of an obligation), or the filing of or financing statement perfecting a security interest under the UCC or comparable law of any jurisdiction.

“Loan Asset” means (a) any loan interest in the loan obligations of any applicable Obligor, (b) any note, bond, debenture or other debt security, (c) any such Loan Asset owned by or Transferred to a Loan Party and (d) the Australian Collateral, which includes (i) the Portfolio Asset File therefor, and (ii) all right, title and interest in and to (A) such loan interest, note, bond, debenture or other debt security, (B) the related Underlying Loan Agreement and (C) any Underlying Collateral.

“Loan Parties” means, each Co-Borrower, each UK Guarantor, and each other Person that (i) executes a guaranty of the Obligations and/or (ii) grants a Lien on all or substantially all of its assets to secure payment of the Obligations.

“LTV” means, as of any date of determination, the ratio of (i) Advances Outstanding as of such date to (ii) the aggregate Investment Value of all Eligible Portfolio Assets plus cash and cash equivalents which are deposited in ~~an~~any Collection Account and the Interest Reserve Account, in each case subject to an Account Control Agreement, as of such date.

“LTV Certificate” means, a certificate setting forth the calculation of LTV as of the applicable date of determination, substantially in the form of Exhibit A, prepared by the Administrative Borrower and in form reasonably acceptable to the Servicer.

“LTV Trigger Event” means, if, as of any date of determination, after the six month anniversary of the Closing Date, the LTV exceeds the Maximum LTV Percentage.

“Majority Lenders” means the Lenders representing an aggregate of more than 50% of the aggregate Commitments. The Commitments of any Defaulting Lender shall be disregarded in determining the Majority Lenders at any time.

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“Management Contracts” means the management contracts entered into by any Loan Party in connection with the management of a Portfolio Asset.

“Market Trigger Event” means, as of any date of determination, (i) an Event of Default has occurred and is continuing, (ii) an LTV Trigger Event has occurred and is continuing, (iii) the Debt Service Coverage Ratio ~~(commencing with the period ending September 30, 2021)~~ as of such date is (I) if on any date of determination during the calendar year 2024, less than 2.5:1.0 and (II) thereafter, less than 3.0:1.0, (iv) [reserved], (v) a Material Investment Event or a Material Modification has occurred and is continuing, (vi) the Eligible Portfolio Assets consist of less than six (6) separate General Partnership Investments or the aggregate Investment Value of all Eligible Portfolio Assets is less than \$300,000,000, or (vii) the occurrence of a Ratings Event. For the avoidance of doubt, the occurrence of a Market Trigger Event under this Agreement shall not constitute an Event of Default.

“Material Adverse Effect” means (a) a material adverse effect on the business, financial condition, operations, liabilities (actual or contingent) or performance of Holdings and the Loan Parties, taken as a whole, (b) a material adverse effect on the validity or enforceability of this Agreement or any other Transaction Document, (c) a material impairment of the rights and remedies of the Administrative Agent, the Servicer, any Lender or any other Secured Parties with respect to matters arising under this Agreement or any other Transaction Document, (d) a material adverse effect on the ability of Holdings and the Loan Parties, taken as a whole, to perform their respective obligations under this Agreement or any other Transaction Document or (e) a material adverse effect on the existence, perfection, priority or enforceability of the Administrative Agent’s or the other Secured Parties’ Lien on the Collateral Portfolio; provided that, in each case, there shall be no Material Adverse Effect to the extent such Material Adverse Effect arises from the action (or inaction) of the Administrative Agent, the Servicer, any Lender or any other Secured Party.

“Material Investment Event” means, any of the following with respect to an Eligible Portfolio Asset that is an Equity Investment (a) a Bankruptcy Event, (b) a Partnership Default Trigger Event, (c) a complete write-down or write-off or any reduction in excess of 50% of the Investment Value of such Eligible Portfolio Asset by a Co-Borrower and (d) the occurrence of any “change of control”, “key man event” (or such similar term or concept) under the Constituent Documents of such Eligible Asset that, in the reasonable determination of the Servicer, results in a reduction in excess of 50% of the Investment Value of such Eligible Portfolio Asset. In the event of a Material Investment Event, the relevant Eligible Portfolio Asset with respect to which such Material Investment Event has occurred shall be excluded from the Borrowing Base and a corresponding reduction to the LTV.

“Material Modification” means, any of the following with respect to an Eligible Portfolio Asset that is a Loan Asset, any amendment or waiver of, or modification or supplement to, or termination, cancellation or release of, an Underlying Loan Agreement for such Eligible Portfolio Asset, which is material and adverse to the interests of the Lenders, the Co-Borrowers or the Portfolio Assets taken as a whole. In the event of a Material Modification, the relevant

Eligible Portfolio Asset with respect to which such Material Modification has occurred shall be excluded from the Borrowing Base and a corresponding reduction to the LTV.

“Maturity Date” means the earlier to occur of (a) the fifteenth (15th) anniversary of the Closing Date, or if such date is not a Business Day, the immediately preceding Business Day, and (b) the date the Advances are accelerated upon the occurrence of an Event of Default.

“Maximum Availability” means, at any time, the lesser of (a) the Maximum Facility Amount at such time and (b) the Borrowing Base at such time.

“Maximum Facility Amount” means, at any time, an amount equal to the aggregate Commitments of the Lenders at such time. The Maximum Facility Amount (i) on the Closing Date is \$300,000,000 and (ii) on the Second Amendment Effective Date is \$350,000,000.

“Maximum LTV Percentage” means, as of any date of determination, the applicable percentage set forth below.

Year after Closing	0 to end of year 3	Beginning of year 4 to end of year 6	Beginning of year 7 to end of year 8	Beginning of year 9 to end of year 10	Thereafter
Max LTV	50%	40%	25%	15%	0%

<u>Years After Second Amendment Effective Date</u>	<u>Maximum LTV Percentage</u>
<u>June 28, 2024 – June 27, 2027</u>	<u>50%</u>
<u>June 28, 2027 – June 27, 2029</u>	<u>40%</u>
<u>June 28, 2029 – June 27, 2031</u>	<u>25%</u>
<u>June 28, 2031 – June 27, 2034</u>	<u>15%</u>
<u>June 28, 2034 – June 27, 2036</u>	<u>0%</u>
<u>Thereafter</u>	<u>0%</u>

“Maximum Rate” has the meaning assigned to that term in Section 2.05(g).

“Minimum Usage Utilization Amount” means, as of any date of determination, (i) prior to March 31, 2025, an amount equal to seventy percent (70%) of the Maximum Facility Amount as of the Closing Date and (ii) from and after March 31, 2025, an amount equal to seventy percent (70%) of the Maximum Facility Amount as of such date.

“Moody’s” means Moody’s Investors Services, Inc., or any successor thereto.

“Multiemployer Plan” means a “multiemployer plan” as defined in Section 4001(a)(3) of ERISA to which Holdings, a Loan Party or any ERISA Affiliate contributed or had any obligation to contribute on behalf of its employees at any time during the current year.

“Multiple Employer Plan” means an employee benefit plan (as defined in Section 3(3) of ERISA) which has two or more contributing sponsors (including Holdings, each Loan Party or any ERISA Affiliate) at least two of whom are not under common control, as such a plan is described in Section 4064 of ERISA.

“NAIC” means National Association of Insurance Commissioners.

“Net Income” means for any period, the net income (or loss) of the Loan Parties, determined on a consolidated basis, after deduction of all expenses, taxes, and other proper charges, determined in accordance with GAAP.

“Non-Call Period” has the meaning assigned to that term in Section 2.04(d).

“Non-Consenting Lender” means any Lender that does not approve any consent, waiver, amendment, modification or termination that (a) requires the approval of all Lenders or all affected Lenders in accordance with the terms of Section 11.01 and (b) has been approved by the Majority Lenders.

“Non-Dollar Amount” has the meaning assigned to that term in the definition of “Dollar Equivalent.”

“Non-U.S. Lender” has the meaning assigned to that term in Section 2.13(e).

~~“Non Usage Fee” shall mean, for any day, from and including the Closing Date to, but excluding, the Facility Termination Date and other than any day on which a Market Trigger Event has occurred and is continuing (with written notice of such Market Trigger Event provided to the Administrative Agent), a fee equal to the greater of (a) zero and (b) 0.50% multiplied by the difference between (i) the Maximum Facility Amount and (ii) the Advances Outstanding on such day. For purposes of this definition, Advances requested by the Administrative Borrower but not funded by a Defaulting Lender shall be deemed funded for purposes of calculating Advances Outstanding.~~

“Notice of Borrowing” means a written notice of borrowing from the Administrative Borrower to the Administrative Agent substantially in the form of Exhibit B.

“Notice of Exclusive Control” means a “Notice of Exclusive Control” or similar notice as defined in the applicable Account Control Agreement, or the UK Pledge Agreement, as applicable.

“NRSRO” means Nationally Recognized Statistical Rating Organization.

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“Obligations” means, all present and future indebtedness and other liabilities and obligations (howsoever created, arising or evidenced, whether direct or indirect, absolute or contingent, or due or to become due) of the Loan Parties to the Lenders, the Administrative Agent, the Account Bank, the Servicer, [Barings LLC](#) or any other Secured Party arising under this Agreement or any other Transaction Document and shall include all liability for principal of and interest on the Advances, Fees, indemnifications and other amounts due or to become due by the Loan Parties to the Lenders, the Administrative Agent, the Account Bank, the Servicer, [Barings LLC](#) and any other Secured Party under this Agreement or any other Transaction Document, including any Fee Letter, and costs and expenses payable by the Loan Parties to the Lenders, the Administrative Agent, the Account Bank, the Servicer, [Barings LLC](#) or any other Secured Party, including reasonable and documented attorneys’ fees, costs and expenses, including interest, fees and other obligations that accrue after the commencement of an insolvency proceeding (in each case whether or not allowed as a claim in such insolvency proceeding).

“Obligor” means, collectively, each Person (i) that has issued Equity Interests of any Equity Investment held or acquired directly by a Co-Borrower or a UK Guarantor, as applicable, or (ii) that is obligated to make payments under a Loan Agreement, including any guarantor thereof.

“OFAC” has the meaning assigned to that term in the definition of “Sanctions and Anti-Terrorism Laws.”

“Off-Balance Sheet Liabilities” of any Person shall mean (i) any liability of such Person under any sale and leaseback transactions that do not create a liability on the balance sheet of such Person or (ii) any obligation arising with respect to any other transaction which is the functional equivalent of or takes the place of borrowing but which does not constitute a liability on the balance sheet of such Person.

“Other Taxes” has the meaning assigned to that term in [Section 11.07\(b\)](#).

~~“Pari Passu Incremental Debt” means Indebtedness of the Co-Borrowers in respect of one or more senior secured credit facilities that (x) may be secured by Liens on the Collateral that are pari passu with or junior to the Liens of the Administrative Agent, and (y) may rank pari passu with or subordinated to, the Obligations, and that are issued or made in lieu of any Facility Increase pursuant to a loan agreement or otherwise; provided, that no Pari Passu Incremental Debt shall be permitted unless the Lenders fail to provide or arrange a Facility Increase pursuant to [Section 2.14](#); provided, further that:~~

~~(1) — the aggregate principal amount of Pari Passu Incremental Debt shall not exceed the lesser of (i) the amount of the requested Facility Increase not otherwise provided or arranged by the Lenders and (ii) \$50,000,000;~~

~~(2) — the conditions otherwise applicable to a Facility Increase pursuant to [Section 2.14](#) are satisfied immediately after giving effect thereto;~~

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~~(3) such Pari Passu Incremental Debt shall (i) have terms substantially identical to, or (taken as a whole) no more favorable (as reasonably determined by the Administrative Borrower and the Initial Lender) to the lenders or holders providing such Pari Passu Incremental Debt than, those applicable to the then existing Advances and Obligations hereunder and the documentation relating thereto shall be in form and substance reasonably satisfactory to the Initial Lender; and~~

~~(4) the lenders providing such Pari Passu Incremental Debt shall be acceptable to the Initial Lender, such approval not to be unreasonably withheld, conditioned or delayed.~~

“Participant” has the meaning assigned to the term in Section 11.04(d).

“Participant Register” has the meaning assigned to that term in Section 2.03(c).

“Partnership Default Trigger Event” means, on any date of determination, a default by any Loan Party, directly or indirectly in its material payment obligations relating to any Equity Investments with an aggregate Investment Value as of such date in excess of 15% of the Borrowing Base (including failure of any Loan Party, directly or indirectly with respect to its Equity Investment Obligations, including failure to fund any duly called Equity Investment Capital Call in respect of such Equity Investment beyond any applicable notice and cure period contained in the Constituent Documents of the issuer of such Equity Investment); provided, that, in the event that the aggregate Investment Value of such Equity Investments as of such date is 15% or less of the Borrowing Base, such default shall not constitute a “Partnership Default Trigger Event” and in lieu thereof such amount shall be deducted from the Borrowing Base.

“Payment Date” means (a) with respect to any unscheduled payments made at the Administrative Borrower’s option, any date specified by the Administrative Borrower so long as no more than two (2) such Payment Dates per calendar quarter (or such higher number agreed to by the Initial Lender and the Administrative Agent) are declared pursuant to this clause (a) (such unscheduled payment date, an “Interim-Period Payment Date”), (b) with respect to regularly scheduled payment dates, the last Business Day of each calendar quarter (commencing on June 30, 2024 such regularly scheduled payment date, a “Scheduled Payment Date”) and (b) the Maturity Date; provided that, the Administrative Borrower shall deliver written notice to the Administrative Agent and the Initial Lender at least three (3) Business Days prior to any Interim-Period Payment Date.

“Payment Date Report” means a report delivered by the Administrative Borrower and approved by the Servicer pursuant to Section 2.09, substantially in the form of Exhibit F.

“PBGC” means the United States Pension Benefit Guaranty Corporation referred to and defined in ERISA.

“Pension Plan” means any employee pension benefit plan (including a Multiple Employer Plan but not a Multiemployer Plan) that is maintained or is contributed to by

Holdings, a Loan Party or any ERISA Affiliate and is either covered by Title IV of ERISA or is subject to the minimum funding standards under Section 412 of the Code.

“Permitted Debt” means any of the following: (a) Indebtedness arising in connection with the endorsement of instruments for deposit, (b) Indebtedness secured by liens of the type described in clause (a) or (c) of the definition of “Permitted Liens”, (c) capital commitments or other funding requirements under any Portfolio Asset, (d) obligations payable to clearing agencies, brokers or dealers in connection with the purchase or sale of securities in the ordinary course of business, (e) Indebtedness in respect of netting services and overdraft protections and otherwise in connection with deposit accounts, (f) obligations to prime brokers and derivative counterparties in connection with transactions entered into in the ordinary course of business, ~~(g) Pari Passu Incremental Debt~~ and ~~(hg)~~ accrued and unpaid earn-outs and other similar contingent consideration obligations.

“Permitted Liens” means any of the following: (a) Liens for Taxes if such Taxes shall not at the time be due or if a Person shall currently be contesting the validity thereof in good faith by appropriate proceedings and with respect to which reserves in accordance with Applicable Accounting Principles have provided for on the books of such Person; (b) Liens imposed by law, such as materialmen’s, warehousemen’s, mechanics’, carriers’, workmen’s and repairmen’s Liens and other similar Liens, arising by operation of law in the ordinary course of business for sums that are not overdue or are being contested in good faith by appropriate proceedings and with respect to which reserves in accordance with Applicable Accounting Principles have been provided on the books of the applicable Person; (c) Liens granted pursuant to or by the Transaction Documents; (d) Liens in favor of the Account Bank (i) which arise as a matter of law on items in the course of collection or encumbering deposits or other similar Liens (including the right to set off), (ii) which result from contractual rights of set off relating to the establishment of depository relations with such financial institution or relate to pooled deposit or sweep accounts to permit satisfaction of overdraft or similar obligations incurred in the ordinary course of business, or (iii) routinely imposed on securities or deposit accounts by the Account Bank, to the extent permitted under the Account Control Agreement, (e) Liens of clearing agencies, broker-dealers and similar Liens incurred in the ordinary course of business attaching to securities (or proceeds) being purchased or sold or reasonable and customary initial deposits; (f) Liens on securities or other property in favor of prime brokers or Persons holding such securities or other property in a custodial capacity to secure fees and other amounts owed to such prime brokers or other Persons and (g) Liens arising out of judgments or awards that do not constitute an Event of Default under Section 6.01(e).

“Person” means an individual, limited partnership, partnership, corporation (including a statutory or business trust), limited liability company, joint stock company, trust, unincorporated association, sole proprietorship, joint venture, government (or any agency or political subdivision thereof) or other entity.

“Plan Assets” means the “plan assets” of an “employee benefit plan” subject to Title I of ERISA or a “plan” subject to Section 4975 of the Code, as determined under 29 C.F.R. Section 2510.3-101, as modified by Section 3(42) of ERISA.

“Pledged Equity” means the US Pledged Equity and the UK Pledged Equity.

“Portfolio Asset” means, collectively, (i) all of the Loan Parties’ Equity Investments, (ii) any Loan Asset held by a Loan Party, which Equity Investments, Loan Assets or ownership interest includes, as applicable, (a) the Portfolio Asset File therefor, and (b) all right, title and interest of such Loan Party in and to (i) such debt interest, and (ii) the related Underlying Agreement and any Underlying Collateral.

“Portfolio Asset Assignment” means each (a) Equity Investment Transfer Agreement, and (b) assignment or other agreement pursuant to which any Portfolio Asset not originated by a Loan Party is Transferred to a Loan Party (i) in a form substantially based upon the form document for loan assignments of the Loan Syndications and Trading Association, (ii) in a form substantially based upon the form document for assignments required by the related Underlying Agreement, or (iii) in a form reasonably agreed to by the Co-Borrowers and reasonably acceptable to the Majority Lenders on or prior to the Closing Date or Cut-Off Date for such Portfolio Asset, as the case may be.

“Portfolio Asset Checklist” means, with respect to each Portfolio Asset, an electronic or hard copy, as applicable, of a checklist delivered, by or on behalf of each Loan Party to the Servicer of all Required Portfolio Documents and all other agreements, instruments, certificates or other documents and items required to be executed or delivered in connection with a Portfolio Asset, including the Required Portfolio Documents therefor.

“Portfolio Asset File” means, with respect to each Portfolio Asset, a file containing each of the agreements, instruments, certificates and other documents and items set forth on the Portfolio Asset Checklist with respect to such Portfolio Asset.

“Portfolio Asset Schedule” means, (a) a schedule of the Portfolio Assets and setting forth for each such Portfolio Asset (i) the legal name of the applicable Obligor, (ii) the current principal balance or nominal value or amount or percentage ownership interest held by a Loan Party, as applicable, (iii) any Portfolio Asset Assignment for each Portfolio Asset, (iv) whether such Portfolio Asset is an Eligible Portfolio Asset and (v) the other information specified for a Portfolio Asset as set forth on Schedule I, as delivered by or on behalf of such Loan Party, as applicable, to the Servicer and as updated from time to time as provided herein or (b) a Servicing Report containing the information described in clauses (a)(i) through (a)(v) above.

“Post Closing Condition” means, each action that each Loan Party, as applicable, is required to take within the applicable periods set forth in Schedule VII, subject to Section 5.01(dd).

“Potential Default” means, any event or condition that constitutes an Event of Default or that, with the giving of any notice, the passage of time, or both, would be an Event of Default.

“Prime Rate” means, as of any day, the rate of interest per annum last quoted by The Wall Street Journal as the “Prime Rate” in the U.S. or, if The Wall Street Journal ceases to quote such rate, the highest per annum interest rate published by the Federal Reserve Board in Federal

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Reserve Statistical Release H.15 (519) (Selected Interest Rates) as the “bank prime loan” rate or, if such rate is no longer quoted therein, any similar rate quoted therein (as reasonably determined by the Administrative Agent) or any similar release by the Federal Reserve Board (as reasonably determined by the Administrative Agent). Any change in the Prime Rate shall take effect at the opening of business on the day such change is publicly announced or quoted as being effective. Notwithstanding the foregoing or any other provision of this Agreement, the rate determined pursuant to this definition shall not be less than the Floor.

“Prepayment Premium” means, in connection with any termination or reduction of any or all of the Commitments prior to the end of the Non-Call Period pursuant to Sections 2.04(d), a prepayment premium in an amount equal to: ~~(i) after the Closing Date until (but excluding) the third anniversary of the Closing Date, 23% of the terminated portion amount of the Commitments in effect on the Closing Date with respect to any Change of Control Denial and 3% of the terminated portion of the Commitments in effect on the Closing Date with respect to a Facility Upsize Denial, (ii) on or after the third anniversary of the Closing Date until (but excluding) the sixth anniversary of the Closing Date, 2% of the Advances Outstanding on such date with respect to any Change of Control Denial and 3% of the Advances Outstanding on such date with respect to a Facility Upsize Denial, and (iii) on or after the start of the sixth anniversary of the Closing Date until (but excluding) the tenth anniversary of the Closing Date, 2% of the Advances Outstanding on such date. The Majority Lenders shall provide written notice to the Administrative Agent promptly following the occurrence of a Change of Control Denial or a Facility Upsize Denial~~ so terminated or reduced on the date of such prepayment.

“Pro Rata Share” means, with respect to any Lender, as of any date of determination, the ratio of such Lender’s Commitment to the aggregate Commitments of all Lenders, which shall be determined based upon its share of the outstanding Advances and unused Commitments at such time (or after the date on which the Advances have been paid in full and the Commitments are terminated in accordance with such Lender’s pro rata share immediately prior to the date on which the Advances are paid in full and the Commitments are terminated).

“Proceeds” means, with respect to the Collateral, all property that is receivable or received when such Collateral is collected, sold, liquidated, foreclosed, exchanged, or otherwise disposed of, whether such disposition is voluntary or involuntary, and includes all rights to payment with respect to any insurance relating to such Collateral.

“Qualified Institution” means (i) a depository institution or trust company organized under the laws of the United States or any one of the States thereof or the District of Columbia (or any domestic branch of a foreign bank), (a) that has either (1) a long-term unsecured debt rating of “Baa2” or better by Moody’s and “BBB” or better by S&P or (2) a short-term unsecured debt rating or certificate of deposit rating of “A-1” or better by S&P or “P-1” or better by Moody’s, (b) the parent corporation of which has either (1) a long-term unsecured debt rating of “Baa2” or better by Moody’s and “BBB” or better by S&P or (2) a short-term unsecured debt rating or certificate of deposit rating of “A-1” or better by S&P and “P-1” or better by Moody’s or (c) is otherwise acceptable to the Administrative Agent (acting at the direction of Majority Lenders) and (ii) the deposits of which are insured by the Federal Deposit Insurance Corporation.

“Rating Letter” means a letter issued by an Acceptable Rating Agency in connection with any private debt rating for the Facility, which (a) sets forth the Debt Rating for the Advances, (b) refers to the Private Placement Number, if any, issued by Standard & Poor’s CUSIP Bureau Service in respect of the Advances, (c) addresses the likelihood of payment of both principal and interest on the Facility (which requirement shall be deemed satisfied if either (x) such letter includes confirmation that the rating reflects the Acceptable Rating Agency’s assessment of the Borrower’s ability to make timely payment of interest and ultimate repayment of principal on the Facility or a similar statement or (y) such letter is silent as to the Acceptable Rating Agency’s assessment of the likelihood of payment of both principal and interest and does not include any indication to the contrary), (d) includes such other information describing the relevant terms of the Facility as may be required from time to time by the SVO or any other Governmental Authority having jurisdiction over any holder of any Advances and (f) shall not be subject to confidentiality provisions or other restrictions which would prevent or limit the letter from being shared with the SVO or any other Governmental Authority having jurisdiction over any holder of any Facility. For the avoidance of doubt, the form of the Rating Letter issued on the Closing Date shall be deemed to satisfy the foregoing requirements.

“Rating Rationale Report” means, with respect to any Rating Letter, a report issued by the Acceptable Rating Agency in connection with such Rating Letter (a) referring to the Private Placement Number, if any, issued by Standard & Poor’s CUSIP Bureau Service in respect of the Advances and (b) setting forth an analytical review of the Advances explaining the transaction structure, methodology relied upon, and analysis of the credit, legal, and operational risks and mitigants supporting the assigned private rating for the Advances, in each case, on the letterhead of the Acceptable Rating Agency or its controlled website and generally consistent with the work product that an Acceptable Rating Agency would produce for a similar publicly rated security and otherwise in form and substance generally required by the SVO or any other Governmental Authority having jurisdiction over any holder of any Advances from time to time. Such report shall not be subject to confidentiality provisions or other restrictions which would prevent or limit the report from being shared with the SVO or any other Governmental Authority having jurisdiction over any holder of any Advances.

“Ratings Event” has the meaning assigned to that term in Section 2.18.

“Recipient” means (a) the Administrative Agent, and (b) any Lender, as applicable.

“Records” means all documents relating to the Portfolio Assets, including books, records and other information executed in connection with the Transfer of and maintenance of the Portfolio Assets in the Collateral Portfolio or maintained with respect to the Collateral Portfolio and the related Obligors that a Loan Party or the Servicer has generated, or in which such Loan Party has otherwise obtained an interest.

“Register” has the meaning assigned to that term in Section 2.03(b).

“Related Parties” means, with respect to any Person, such Person’s Affiliates and the partners, directors, officers, employees, agents, trustees, administrators, managers, advisors and representatives of such Person and of such Person’s Affiliates.

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“Release Date” has the meaning assigned to that term in Section 2.11(b).

“Relevant Governmental Body” means the Board of Governors of the Federal Reserve System or the Federal Reserve Bank of New York, or a committee officially endorsed or convened by the Board of Governors of the Federal Reserve System or the Federal Reserve Bank of New York, or any successor thereto.

“Removal Effective Date” has the meaning assigned to that term in Section 7.05(b).

“Replacement Servicer” has the meaning assigned to that term in Section 8.01(c).

“Reportable Compliance Event” means any Lender Covered Entity or Borrower Covered Entity becomes a Sanctioned Person, or is charged by indictment, criminal complaint or similar charging instrument, arraigned, or custodially detained in connection with any alleged violation of any Sanctions and Anti-Terrorism Laws, Anti-Corruption Laws or Anti-Money Laundering Laws applicable to such Person.

“Reportable Event” means any of the events set forth in Section 4043(c) of ERISA, other than an event for which the 30 day notice period has been waived.

“Reporting Date” means the last day of each fiscal quarter or, if such date is not a Business Day, the next succeeding Business Day.

“Required Portfolio Documents” means, for each Portfolio Asset, copies of the following executed documents or instruments, all as specified on the related Portfolio Asset Checklist, to the extent applicable for such Portfolio Asset: (i) Underlying Agreements, (ii) Portfolio Asset Assignments, (iii) guaranty or indenture, (iv) security agreement or mortgage, (v) indemnities, (vi) stock purchase agreement, (vii) investor rights agreement, (viii) voting agreement, (ix) tax sharing agreement, (x) any Constituent Document, (xi) subscription agreement, (xii) side letter, (xiii) option agreement, (xiv) capital call agreement, (xv) warrant, and (xvi) any other executed documents or agreements related thereto as reasonably requested by the Initial Lender (but solely to the extent in the possession of a Co-Borrower).

“Resignation Effective Date” has the meaning assigned to that term in Section 7.05(a).

“Responsible Person” means any duly authorized officer or director of such Person or any other individual duly authorized to act for such Person with direct responsibility for the administration of this Agreement and also, with respect to a particular matter, any other duly authorized officer or director of such Person or other individual duly authorized to act for such Person to whom such matter is referred because of such officer’s or other individual’s knowledge of and familiarity with the particular subject.

“Restricted Junior Payment” means, (a) any dividend or other distribution, direct or indirect, on account of any class of membership interests of a Loan Party now or hereafter outstanding (including any distribution with respect to the liability of such Loan Party’s direct or indirect equity owners for taxes), except a dividend or other distribution paid solely in interests

of that class of membership interests or in any pari passu or junior class of membership interests of such Loan Party, (b) any redemption, retirement, sinking fund or similar payment, purchase or other acquisition for value, direct or indirect, of any class of membership interests of a Loan Party now or hereafter outstanding, (c) any payment made to redeem, purchase, repurchase or retire, or to obtain the surrender of, any outstanding warrants, options or other rights to acquire membership interests of a Loan Party now or hereafter outstanding, or (d) any payment of management fees by a Loan Party.

“Revolving Loan Note” has the meaning assigned to such term in Section 2.03(a).

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

“Sale” or “Sold” has the meaning assigned to that term in Section 2.11(a).

“Sanctioned Country” means a country or territory that is the subject of a comprehensive sanctions program maintained under any Sanctions and Anti-Terrorism Laws (as of the Closing Date, Cuba, Iran, North Korea, Syria and the Crimea region of Ukraine).

“Sanctioned Person” means (a) any Person included on a list of designated or restricted Persons maintained by OFAC (including, without limitation, OFAC’s Specially Designated Nationals and Blocked Persons List and Sectoral Sanctions Identifications List), the U.S. Department of State, the United Nations Security Council, the European Union, Her Majesty’s Treasury or any other relevant Governmental Authority, (b) any Person located, organized, or resident in a Sanctioned Country, or (c) any Person 50% or more owned, directly or indirectly, individually or in the aggregate, or controlled by any such Person or Persons described in clauses (a) or (b).

“Sanctions and Anti-Terrorism Laws” means any and all economic or financial sanctions or trade embargoes or anti-terrorism laws administered or enforced by the U.S. Government (including, without limitation, the U.S. Department of the Treasury’s Office of Foreign Assets Control (“OFAC”)), the United Nations Security Council, the European Union, Her Majesty’s Treasury or, as to any person, any other applicable Governmental Authority, and any regulation, order, or directive promulgated, issued or enforced pursuant to such applicable laws, all as amended, supplemented or replaced from time to time.

“Scheduled Payment” means, each scheduled Distribution required to be made to a Loan Party on a Portfolio Asset.

“Scheduled Payment Date” has the meaning assigned to that term in the definition of “Payment Date”.

“SEC” means the U.S. Securities and Exchange Commission, or any successor thereto.

“Second Amendment Effective Date” means June 28, 2024.

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“Secured Party” means, the Administrative Agent and each Lender party hereto from time to time (together with its permitted successors and assigns) and the Servicer; provided that in any context requiring a Secured Party to give direction to the Administrative Agent, such reference to Secured Party shall not include the Administrative Agent.

“Servicer” means ~~Massachusetts Mutual Life Insurance Company~~ Barings Finance LLC, not in its individual capacity, in its capacity as servicer pursuant to the terms of this Agreement, together with its successors and permitted assigns, including any successor appointed pursuant to Article VIII.

“Servicer Fee Letter” means, if applicable, any fee letter or letters between the Servicer and each Co-Borrower entered on or before the Closing Date.

“Servicer Termination Event” means the occurrence of any one or more of the following events:

- (a) a Bankruptcy Event shall occur with respect to the Servicer;
- (b) the Servicer shall purport to assign its rights or obligations as “Servicer” hereunder (other than as expressly permitted as provided herein);
- (c) any failure by the Servicer to observe or perform any covenant or other agreement of the Servicer set forth in this Agreement or the other Transaction Documents, which continues to be unremedied for a period of thirty (30) days (if such failure can be remedied) after the earlier to occur of (i) the date on which written notice of such failure shall have been given to the Servicer by the Administrative Agent (acting at the direction of the Majority Lenders) or the Administrative Borrower and (ii) the date on which a Responsible Person of the Servicer acquires knowledge thereof (or such extended period of time reasonably approved by the Administrative Borrower not to exceed sixty (60) days in the aggregate; provided that the Servicer is diligently proceeding in good faith to cure such failure or breach); and
- (d) any representation, warranty or certification made by the Servicer in any Transaction Document or in any certificate delivered by the Servicer pursuant to any Transaction Document shall prove to have been incorrect in any material respect when made.

“Servicer Termination Expenses” has the meaning assigned to that term in Section 8.01(b).

“Servicer Termination Notice” has the meaning assigned to that term in Section 8.01(b).

“Servicing Fees” means the fees set forth in the Servicer Fee Letter that are payable to the Servicer.

“Servicing Report” has the meaning assigned to that term in Section 8.08(c)(i).

“Servicing Standard” means, with respect to any Portfolio Assets included in the Collateral, to service and administer such Portfolio Assets by or on behalf of a Loan Party in accordance with Applicable Law, the terms of this Agreement, the Underlying Agreements and all customary and usual servicing practices for assets like the Portfolio Assets.

“Similar Law” has the meaning assigned to that term in Section 4.01(t).

“Solvent” means, with respect to any Person as of any date of determination, that, as of such date, (a) the fair value of the assets of such Person (both at fair value and present fair saleable value) is greater than the total amount of liabilities (including contingent and unliquidated liabilities) of such Person, (b) such Person is able to pay all liabilities of such Person as such liabilities mature and (c) such Person does not have unreasonably small capital. In computing the amount of contingent liabilities or unliquidated at any time, such liabilities shall be computed at the amount that, in light of all the facts and circumstances existing at such time, represents the amount that can reasonably be expected to become an actual or matured liability and are determined as contingent liabilities in accordance with applicable federal, state and foreign laws governing determinations of insolvency.

“SOFR” means a rate equal to the secured overnight financing rate as administered by the SOFR Administrator.

“SOFR Administrator” means the Federal Reserve Bank of New York (or a successor administrator of the secured overnight financing rate).

“Spot Rate” for a currency means the rate reasonably determined in good faith by the Account Bank (acting upon the instructions of the Administrative Borrower) to be the rate quoted by the Person acting in such capacity as the spot rate for the purchase by such Person of such currency with another currency through its principal foreign exchange trading office at approximately 11:00 a.m. on the date three (3) Business Days prior to the date as of which the foreign exchange computation is made or if such rate cannot be computed as of such date such other date as the applicable Person shall reasonably determine is reasonably appropriate under the circumstances; provided that the Account Bank (acting upon the instructions of the Administrative Borrower) may obtain such spot rate from another financial institution reasonably designated in good faith by such Person if such Person does not have as of the date of determination a spot buying rate for any such currency.

“State” means one of the fifty states of the United States or the District of Columbia.

“Structuring Fee Letter” means, any fee letter or letters between Barings LLC and the Co-Borrowers, entered into on the Second Amendment Effective Date, as amended, restated, supplemented or otherwise modified from time to time.

“Subsidiary” means a corporation, partnership, joint venture, limited liability company or other business entity of which a majority of the shares of securities or other interests having ordinary voting power for the election of the board of directors or other governing body (other than securities or interests having such power only by reason of the happening of a contingency)

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are at the time beneficially owned and the management of which is otherwise controlled, directly, or indirectly through one or more intermediaries, or both, by such Person. For the avoidance of doubt, no Portfolio Asset shall constitute a Subsidiary for any purpose under the Agreement.

“SVO” means the Securities Valuation Office of the NAIC.

“Tax Compliance Certificate” has the meaning assigned to that term in Section 2.13(e).

“Taxes” means any present or future taxes, levies, imposts, duties, charges, deductions, withholdings (including backup withholding), assessments or fees of any nature (including interest, penalties, and additions thereto) that are imposed by any Governmental Authority.

“Term SOFR” means a rate per annum equal to the Term SOFR Reference Rate (rounded upward to the next one-sixteenth (1/16th) of one percent (0.0625%), if necessary) for a tenor of three months on the day (such day, the “Term SOFR Determination Day”) that is two (2) U.S. Government Securities Business Days prior to the first day of the relevant Interest Period, as such rate is published by the Term SOFR Administrator; provided, however, that, if as of 5:00 p.m. on any Term SOFR Determination Day the Term SOFR Reference Rate for the applicable tenor has not been published by the Term SOFR Administrator and a Benchmark Replacement Date with respect to the Term SOFR Reference Rate has not occurred, then Term SOFR will be the Term SOFR Reference Rate for such tenor as published by the Term SOFR Administrator on the first preceding U.S. Government Securities Business Day for which such Term SOFR Reference Rate for such tenor was published by the Term SOFR Administrator so long as such first preceding U.S. Government Securities Business Day is not more than three (3) U.S. Government Securities Business Days prior to such Term SOFR Determination Day.

~~“; provided, further, that if Term SOFR Adjustment” means a percentage equal to 0.26% (26 basis points) per annum determined as provided above shall ever be less than the Floor, then Term SOFR shall be deemed to be the Floor.~~

“Term SOFR Administrator” means the CME Group Benchmark Administration Limited (CBA) (or a successor administrator of the Term SOFR Reference Rate selected by the Administrative Agent in its reasonable discretion).

“Term SOFR Determination Day” has the meaning specified in the definition of “Term SOFR.”

“Term SOFR Reference Rate” means the forward-looking term rate based on SOFR.

“Transaction Documents” means this Agreement, any Revolving Loan Note, the Account Control Agreement, the Fee Letters, the Guaranty Agreement, the Foreign Pledge Agreements, each Portfolio Asset Assignment and each agreement, instrument, certificate or other document related to any of the foregoing.

“Transfer” means (a) the acquisition by, or the transfer or assignment to, a Loan Party of a Portfolio Asset pursuant to a Portfolio Asset Assignment, including, in the case of Portfolio

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Assets that constitute Equity Investments, the transfer or acquisition by a Co-Borrower of an ownership interest in an Equity Investment pursuant to an Equity Investment Transfer Agreement, and (b) the origination of a Portfolio Asset by a Loan Party pursuant to an Underlying Agreement.

“Transferor” means the assignor of a Portfolio Asset under a Portfolio Asset Assignment.

“UCC” means the Uniform Commercial Code as adopted in the State of New York or any other state from time to time that governs creation or perfection (and the effect thereof) of security interests in any Collateral.

“UK Collateral” has the meaning assigned to the term “Charged Property” in the UK Pledge Agreement.

“UK Guarantor” means each of KFO Holdings and KWCP Holdings.

“UK Pledge Agreement” means the English law governed debenture dated on or around the date of this Agreement between Kudu, the UK Guarantors and the Administrative Agent.

“UK Pledged Equity” has the meaning assigned to each of the terms “Partnership Interests” and “Shares” in the UK Pledge Agreement.

~~“US Collateral” has the meaning assigned to that term in Section 2.10(a).~~

~~“US Pledged Equity” has the meaning assigned to that term in Section 2.10(b).~~

“Unadjusted Benchmark Replacement” means the applicable Benchmark Replacement excluding the related Benchmark Replacement Adjustment.

“Underlying Agent” means, with respect to a Loan Asset, the servicer, the administrative agent or other similar agent for the lenders party to the Underlying Loan Agreement for such Loan Asset.

“Underlying Agreement” means any Equity Investment Agreement or any Underlying Loan Agreement, as the context may require.

“Underlying Collateral” means, with respect to a Loan Asset, any property or other assets pledged or mortgaged as collateral to secure repayment of such Loan Asset, including, all proceeds from any sale or other disposition of such property or other assets.

“Underlying Loan Agreement” means, any credit agreement, indenture or other agreement or document pursuant to which a Loan Asset with respect to any loan or debt for borrowed money or note, as applicable, has been issued or created and each other agreement that governs the terms of or, if applicable, secures the obligations represented by such Loan Asset, including any co-lender or servicing agreement entered into by an applicable Underlying Agent or Underlying Servicer and, in respect of the Australian Collateral, includes the Australian Equity Notes and the document entitled “Shareholders’ agreement – Channel Capital Pty Ltd”

dated November 20, 2020 between Channel Capital Pty Ltd ACN 162 591 568, Kudu, Glen Holding and Joshua Yeo.

“Underlying Obligor Default” means, with respect to any Eligible Portfolio Asset that is a Loan Asset following the Cut-Off Date relating thereto, the occurrence of one or more of the following events (any of which, for the avoidance of doubt, may occur more than once):

(a) an Obligor payment default has occurred and is continuing under such Loan Asset (after giving effect to any grace or cure period or notice requirement set forth in the applicable Underlying Loan Agreement);

(b) any other event of default or similar event or circumstance under the Underlying Loan Agreement for such Portfolio Asset for which the Co-Borrowers (or agent or required lenders pursuant to the applicable Underlying Loan Agreement, as applicable) has elected to exercise any of its rights and remedies with respect to such Loan Asset (including the acceleration of the loan relating thereto), unless otherwise agreed to in writing by the Majority Lenders;

(c) a Bankruptcy Event occurs with respect to any related Obligor under any Underlying Loan Agreement.

“United States” means the United States of America.

“Unused Fee” has the meaning assigned to that term in Section 2.05(b).

“US Collateral” has the meaning assigned to that term in Section 2.10(a).

“U.S. Government Securities Business Day” means any day except for (a) a Saturday, (b) a Sunday or (c) a day on which the Securities Industry and Financial Markets Association, or any successor thereto, recommends that the fixed income departments of its members be closed for the entire day for purposes of trading in United States government securities.

“US Pledged Equity” has the meaning assigned to that term in Section 2.10(b).

“Utilization Fees” has the meaning given to such term in Section 2.05(d).

“Valuation Policy” means a Loan Party’s valuation policy as in effect on the Closing Date, as the same may be amended, supplemented or as otherwise modified from time to time by such Loan Party with the prior consent of the Majority Lenders.

“Write-Down and Conversion Powers” means, with respect to any EEA Resolution Authority, the write-down and conversion powers of such EEA Resolution Authority from time to time under the Bail-In Legislation for the applicable EEA Member Country, which write-down and conversion powers are described in the EU Bail-In Legislation Schedule.

SECTION 1.02 Other Terms. All accounting terms used but not specifically defined herein shall be construed in accordance with Applicable Accounting Principles. All

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terms used in Article 9 of the UCC in the State of New York, and used but not specifically defined herein, are used herein as defined in such Article 9.

SECTION 1.03 Computation of Time Periods. Unless otherwise stated in this Agreement, in the computation of a period of time from a specified date to a later specified date, the word “from” means “from and including,” the words “to” and “until” each mean “to but excluding” and “through” means “to and including.”

SECTION 1.04 Interpretation. In each Transaction Document, unless a contrary intention appears:

- (a) the singular number includes the plural number and vice versa;
- (b) reference to any Person includes such Person’s successors and assigns but only if such successors and assigns are not prohibited by the Transaction Documents;
- (c) reference to any gender includes each other gender;
- (d) reference to day or days without further qualification means calendar days;
- (e) the term “or” is not exclusive;
- (f) reference to any time means New York, New York time;
- (g) reference to the words “include”, “includes” and “including” shall be deemed to be followed by the phrase “without limitation”;
- (h) reference to any agreement (including any Transaction Document), document or instrument means such agreement, document or instrument as amended, modified, waived, supplemented, restated or replaced and in effect from time to time in accordance with the terms thereof and, if applicable, the terms of the other Transaction Documents, and reference to any promissory note includes any promissory note that is an extension or renewal thereof or a substitute or replacement therefor;
- (i) reference to any Applicable Law means such Applicable Law as amended, modified, codified, replaced or reenacted, in whole or in part, and in effect from time to time, including rules and regulations promulgated thereunder and reference to any section or other provision of any Applicable Law means that provision of such Applicable Law from time to time in effect and constituting the substantive amendment, modification, codification, replacement or reenactment of such section or other provision;
- (j) any reference to the “Co-Borrower”, the “Co-Borrowers”, each “Loan Party” or the “Loan Parties” in this Agreement and in any other Transaction Document means, each Co-Borrower or each Loan Party, individually, or the Co-Borrowers or the Loan Parties collectively, as the context may require; provided that unless the context requires otherwise, any reference in this Agreement and in any other Transaction Document to financial statements of the Co-Borrowers shall be deemed to refer to the consolidated financial statements of the

Co-Borrowers and their respective Subsidiaries, and references herein to “fiscal year” or “fiscal quarter” shall mean the fiscal year or fiscal quarter, as the case may be, of the Co-Borrowers and their respective Subsidiaries; if payment or performance of any obligation of Holdings or the Loan Parties hereunder is due on a date which is not a Business Day, the required date for payment or performance shall be the next Business Day; and

(k) unless otherwise specified, all references herein to times of day shall be references to New York City time (daylight or standard, as applicable).

SECTION 1.05 Advances to Constitute Loans. Notwithstanding any provision herein to the contrary, the parties hereto intend that the Advances made hereunder constitute a “loan” and not a “security” for purposes of Section 8-102(15) of the UCC.

SECTION 1.06 Accounting Terms and Determination. Unless otherwise defined or specified herein, all accounting terms used herein shall be interpreted, all accounting determinations hereunder shall be made, and all financial statements required to be delivered hereunder shall be prepared, in accordance with Applicable Accounting Principles as in effect from time to time, applied on a basis consistent with the most recent audited financial statements of the Co-Borrowers delivered pursuant to Section 5.01(z) (or, if no such financial statements have been delivered, on a basis consistent with the audited financial statements of the Co-Borrowers last delivered to the Administrative Agent in connection with this Agreement); provided that (a) the foregoing requirements shall not apply to any estimated or projected valuations or other financial estimates, forecasts or other similar calculations and (b) if the Administrative Borrower notifies the Administrative Agent that the Co-Borrowers wish to amend any covenant in Section 5.02 to eliminate the effect of any change in Applicable Accounting Principles on the operation of such covenant (or if the Administrative Agent notifies the Administrative Borrower that the Majority Lenders wish to amend Section 5.02 for such purpose), then the Co-Borrowers’ compliance with such covenant shall be determined on the basis of Applicable Accounting Principles in effect immediately before the relevant change in Applicable Accounting Principles became effective, until either such notice is withdrawn or such covenant is amended in a manner satisfactory to the Co-Borrowers and the Majority Lenders. For the avoidance of doubt, nothing in this Section shall prevent the Co-Borrowers from reporting asset values on a fair value basis in accordance with their usual practices.

SECTION 1.07 Spot Rates. The Account Bank (acting upon the instructions of the Administrative Borrower) shall determine the Spot Rate as of each Determination Date to be used for calculating the Dollar Equivalent of any alternate currency, and such Spot Rate shall become effective as of such Determination Date and shall be the Spot Rate employed in converting any amounts between Dollars and such alternate currency until the next Determination Date to occur. Promptly upon request, the Administrative Borrower shall instruct the Account Bank to provide to the Administrative Borrower with a reasonably detailed description of any calculations or determination made pursuant to this Section 1.07.

SECTION 1.08 Electronic Signatures.

(a) Each of the parties hereto consents to do business electronically in connection with this Agreement, any other Transaction Document and the transactions contemplated hereby or thereby. Delivery of an executed counterpart of a signature page of this Agreement or any other Transaction Documents by telecopy, emailed pdf. or any other electronic means that reproduces an image of the actual executed signature page shall be effective as delivery of a manually executed counterpart of this Agreement or such other Transaction Document.

(b) The words “execution,” “signed,” “signature,” “delivery,” and words of like import in or relating to any document, instrument, amendment, restatement, modification, reaffirmation, assignment and acceptance or other agreement to be signed in connection with this Agreement, any other Transaction Document and the transactions contemplated hereby or thereby shall be deemed to include Electronic Signatures, deliveries or the keeping of records in electronic form, each of which shall be of the same legal effect, validity and enforceability as a manually executed signature, physical delivery thereof or the use of a paper-based recordkeeping system, as the case may be, to the extent and as provided for in any Applicable Law, including the Federal Electronic Signatures in Global and National Commerce Act, Uniform Real Property Electronic Recording Act, if applicable, the New York State Electronic Signatures and Records Act, or any other similar state laws based on the Uniform Electronic Transactions Act, if applicable; provided that nothing herein shall require the Lender to accept Electronic Signatures in any form or format without its prior written consent, which consent can be withheld in its sole discretion. The Lenders hereby consent to Electronic Signatures being provided by DocuSign.

(c) Without limiting the generality of the foregoing, and to the extent permitted by Applicable Law, each of the parties hereto hereby (i) agrees that, for all purposes, including without limitation, in connection with any workout, restructuring, enforcement of remedies, bankruptcy proceedings, other proceedings or litigation arising out of or related to this Agreement, the other Transaction Documents and the transactions contemplated hereby or thereby, electronic images of this Agreement or any other Transaction Documents (in each case, including with respect to any signature pages thereto) shall have the same legal effect, validity and enforceability as any paper original, and (ii) waives any argument, defense or right to contest the validity or enforceability of this Agreement, the Transaction Documents or the transactions contemplated hereby or thereby based solely on the lack of paper original copies of any Transaction Documents, including with respect to any signatures thereon. For the avoidance of doubt, the parties hereto hereby agree that this provision shall apply in equal force and have the same enforceability and validity to each other Transaction Document and any amendment, restatement, modification, reaffirmation, assignment and acceptance or other document related to this Agreement or such other Transaction Document whether or not expressly stated therein.

(d) As used in this Section, “Electronic Signature” means an electronic sound, symbol, or process attached to, or associated with, a contract or other record and adopted by a Person with the intent to sign, authenticate or accept such contract or record. ~~SECTION 1.09~~ Rates. The Administrative Agent does not warrant or accept responsibility for, and shall not have any liability with respect to (a) the continuation of, administration of, submission of, calculation of or any other matter related to the Alternate Base Rate, the Term SOFR Reference Rate, ~~Adjusted Term SOFR~~, Term SOFR or any component definition thereof or rates referred

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to in the definition thereof, or any alternative, successor or replacement rate thereto (including any Benchmark Replacement), including whether the composition or characteristics of any such alternative, successor or replacement rate (including any Benchmark Replacement) will be similar to, or produce the same value or economic equivalence of, or have the same volume or liquidity as, the Alternate Base Rate, the Term SOFR Reference Rate, ~~Adjusted Term SOFR~~, Term SOFR or any other Benchmark prior to its discontinuance or unavailability, or (b) the effect, implementation or composition of any Conforming Changes. The Administrative Agent and its affiliates or other related entities may engage in transactions that affect the calculation of the Alternate Base Rate, the Term SOFR Reference Rate, ~~Adjusted Term SOFR~~, Term SOFR, any alternative, successor or replacement rate (including any Benchmark Replacement) or any relevant adjustments thereto, in each case, in a manner adverse to the Co-Borrowers. The Administrative Agent may select information sources or services in its reasonable discretion to ascertain the Alternate Base Rate, the Term SOFR Reference Rate, ~~Adjusted Term SOFR~~, Term SOFR or any other Benchmark, in each case pursuant to the terms of this Agreement, and shall have no liability to the Co-Borrowers, any Lender or any other person or entity for damages of any kind, including direct or indirect, special, punitive, incidental or consequential damages, costs, losses or expenses (whether in tort, contract or otherwise and whether at law or in equity), for any error or calculation of any such rate (or component thereof) provided by any such information source or service.

SECTION 1.09 Divisions. Any reference herein to a merger, transfer, consolidation, amalgamation, consolidation, assignment, sale, disposition or transfer, or similar term, shall be deemed to apply to a division of or by a limited liability company, or an allocation of assets to a series of a limited liability company (or the unwinding of such a division or allocation), as if it were a merger, transfer, consolidation, amalgamation, consolidation, assignment, sale, disposition or transfer, or similar term, as applicable, to, of or with a separate Person. Any division of a limited liability company shall constitute a separate Person hereunder (and each division of any limited liability company that is a subsidiary, joint venture or any other like term shall also constitute such a Person or entity).

ARTICLE II. THE FACILITY

SECTION 2.01 Advances. On the terms and conditions hereinafter set forth, each Lender, severally and not jointly, agrees to make Advances to the Co-Borrowers from time to time on any Business Day during the Availability Period, in Dollars as the Administrative Borrower may request in an amount which immediately after giving effect to such Advance, would not cause the aggregate Advances Outstanding to exceed the Maximum Availability on such date. Notwithstanding anything contained in this Section 2.01 or elsewhere in this Agreement to the contrary, (a) if a Market Trigger Event occurs and is continuing (with written notice of such Market Trigger Event provided by the Majority Lenders to the Administrative Agent), then the obligation of the Lenders to make Advances will automatically be suspended and the Lenders will not be required (and the Administrative Borrower is not permitted to request Lenders) to make any Advance to the Co-Borrowers, (b) [reserved] and (c) no Lender is obligated to make any Advance in an amount that would, immediately after giving effect to such Advance, exceed such Lender's Commitment less the

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aggregate outstanding amount of any Advances funded by such Lender. Each Advance to be made hereunder shall be made by the Lenders in accordance with their respective Pro Rata Shares. If the Availability Period has been suspended as a result of a Market Trigger Event as provided in this Section 2.01, the Availability Period shall be reinstated upon delivery of an LTV Certificate by the Administrative Borrower demonstrating that the Market Trigger Event which gave rise to such suspension no longer exists or, notwithstanding the occurrence of such Market Trigger Event, if the LTV is not in excess of the applicable Maximum LTV Percentage, subject to the approval of the Servicer or the Servicer waives the Market Trigger Event that gave rise to such suspension, it being understood that the Servicer will provide its approval within two (2) Business Days of receipt of the LTV Certificate if the LTV Certificate delivered by the Administrative Borrower is true and correct in all material respects and complies with the requirements of this Agreement. Concurrently with providing its approval to the Administrative Borrower, the Servicer will provide written notice to the Administrative Agent of such approval of the waiver of the Market Trigger Event.

SECTION 2.02 Procedure for Advances.

(a) The Administrative Borrower shall request an Advance by delivery of a Notice of Borrowing to the Administrative Agent, with a copy to the Servicer, for Advances in Dollars, no later than 2:00 p.m. three (3) U.S. Government Securities Business Days prior to the proposed date of such Advance (or such shorter period of time agreed to by the Administrative Agent and the Majority Lenders). Each Notice of Borrowing must be accompanied by a duly completed Borrowing Base Certificate (updated to the date such Advance is requested and giving pro forma effect to the Advance requested and the use of the proceeds thereof) and certify as to the following:

(i) the amount of such Advance, which must be at least equal to \$1,000,000 or a whole multiple of \$1,000,000 in excess thereof, or if less, the remainder of the Commitments;

(ii) the proposed date of such Advance (which must be a Business Day);

(iii) no Event of Default or Market Trigger Event has occurred and is continuing as of the date of the Notice of Borrowing or will occur from such Advance;

(iv) detailed wire instructions as to where the proceeds of such Advance are to be deposited or transferred; and

(v) all conditions precedent for such Advance described in Article III have been satisfied or waived, as applicable.

(b) Promptly upon receipt of a Notice of Borrowing, the Administrative Agent shall notify the Lenders of the requested Advance. The Lenders shall make the Advance on the terms and conditions set forth herein. No later than 12:00 p.m., on the Advance Date of each Advance, upon satisfaction of the applicable conditions set forth in Article III, each Lender shall, in accordance with instructions received by the Administrative Agent or the Servicer, as applicable, from the Administrative Borrower in accordance with the Notice of Borrowing, make available

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to (x) the Co-Borrowers or (y) the Administrative Agent, in each case, as determined by the Majority Lenders, in same day funds, an amount equal to such Lender's Pro Rata Share of such Advance, by payment into the account which the Administrative Borrower (if clause (x) of this clause (b) is applicable) or the Administrative Agent (if clause (y) of this clause (b) is applicable), most recently designated by it for such purpose by notice to the Lenders. If clause (y) of this clause (b) is applicable, then upon receipt of all requested funds, the Administrative Agent will make such Advance available to the account(s) of the Co-Borrower(s) to which the proceeds of such Borrowing should be transferred in same day funds by promptly wiring the amounts so received, in like funds, to an account designated in the applicable Notice of Borrowing. Notwithstanding the foregoing, in the event that Lenders fund the Advance directly to the Co-Borrowers on the Closing Date, then unless Administrative Borrower has notified the Administrative Agent in writing (which notification may be by email) by not later than 5:00 p.m. on the Closing Date that it has not received such funds pursuant to the Notice of Borrowing delivered on the Closing Date (and the funds flow in connection therewith), Administrative Agent shall deem the Advance funded and make the appropriate recordings in the Register.

(c) The obligation of each Lender to remit its Pro Rata Share of any Advance is several from that of each other Lender and the failure of any Lender to so make such amount available to the Co-Borrowers shall not relieve any other Lender of its obligations hereunder.

(d) [Reserved].

(e) Subject to Section 2.04 and the other terms, conditions, provisions and limitations set forth herein, the Co-Borrowers may borrow, repay or prepay and reborrow Advances without any penalty, fee or premium (except as expressly set forth herein) during the Availability Period.

SECTION 2.03 Evidence of Debt.

(a) If requested by a Lender, the Co-Borrowers shall deliver to such Lender a duly executed Revolving Loan Note payable to such Lender and its registered assigns (the "Revolving Loan Note") in substantially the form of Exhibit D. Any Revolving Loan Notes or other evidence of indebtedness issued under this Agreement need not be presented or surrendered for any payment made by the Administrative Agent, and the Administrative Agent shall not have any duty or responsibility with respect thereto.

(b) The Administrative Agent shall maintain, solely for this purpose as the non-fiduciary agent of the Co-Borrowers, at one of its offices, a copy of each Assignment and Assumption Agreement delivered to and accepted by it and a register for the recordation of the names and addresses of the Lenders, the Commitments of, and principal amounts of (and stated interest on) the Advances owing to each Lender pursuant to the terms hereof from time to time (the "Register"). The entries in the Register shall be conclusive and binding for all purposes, absent manifest error, and the Co-Borrowers, the Administrative Agent and each Lender and other parties hereto shall treat each person whose name is recorded in the Register as a Lender under this Agreement for all purposes of this Agreement. The Register shall be available for inspection by the Co-Borrowers or any Lender at any reasonable time and from time to time upon reasonable prior written notice.

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(c) Each Lender that sells a participation shall, acting solely for this purpose as a non-fiduciary agent of the Co-Borrowers, maintain a register on which it enters the name and address of each participant and the principal amounts of (and stated interest on) each participant's interest in the Advances, loans or other obligations under the Transaction Documents (the "Participant Register"); provided that (a) no Lender shall have any obligation to disclose all or any portion of the Participant Register (including the identity of any participant or any information relating to a participant's interest in any Advances, commitments, loans or its other obligations under any Transaction Document) to any Person except to the extent that such disclosure is necessary to establish that such Advances, commitment, loan or other obligation is in registered form under Section 5f.103-1(c) of the United States Treasury Regulations and (b) the Administrative Agent shall have no liability or obligation to make determinations with respect to the rights of Participants hereunder or otherwise with respect to any Participant Register. The entries in the Participant Register shall be conclusive absent manifest error, and such Lender shall treat each Person whose name is recorded in the Participant Register as the owner of such participation for all purposes of this Agreement notwithstanding any notice to the contrary.

SECTION 2.04 Repayment; Allocation, Reduction or Termination of Commitments.

(a) The Co-Borrowers shall, jointly and severally, repay to the Lenders on the Maturity Date the aggregate principal amount of all outstanding Advances, together with all accrued and unpaid interest thereon. The Co-Borrowers shall also repay the applicable outstanding principal amount of the Advances to the extent required under Section 2.09(a)(iv).

(b) Except as expressly permitted or required herein, during the Availability Period Advances may be prepaid in whole or in part (without a corresponding reduction to the Commitments) at the option of the Administrative Borrower, without premium, at any time by delivering a written notice of such prepayment to the Administrative Agent no later than 2:00 p.m., at least three (3) U.S. Government Securities Business Days prior to such prepayment and each such prepayment must be in a minimum aggregate principal amount of \$5,000,000 (or if less, the aggregate principal amount of all outstanding Advances). Such notice of prepayment may be revocable at the option of the Co-Borrowers provided that a written notice of revocation is delivered to the Administrative Agent by the Administrative Borrower at least one (1) Business Day prior to the intended prepayment date.

(c) Upon any prepayment of Advances Outstanding pursuant to Section 2.04(b), the Co-Borrowers shall also pay in full any accrued and unpaid interest on such prepaid amount and all costs and expenses then due and owing hereunder or under any Transaction Document. The Administrative Agent shall apply amounts received from the Co-Borrowers pursuant to Section 2.04(b) to the pro rata payment of all accrued and unpaid interest with respect to such prepaid Advances and all costs and expenses then due and owing hereunder or under any Transaction Document until paid in full and thereafter to prepay the Advances Outstanding.

(d) The Administrative Borrower may at any time ~~after the sixth anniversary of the Closing Date~~ at its option ~~(the “Non-Call Period”)~~ and upon ten (10) Business Days’ prior written notice to the Administrative Agent, either (i) terminate this Agreement and the other Transaction Documents upon payment in full of all Advances Outstanding, all accrued and unpaid interest on the Obligations and costs and expenses of the Secured Parties and payment of all other Obligations (other than contingent indemnification obligations and other obligations that survive the termination of this Agreement, in each case, not then due and owing) or (ii) permanently reduce in part the Commitments upon payment in full of all accrued and unpaid interest on such reduced amount (to the extent that the Co-Borrowers are prepaying an Advance in connection with such permanent reduction) and all accrued and unpaid costs and expenses of the Secured Parties. The Commitment of each Lender shall be reduced by an amount equal to its Pro Rata Share (prior to giving effect to any reduction of Commitments hereunder) of the aggregate amount of any reduction under this Section 2.04(d)(ii). ~~Notwithstanding the foregoing, if the Administrative Borrower terminates or reduces the Commitments~~ prior to the ~~sixth~~third anniversary of the ~~Closing~~Second Amendment Effective Date (i) ~~if the Initial Lender declines to consent to an increase in the Maximum Facility Amount on the same terms as applicable to the Advances immediately prior to such increase request in an amount equal to \$500,000,000, prior to the end of the Availability Period and no Market Trigger Event exists and the Advances Outstanding exceed 90% of the Maximum Facility Amount as of such date (a “Facility Upsize Denial”) or (ii) the Lenders fail to consent to a Change of Control (a “Change of Control Denial”)~~, the Co-Borrowers may terminate this Agreement and the other Transaction Documents upon payment in full of all Advances Outstanding, all accrued and unpaid interest on the Obligations and costs and expenses of the Secured Parties and payment of all other Obligations (other than contingent indemnification obligations and other obligations that survive the termination of this Agreement, in each case, not then due and owing). Each prepayment hereunder shall be accompanied by the “Non-Call Period”, the Administrative Borrower shall pay to the Administrative Agent for the pro rata benefit of the Lenders, the Prepayment Premium.

(e) Any repayment or prepayment obligation of the Co-Borrowers under this Agreement shall be joint and several.

SECTION 2.05 Interest and Fees.

(a) Interest: Subject to Section 2.06, the Co-Borrowers shall pay interest on the outstanding principal amount of the Advances at a rate per annum equal to ~~Adjusted~~ Term SOFR for the applicable Interest Period plus the Applicable Spread; ~~provided that if, on any date from and including the date that is eighteen (18) months after the Closing Date to the final day of the Availability Period, the Advances Outstanding is less than the Minimum Usage, interest shall instead accrue on an amount equal to the Minimum Usage on such day.~~ For purposes of this definition, Advances requested by the Administrative Borrower but not funded by a Defaulting Lender shall be deemed funded for purposes of calculating Advances Outstanding. Interest is payable in cash on each Payment Date with respect to all interest accrued during the period from the prior Payment Date to but excluding the current Payment Date as and to the extent provided in Section 2.09; provided that for the period from the Closing Date through the first Payment

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Date, interest shall accrue from the Closing Date until the Determination Date for the first Payment Date. Each Advance is automatically continued in whole to the next applicable Interest Period upon the expiration of the then current Interest Period with respect thereto. Except as otherwise set forth herein or in the Transaction Documents, the Co-Borrowers may apply any amounts held or deposited in the Interest Reserve Account with respect to the applicable Co-Borrower to the payment of any interest hereunder, including without limitation any interest pursuant to Section 2.05(e).

(b) Non-Usage Unused Fees. The Co-Borrowers ~~agree to~~ shall pay to the Administrative Agent for the account of each Lender ~~a Non-Usage Fee~~ an unused fee (“Unused Fee”) on the daily unused amount of the Maximum Facility Amount, if any, during the Availability Period (other than for ~~each~~ any day on which ~~such respective fees shall be applicable~~ a Market Trigger Event has occurred and is continuing (with written notice of such Market Trigger Event provided to the Administrative Agent)), which shall accrue at a rate per annum equal to 0.50% on the daily unused amount of the Maximum Facility Amount during the Availability Period, subject to the remainder of this Section 2.05(b). The ~~Non-Usage~~ Unused Fee shall accrue ~~from a Payment Date to and excluding the next~~ during the applicable Interest Period and accrued Unused Fees are payable in arrears on each Payment Date and on the last day of the Availability Period, as calculated on each relevant Reporting Date for the applicable Interest Period, as and to the extent provided in Section 2.09. If accrued and unpaid Unused Fees are not paid in full on any applicable Payment Date, ~~All~~ the Co-Borrowers shall pay additional interest on such accrued and unpaid ~~fees shall be due and~~ Unused Fees at the same rate per annum as the Co-Borrowers pay on the Advances, such additional interest being payable on each ~~applicable~~ Payment Date as and to the extent provided in Section 2.09. For purposes of computing Unused Fees, the Commitment of any Lender is deemed to be used to the extent of the aggregate principal amount at such time of its outstanding Advances. All Unused Fees are fully earned and nonrefundable upon payment. Notwithstanding the foregoing, no Unused Fees shall (i) be payable on any portion of the Commitment of any Lender to the extent Utilization Fees were payable thereon and (ii) be payable for any day on which a Market Trigger Event has occurred and is continuing (with written notice of such Market Trigger Event provided to the Administrative Agent).

(c) Fee Letters. The Co-Borrowers shall pay the fees set forth in the Fee Letters on the term and conditions provided therein.

(d) ~~[Reserved]~~ Minimum Utilization Fees. The Co-Borrowers shall pay to the Administrative Agent for the account of the Lenders, a daily fee calculated at a rate per annum equal to Term SOFR plus the Applicable Spread as determined for the current Interest Period on the positive difference, if any, between the Minimum Utilization Amount and Advances Outstanding (“Utilization Fees”), on each Payment Date. Utilization Fees shall accrue during the applicable Interest Period and are payable in arrears on each Payment Date, as calculated on each relevant Reporting Date, as and to the extent provided in Section 2.09. All Utilization Fees are fully earned and nonrefundable upon payment.

(e) Default Interest. From and after the written request of the Majority Lenders, while any Event of Default exists, the Co-Borrowers shall pay interest on the principal amount of all

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Advances Outstanding hereunder at the Default Rate. The Majority Lenders shall notify the Administrative Agent of the application of the Default Rate to the principal amount of all Advances Outstanding hereunder, provided that the application of the Default Rate hereunder shall not be contingent on delivery of such notice to the Administrative Agent.

(f) Computation of interest and fees. All computations of interest and all computations of interest and fees hereunder shall be made on the basis of a year of 360 days (or, in the case of interest calculated by reference to clause (a) of the definition of Alternate Base Rate, on the basis of a year of 365 or 366 days, as applicable) for the actual number of days (including the first but excluding the last day) elapsed.

(g) Maximum Rate. Notwithstanding anything herein to the contrary, if at any time the interest rate applicable to any Advance, together with all fees, charges and other amounts that are treated as interest on such Advance under Applicable Law (collectively, "charges"), exceed the maximum lawful rate (the "Maximum Rate") that may be contracted for, charged, taken, received or reserved by the Lender holding such Advance in accordance with Applicable Law, the rate of interest payable in respect of such Advance hereunder, together with all charges payable in respect thereof, shall be limited to the Maximum Rate. To the extent lawful, the interest and charges that would have been paid in respect of such Advance but were not paid as a result of the operation of this Section 2.05(g) shall be cumulated and the interest and charges payable to such Lender in respect of other Advance or periods shall be increased (but not above the amount collectible at the Maximum Rate therefor) until such cumulated amount shall have been received by such Lender. Any amount collected by such Lender that exceeds the maximum amount collectible at the Maximum Rate shall be applied to the reduction of the principal balance of such Advance or refunded to the Co-Borrowers so that at no time shall the interest and charges paid or payable in respect of such Advance exceed the maximum amount collectible at the Maximum Rate.

(h) Term SOFR Conforming Changes. In connection with the use or administration of Term SOFR, the Administrative Agent will have the right to make Conforming Changes from time to time and, notwithstanding anything to the contrary herein or in any other Transaction Document, any amendments implementing such Conforming Changes will become effective without any further action or consent of any other party to this Agreement or any other Transaction Document. The Administrative Agent will promptly notify the Co-Borrowers and the Lenders of the effectiveness of any Conforming Changes in connection with the use or administration of Term SOFR.

SECTION 2.06 Benchmark Provisions.

(a) Inability to Determine Rates. Subject to anything to the contrary set out in Section 2.06(c), if, on or prior to the first day of any Interest Period for any Advances bearing interest at ~~Adjusted~~ Term SOFR:

(i) the Administrative Agent determines (which determination shall be conclusive and binding absent manifest error) that "~~Adjusted~~ Term SOFR" cannot be determined pursuant to the definition thereof, or

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(ii) the Majority Lenders determine that for any reason in connection with any Advance bearing interest at ~~Adjusted~~ Term SOFR, that ~~Adjusted~~ Term SOFR for any Interest Period with respect to an Advance bearing interest at ~~Adjusted~~ Term SOFR does not adequately and fairly reflect the cost to such Lenders of making and maintaining such Advance, and the Majority Lenders have provided notice of such determination to the Administrative Agent,

then, in each case, the Administrative Agent will promptly so notify the Administrative Borrower and each Lender.

Upon notice thereof by the Administrative Agent to the Administrative Borrower, any obligation of the Lenders to make Advances bearing interest at ~~Adjusted~~ Term SOFR shall be suspended (to the extent of the affected Advances bearing interest at ~~Adjusted~~ Term SOFR or affected Interest Periods) until the Administrative Agent (with respect to clause (b)), at the instruction of the Majority Lenders) revokes such notice. Upon receipt of such notice, (i) the Co-Borrowers may revoke any pending request for a borrowing of Advances bearing interest at ~~Adjusted~~ Term SOFR (to the extent of the affected Advances bearing interest at ~~Adjusted~~ Term SOFR or affected Interest Periods) or, failing that, the Co-Borrowers will be deemed to have converted any such request into a request for a borrowing of or conversion to Advances bearing interest at the Alternate Base Rate plus the Applicable Spread in the amount specified therein and (ii) any outstanding affected Advances bearing interest at ~~Adjusted~~ Term SOFR will be deemed to have been converted into Advances bearing interest at the Alternate Base Rate plus the Applicable Spread at the end of the applicable Interest Period. Upon any such conversion, the Co-Borrowers shall also pay accrued interest on the amount so converted.

(b) Illegality. If any Lender determines that any Applicable Law has made it unlawful, or that any Governmental Authority has asserted that it is unlawful, for any Lender or its applicable lending office to make, maintain or fund Advances whose interest is determined by reference to SOFR, the Term SOFR Reference Rate, ~~Adjusted Term SOFR~~ or Term SOFR, or to determine or charge interest based upon SOFR, the Term SOFR Reference Rate, ~~Adjusted Term SOFR~~ or Term SOFR, then, upon notice thereof by such Lender to the Administrative Borrower (through the Administrative Agent) (an "Illegality Notice"), any obligation of the Lenders to make Advances bearing interest at ~~Adjusted~~ Term SOFR shall be suspended until each affected Lender notifies the Administrative Agent and the Administrative Borrower that the circumstances giving rise to such determination no longer exist. Upon receipt by the Administrative Borrower of an Illegality Notice, the Co-Borrowers shall, if necessary to avoid such illegality, upon demand from any Lender (with a copy to the Administrative Agent), prepay or, if applicable, convert all Advances bearing interest at ~~Adjusted~~ Term SOFR to Advances bearing interest at the Alternate Base Rate plus the Applicable Spread, on the last day of the Interest Period therefor, if all affected Lenders may lawfully continue to maintain such Advances bearing interest at ~~Adjusted~~ Term SOFR to such day, or immediately, if any Lender may not lawfully continue to maintain such Advances bearing interest at ~~Adjusted~~ Term SOFR to such day.

(c) Benchmark Replacement Setting.

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(i) Benchmark Replacement. Notwithstanding anything to the contrary herein or in any other Transaction Document, upon the occurrence of a Benchmark Transition Event, the Administrative Agent (at the direction of the Majority Lenders) and the Co-Borrowers may amend this Agreement to replace the then-current Benchmark with a Benchmark Replacement. Any such amendment with respect to a Benchmark Transition Event will become effective at 5:00 p.m. on the fifth (5th) Business Day after the Administrative Agent has posted such proposed amendment to all affected Lenders and the Administrative Borrower so long as the Administrative Agent has not received, by such time, written notice of objection to such amendment from Lenders comprising the Majority Lenders. No replacement of a Benchmark with a Benchmark Replacement pursuant to this Section 2.06(c)(i) will occur prior to the applicable Benchmark Transition Start Date.

(ii) Benchmark Replacement Conforming Changes. In connection with the use, administration, adoption or implementation of a Benchmark Replacement, the Administrative Agent (at the direction of the Majority Lenders) will have the right to make Conforming Changes from time to time and, notwithstanding anything to the contrary herein or in any other Transaction Document, any amendments implementing such Conforming Changes will become effective without any further action or consent of any other party to this Agreement or any other Transaction Document.

(iii) Notices; Standards for Decisions and Determinations. The Administrative Agent will promptly notify the Administrative Borrower and the Lenders of (A) the implementation of any Benchmark Replacement and (B) the effectiveness of any Conforming Changes in connection with the use, administration, adoption or implementation of a Benchmark Replacement. The Administrative Agent will notify the Administrative Borrower of (x) the removal or reinstatement of any tenor of a Benchmark pursuant to Section 2.06(c) and (y) the commencement of any Benchmark Unavailability Period. Any determination, decision or election that may be made by the Administrative Agent (at the direction of the Majority Lenders) or, if applicable, any Lender (or group of Lenders) pursuant to this Section 2.06(c), including any determination with respect to a tenor, rate or adjustment or of the occurrence or non-occurrence of an event, circumstance or date and any decision to take or refrain from taking any action or any selection, will be conclusive and binding absent manifest error and may be made in its or their sole discretion and without consent from any other party to this Agreement or any other Transaction Document, except, in each case, as expressly required pursuant to this Section 2.06(c).

(iv) Unavailability of Tenor of Benchmark. Notwithstanding anything to the contrary herein or in any other Transaction Document, at any time (including in connection with the implementation of a Benchmark Replacement), (A) if the then-current Benchmark is a term rate (including the Term SOFR Reference Rate) and either (I) any tenor for such Benchmark is not displayed on a screen or other information service that publishes such rate from time to time as selected by the Administrative Agent in its reasonable discretion or (II) the regulatory supervisor for the administrator of such Benchmark has provided a public statement or publication of information announcing that any tenor for such Benchmark is not or will not be representative, then the Administrative Agent may modify the definition of "Interest Period" (or

any similar or analogous definition) for any Benchmark settings at or after such time to remove such unavailable or non-representative tenor and (B) if a tenor that was removed pursuant to clause (A) above either (I) is subsequently displayed on a screen or information service for a Benchmark (including a Benchmark Replacement) or (II) is not, or is no longer, subject to an announcement that it is not or will not be representative for a Benchmark (including a Benchmark Replacement), then the Administrative Agent may modify the definition of "Interest Period" (or any similar or analogous definition) for all Benchmark settings at or after such time to reinstate such previously removed tenor.

(v) Benchmark Unavailability Period. Upon the Administrative Borrower's receipt of notice of the commencement of a Benchmark Unavailability Period, (A) the Co-Borrowers may revoke any pending request for a borrowing of Advances bearing an interest rate of ~~Adjusted~~ Term SOFR to be made during any Benchmark Unavailability Period and, failing that, the Co-Borrowers will be deemed to have converted any such request for a borrowing of an Advance bearing interest at the Alternate Base Rate plus the Applicable Spread and (B) any outstanding affected Advances bearing interest at ~~Adjusted~~ Term SOFR will be deemed to have been converted to an Advance bearing interest at the Alternate Base Rate plus the Applicable Spread at the end of the applicable Interest Period.

SECTION 2.07 Payments and Computations, Etc.

(a) All amounts to be paid or deposited by any of the Co-Borrowers or the Account Bank from amounts received on the Portfolio Assets on the Co-Borrowers' behalf, hereunder and in accordance with this Agreement shall be paid or deposited in accordance with the terms hereof so that funds are received by the Administrative Agent no later than 1:00 p.m. on the day when due in Dollars in immediately available funds to the account specified in writing by the Administrative Agent to the Account Bank, or such other account as is designated by the Administrative Agent. All payments received by the Administrative Agent after 1:00 p.m. may, in the Administrative Agent's discretion, be deemed received on the next succeeding Business Day and any applicable interest or fee shall continue to accrue. Any Obligation hereunder shall not be reduced by any distribution of any portion of Available Collections if at any time such distribution is rescinded or required to be returned by any Secured Party to the Co-Borrowers or any other Person for any reason.

(b) On each Determination Date, immediately preceding a Reporting Date, the Administrative Borrower shall include a statement as to the amount of Excluded Amounts on deposit in the Collection Account in the Servicing Report delivered pursuant to Section 8.08(c). Other than as otherwise set forth herein, whenever any payment hereunder shall be stated to be due on a day other than a Business Day, such payment shall be made on the next succeeding Business Day and such extension of time shall be reflected in the computation of interest and fees.

(c) To the extent that any payment by or on behalf of the Co-Borrowers is made to the Administrative Agent or any Lender, or the Administrative Agent or any Lender exercises its right of setoff, and such payment or the proceeds of such setoff or any part thereof is subsequently invalidated, declared to be fraudulent or preferential, set aside or required

(including pursuant to any settlement entered into by the Administrative Agent or such Lender in its discretion) to be repaid to a trustee, receiver or any other party, in connection with any proceeding under any Bankruptcy Law or otherwise, then (i) to the extent of such recovery, the obligation or part thereof originally intended to be satisfied shall be revived and continued in full force and effect as if such payment had not been made or such setoff had not occurred and (ii) each Lender severally agrees to pay to the Administrative Agent upon demand its applicable share (without duplication) of any amount so recovered from or repaid by the Administrative Agent.

SECTION 2.08 Collections; Payment Date Report.

(a) Each Loan Party, as applicable, shall direct each Obligor for any Portfolio Asset to remit all Collections with respect to such Portfolio Asset to such Loan Party's Collection Account. Subject to the rights of the Administrative Agent hereunder with respect to funds held or deposited in such Loan Party's Collection Account, each Loan Party shall have full control over the use of, and the right to withdraw funds from, such Loan Party's Collection Account for any permitted use or purpose under its Constituent Documents.

(b) Each Loan Party shall take commercially reasonable steps to confirm that only funds constituting Collections relating to Portfolio Assets are deposited into such Loan Party's Collection Account.

(c) Each Loan Party shall, and shall cause their respective Affiliates and administrators to, deposit all Collections relating to Portfolio Assets received by such Loan Party, or by their Affiliates on behalf of or for the benefit of such Loan Party, with respect to the Collateral to such Loan Party's Collection Account within two (2) Business Days after receipt by the applicable Loan Party and shall, and shall cause their Affiliates to, hold in trust for the benefit of the Administrative Agent, for the benefit of the Secured Parties, all such Available Collections until so deposited.

(d) During the occurrence and continuance of a Potential Default or an Event of Default, no Loan Party shall have any rights of withdrawal with respect to amounts held in the Collection Account. After the occurrence and continuance of an Event of Default, the Administrative Agent, at the direction of the Majority Lenders, may, but shall not be obligated, to give payment instructions to the Account Bank. Following the occurrence and during the continuance of a Market Trigger Event, no Loan Party shall withdraw any amounts held in the Collection Account without the approval of the Administrative Agent (acting at the direction of the Majority Lenders).

(e) No later than the applicable Determination Date, Administrative Borrower shall provide the applicable Payment Date Report to the Servicer and the Administrative Agent. No later than two (2) Business Days after the Servicer's and the Administrative Agent's receipt of such Payment Date Report, the Servicer shall notify the Administrative Borrower (with a copy to the Administrative Agent) of any errors or omissions set forth therein and the Servicer and the Administrative Borrower shall use commercially reasonable efforts to reconcile any differences

in such report; provided if no such reconciliation can be reached, the Payment Date Report approved by the Servicer shall be deemed final, absent manifest error.

(f) No account shall be maintained by any Loan Party, or for any Loan Party's benefit, unless (i) such account is (A) an Account listed on Schedule VIII, and (B) subject to an Account Control Agreement pursuant to the terms hereof and (ii) the Administrative Agent has been granted on-line access to such account, in each case in form and substance satisfactory to the Administrative Agent and the Servicer.

SECTION 2.09 Remittance Procedures. On each Payment Date (including each Interim-Period Payment Date), the Administrative Borrower may instruct the Account Bank to apply funds on deposit in the Collection Account as described in this Section 2.09 and in accordance with the Payment Date Report or may otherwise wire funds to the Administrative Agent from any other account, such funds to be received by the Administrative Agent no later than 1:00 p.m. on each Payment Date; provided that, at any time after delivery of a Notice of Exclusive Control pursuant to the terms of the Account Control Agreement, the Administrative Agent, if directed, in writing, by the Majority Lenders, shall instruct the Account Bank to apply funds on deposit in the Collection Account as described in this Section 2.09.

(a) Collections. All payments so received by the Administrative Agent pursuant to this Section 2.09(a) will be distributed in accordance with the following waterfall:

(i) first, (A) to the Administrative Agent for the payment in full of all accrued fees, expenses, losses and indemnities due and payable to the Administrative Agent hereunder or under any other Transaction Document and under the Agent Fee Letter, and then (B) to the Servicer, Barings LLC and the Account Bank for the payment in full of all accrued fees, expenses and indemnities due and payable to the Servicer, Barings LLC and Account Bank, respectively, hereunder or under any other Transaction Document and under the Fee Letters;

(ii) second, to the Administrative Agent for distribution to each Lender, to pay such Lender's Pro Rata Share of accrued and unpaid interest owing to such Lender under this Agreement;

(iii) third, to the extent amounts on deposit in the Interest Reserve Account are less than the Interest Reserve Amount, an amount equal to such shortfall;

(iv) fourth, to the extent a Market Trigger Event has occurred, or would result therefrom, then to the Administrative Agent for distribution to each Lender, to repay such Lender's Pro Rata Share of the Advances Outstanding until the delivery of an LTV Certificate by the Administrative Borrower to the Servicer, demonstrating that the Market Trigger Event no longer exists or, notwithstanding the occurrence of such Market Trigger Event, the LTV is not in excess of the applicable Maximum LTV Percentage; and

(v) fifth, only to the extent no Market Trigger Event has occurred, or would result therefrom, then to the Loan Parties.

(b) Application of Proceeds After an Event of Default. Notwithstanding anything herein to the contrary, upon the occurrence and during the continuance of an Event of Default, with respect to any proceeds received by the Administrative Agent in connection with the exercise of remedies hereunder or any other Transaction Document, the Administrative Agent, at the direction of the Servicer, for the benefit of the Majority Lenders, shall instruct the Account Bank to transfer all proceeds of Collateral in accordance with the following order and priority:

(i) first (A) to the Administrative Agent for the payment in full of all accrued fees, expenses, losses and indemnities due and payable to the Administrative Agent hereunder or under any other Transaction Document and under the Agent Fee Letter, and then (B) to the Servicer, Barings LLC and the Account Bank for the payment in full of all accrued fees, expenses and indemnities due and payable to the Servicer, Barings LLC and Account Bank, respectively, hereunder or under any other Transaction Document and under the Fee Letters;

(ii) second, to the Administrative Agent for distribution to each Lender, to pay such Lender's Pro Rata Share of accrued and unpaid interest owing to such Lender under this Agreement;

(iii) third, to the extent amounts on deposit in the Interest Reserve Account are less than the Interest Reserve Amount, an amount equal to such shortfall;

(iv) fourth, to the extent a Market Trigger Event has occurred, or would result therefrom, then to the Administrative Agent for distribution to each Lender, to repay such Lender's Pro Rata Share of the Advances Outstanding until the delivery of an LTV Certificate by the Administrative Borrower to the Servicer, demonstrating that the Market Trigger Event no longer exists or, notwithstanding the occurrence of such Market Trigger Event, the LTV is not in excess of the applicable Maximum LTV Percentage; and

(v) fifth, only to the extent no Market Trigger Event has occurred, or would result therefrom, then to the Loan Parties.

(c) Insufficiency of Funds. If the funds on deposit in the Collection Account are insufficient to pay any amounts otherwise due and payable under this Agreement or any other Transaction Document on a Payment Date or otherwise, the Co-Borrowers shall nevertheless remain responsible for, and shall pay when due, all amounts payable under this Agreement and the other Transaction Documents in accordance with the terms of this Agreement and the other Transaction Documents, together with interest accrued as set forth in Section 2.05(a) from the date when due until paid hereunder; provided that if any such insufficiency of funds occurs during the Availability Period and the conditions to funding as set forth herein are satisfied, the Administrative Borrower may instead request that such amounts be funded by the making of an Advance hereunder.

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(d) Instructions to the Account Bank. All instructions and directions given to the Account Bank by the Administrative Agent, at the direction of the Majority Lenders, pursuant to Section 2.09 shall be in writing (including instructions and directions transmitted to the Account Bank by facsimile or e-mail) or pursuant to an electronic transmission system acceptable to the Account Bank. The Administrative Agent shall transmit to the Servicer and the Administrative Borrower by facsimile or e-mail a copy of all instructions and directions given to the Account Bank by the Administrative Agent pursuant to Section 2.09 concurrently with the delivery thereof.

(e) No Presentment. Payment by the Administrative Agent to the Lenders in accordance with the terms hereof shall not require presentment of any Revolving Loan Note.

SECTION 2.10 Grant of a Security Interest.

(a) To secure the prompt and complete payment in full when due, whether by lapse of time, acceleration or otherwise, of the Obligations and the performance by the Co-Borrowers of all of the covenants and obligations to be performed pursuant to this Agreement and each other Transaction Document, whether now or hereafter existing, due or to become due, direct or indirect, or absolute or contingent, each Co-Borrower hereby grants a security interest to the Administrative Agent, for the benefit of the Secured Parties, in all of such Co-Borrower's right, title and interest in, to and under (but none of the obligations under) the following, whether now owned or hereinafter acquired (the following collectively, to the extent not constituting Excluded Assets, the "US Collateral"): (i) all accounts, money, cash and currency, chattel paper, tangible chattel paper, electronic chattel paper, intellectual property, goods, equipment, fixtures, contract rights, general intangibles, documents, instruments, certificates of deposit, certificated securities, uncertificated securities, financial assets, securities entitlements, commercial tort claims, securities accounts, deposit accounts, inventory, investment property (including without limitation each General Partnership Investment), letter-of-credit rights, software, supporting obligations, accessions or other property consisting of Portfolio Assets and Collections (but excluding the obligations thereunder); (ii) all Records; (iii) all Proceeds of the foregoing; (iv) the Collection Account and the Interest Reserve Accounts; and (v) all proceeds and products of the foregoing.

(b) To secure the prompt and complete payment in full when due, whether by lapse of time, acceleration or otherwise, of the Obligations and the performance by the Co-Borrowers of all of the covenants and obligations to be performed pursuant to this Agreement and each other Transaction Document, whether now or hereafter existing, due or to become due, direct or indirect, or absolute or contingent, Holdings and Kudu, as applicable, hereby grant a security interest to the Administrative Agent, for the benefit of the Secured Parties, in all of Holdings' and Kudu's, as applicable, right, title and interest in and to, whether now owned or hereinafter acquired (the following collectively, to the extent not constituting Excluded Assets, the "US Pledged Equity"): (A) (i) all investment property and general intangibles consisting of the ownership, equity or other similar interests of Holdings in Kudu, including Kudu's limited liability company membership interests; (ii) all certificates, instruments, writings and securities evidencing the foregoing; (iii) the operating agreement and other organizational documents of

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Kudu and all options or other rights to acquire any membership or other interests under such operating agreement or other organizational documents; (iv) all dividends, distributions, capital, profits and surplus and other property or proceeds from time to time received, receivable or otherwise distributed in respect of or in exchange for any or all of the foregoing; (v) all books, records and other written, electronic or other documentation in whatever form maintained now or hereafter by or for Holdings in connection with, and relating to, the ownership of, or evidencing or containing information relating to, the foregoing; and (vi) all proceeds, supporting obligations and products of any of the foregoing, and (B) (i) all investment property and general intangibles consisting of the ownership, equity or other similar interests of Kudu in Kudu US, including Kudu's limited liability company membership interests; (ii) all certificates, instruments, writings and securities evidencing the foregoing; (iii) the operating agreement and other organizational documents of Kudu US and all options or other rights to acquire any membership or other interests under such operating agreement or other organizational documents; (iv) all dividends, distributions, capital, profits and surplus and other property or proceeds from time to time received, receivable or otherwise distributed in respect of or in exchange for any or all of the foregoing; (v) all books, records and other written, electronic or other documentation in whatever form maintained now or hereafter by or for Kudu in connection with, and relating to, the ownership of, or evidencing or containing information relating to, the foregoing; and (vi) all proceeds, supporting obligations and products of any of the foregoing.

(c) Notwithstanding the foregoing, the terms "Collateral", "Collateral Portfolio" and "Pledged Equity" shall exclude, and in no event shall any Lien attach to any right, title or interest of the Loan Parties or Holdings in, to or under (the following, collectively, the "Excluded Assets"): (i) any lease, license or other agreement and the property subject thereto, in each case acquired or entered into by Holdings or by the Loan Parties after the Closing Date and not part of the Borrowing Base, which requires the consent, approval, license or authorization of any Person (other than the Loan Parties or Holdings or their respective Affiliates) as a condition to a grant of a security interest therein as contemplated herein, unless such consent, approval, license or authorization has been obtained or such required consent, approval, license or authorization is rendered ineffective or otherwise overridden after giving effect to the applicable anti-assignment provisions of the Code or other Applicable Law, other than proceeds and receivables thereof, the assignment of which is expressly deemed effective under Applicable Law notwithstanding such prohibition; (ii) any lease, license or other agreement or any property subject to a purchase money security interest, Capital Lease Obligations or similar arrangement to the extent that a grant of a security interest therein would violate or invalidate such lease, license or agreement, purchase money, capital lease or similar arrangement or create a termination right in favor of any other party thereto (other than the Loan Parties or Holdings) after giving effect to the applicable anti-assignment provisions of the Bankruptcy Code or other Applicable Law, other than proceeds and receivables thereof, the assignment of which is expressly deemed effective under Applicable Law notwithstanding such prohibition; (iii) after the Closing Date, to the extent a pledge of, and security interest in, such asset is prohibited by law or prohibited by agreements containing anti-assignment clauses not overridden by the Bankruptcy Code or other Applicable Law (so long as such anti-assignment clauses existed at the time such asset was acquired by the Loan Parties and was not implemented in contemplation of prohibiting a pledge hereunder); and (iv) any Excluded Amounts.

(d) Anything herein to the contrary notwithstanding, (i) the Loan Parties shall remain liable under the Collateral Portfolio and the Collateral to the extent set forth therein to perform all of their duties and obligations thereunder to the same extent as if this Agreement had not been executed, (ii) the exercise by the Administrative Agent, for the benefit of the Secured Parties, of any of its rights in the Collateral or the Pledged Equity does not release the Loan Parties or Holdings from any of their duties or obligations under the Collateral or with respect to the Pledged Equity and (iii) none of the Administrative Agent, any Lender nor any other Secured Party shall have any obligations or liability under the Collateral Portfolio and the Collateral by reason of this Agreement, nor shall the Administrative Agent, any Lender nor any other Secured Party be obligated to perform any of the obligations or duties of the Loan Parties thereunder or to take any action to collect or enforce any claim for payment assigned hereunder.

(e) [Reserved].

(f) Each Co-Borrower hereby collaterally assigns to the Administrative Agent, for the benefit of the Secured Parties, all of such Co-Borrower's right and title to, and interest in, to and under (but not any obligations under) each Equity Investment Agreement related to each Portfolio Asset, all other agreements, documents and instruments evidencing, securing or guarantying any Portfolio Asset and all other agreements, documents and instruments related to any of the foregoing. Each Co-Borrower confirms that, upon the occurrence and during the continuance of an Event of Default and until the Facility Termination Date, the Administrative Agent (at the direction of the Servicer) on behalf of the Secured Parties shall have the right to enforce and/or assume such Co-Borrower's rights and remedies under each Equity Investment Agreement.

(g) In addition to the property which the Administrative Agent holds for the benefit of the Secured Parties under Section 2.10(a), Section 2.10(b) and Section 2.10(f), the Administrative Agent will, upon entry into the Australian Pledge Agreement, hold the rights arising under the Australian Pledge Agreement for the benefit of the Secured Parties.

(h) To the extent the law permits:

(i) for the purposes of sections 115(1) and 115(7) of the Australian PPSA:

(A) the Secured Parties need not comply with sections 95, 118, 121(4), 125, 130, 132(3)(d) or 132(4) of the Australian PPSA; and

(B) sections 142 and 143 of the Australian PPSA are excluded;

(ii) for the purposes of section 115(7) of the Australian PPSA, the Secured Parties need not comply with sections 132 and 137(3) of the Australian PPSA;

(iii) if the PPSA is amended after the date of this document to permit the Parties to agree to not comply with or to exclude other provisions of the PPSA, the Administrative Agent may notify the Loan Parties that any of these provisions is

excluded, or that the Secured Parties need not comply with any of these provisions, as notified to the Loan Parties by the Administrative Agent; and

(iv) each Loan Party agrees not to exercise its rights to make any request of the Secured Parties under section 275 of the Australian PPSA, to authorize the disclosure of any information under that section or to waive any duty of confidence that would otherwise permit non-disclosure under that section.

(i) To the extent the law permits, each Loan Party waives:

(i) its rights to receive any notice that is required by any provision of the Australian PPSA (including a notice of a verification statement); and

(ii) any time period that must otherwise lapse under the Australian PPSA before a Secured Party or receiver exercises a right, power or remedy.

If the law which requires a period of notice or a lapse of time cannot be excluded, but the law provides that the period of notice or lapse of time may be agreed, that period or lapse is one day or the minimum period the law allows to be agreed (whichever is the longer). However, nothing in this clause prohibits a Secured Party or any receiver from giving a notice under the Australian PPSA or any other law.

(j) For the purposes of section 153 of the Australian PPSA, each Secured Party appoints the Administrative Agent and each Loan Party as its nominee, and authorizes each of them to act on its behalf, in connection with a registration under the Australian PPSA of any security interest in favor of the Loan Party which is (a) evidenced or created by chattel paper or arising under contract; (b) perfected by registration under the Australian PPSA; and (c) transferred to a Secured Party under this document. This authority ceases when the registration is transferred to the Secured Party.

SECTION 2.11 Sale of Portfolio Assets.

(a) Sales. The Loan Parties may sell or otherwise Transfer or dispose of their interest in any Portfolio Asset (a "Sale") so long as (i) with respect to the Sale of any Eligible Portfolio Asset (a) as of the date of such Sale and immediately after giving effect to any such Sale, (x) the aggregate Advances Outstanding shall not exceed the Maximum Availability as of such date, (y) no Market Trigger Event shall be continuing or will result from such Sale; and (z) no Event of Default shall be continuing or will result from such Sale, (b) with respect to the sale of Eligible Portfolio Assets, (x) the sale price is equal to or greater than 80% of the most recent third party valuation delivered to the Administrative Agent prior to such Sale; provided that if more than one Eligible Portfolio Asset is sold in the same transaction, the calculation of such 80% test will use the aggregate third party valuation of all such Eligible Portfolio Assets included in such Sale or (y) the Servicer shall have consented to such Sale price, provided, however, that, the foregoing clauses (a) and (b) shall not apply if such Sale results from the occurrence of a "Sale Redemption Event" (or such term of similar meaning as may be used in the Constituent Documents relating to such Eligible Portfolio Asset) and (ii) with respect to the Sale of any Portfolio Asset, (a) the net cash proceeds from such Sale, if any, are deposited into the

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Collection Account, and (b) the Administrative Borrower shall deliver to the Servicer a list of all Portfolio Assets to be subject to such Sale.

(b) Release of Lien. Upon confirmation by the Administrative Agent of the deposit of any amounts required by Section 2.11(a) in cash into a Collection Account and the fulfillment of the other terms and conditions set forth in this Section 2.11 for a Sale (such date of fulfillment, a "Release Date"), the Portfolio Assets subject to such Sale shall no longer be Collateral and the Administrative Agent, for the benefit of the Secured Parties, shall automatically and without further action be deemed to have released all right, title and interest and any Lien of the Administrative Agent, for the benefit of the Secured Parties in, to and under such Portfolio Asset and related Portfolio Assets and all future monies due or to become due with respect thereto, without recourse, representation or warranty of any kind or nature.

(c) Conditions to Sales. Any Sale of an Eligible Portfolio Asset by a Loan Party shall at all times be subject to the satisfaction of the following conditions unless otherwise waived by the Servicer:

(i) the Administrative Borrower shall deliver a list of all Portfolio Assets to be the subject of such Sale in accordance with Section 5.01(z)(iii)(C);

(ii) as of the date of such Sale and immediately after giving effect to any such Sale, (w) the aggregate Advances Outstanding shall not exceed the Maximum Availability as of such date, (x) no Market Trigger Event has occurred and is continuing or would result therefrom; and (y) neither a Potential Default nor an Event of Default shall be continuing or have resulted from such Sale; and

(iii) the Administrative Borrower shall notify the Servicer of any amount to be deposited into the Collection Account in connection with any Sale in accordance with Section 5.01(aa).

(d) Treatment of Amounts Deposited in the Collection Account. Amounts deposited by the Co-Borrowers in the Collection Account pursuant to this Section 2.11 shall be applied as provided in Section 2.09(a).

SECTION 2.12 Increased Costs.

(a) If any Change in Law shall:

(i) impose, modify or deem applicable any reserve (including pursuant to regulations issued from time to time by the Federal Reserve Board for determining the maximum reserve requirement (including any emergency, special, supplemental or other marginal reserve requirement) with respect to eurocurrency funding (currently referred to as "Eurocurrency liabilities" in Regulation D)), special deposit, compulsory loan, insurance charge or similar requirement against assets of, deposits with or for the account of, or credit extended or participated in by, any Lender;

(ii) impose material regulatory or agency changes that materially affect the cost or expense (other than taxes) affecting this Agreement;

(iii) subject any Recipient to any Taxes (other than (A) Indemnified Taxes and (B) Excluded Taxes) on its Advances, Commitments or other obligations, or its deposits, reserves, other liabilities or capital attributable thereto; or

(iv) impose on any Lender any other condition, cost or expense (other than Taxes) affecting this Agreement or Advances made by such Lender;

and the result of any of the foregoing shall be to increase the cost to such Lender or such other Recipient of making, continuing or maintaining any Advance or of maintaining its obligation to make any such Advance, or to increase the cost to such Lender, or to reduce the amount of any sum received or receivable by such Lender or other Recipient hereunder (whether of principal, interest or any other amount) then, upon request of such Lender or other Recipient, the Co-Borrowers will pay to such Lender or other Recipient, as the case may be, such additional amount or amounts as will compensate such Lender or other Recipient, as the case may be, for such additional costs incurred or reduction suffered.

(b) If any Lender determines that any Change in Law affecting such Lender or any lending office of such Lender or such Lender's holding company, if any, regarding capital or liquidity requirements, has or would have the effect of reducing the rate of return on such Lender's capital or on the capital of such Lender's holding company, if any, as a consequence of this Agreement, the Commitments of such Lender or the Advances made by such Lender to a level below that which such Lender or such Lender's holding company could have achieved but for such Change in Law (taking into consideration such Lender's policies and the policies of such Lender's holding company with respect to capital adequacy), then from time to time the Co-Borrowers will pay to such Lender such additional amount or amounts as will compensate such Lender or such Lender's holding company for any such reduction suffered.

(c) A certificate of a Lender setting forth in reasonable detail the basis for such demand, the amount or amounts necessary to compensate such Lender or its holding company, as the case may be, as specified in this Section 2.12(a) or (b) and the computations made by such Lender to determine such amount and delivered to the Administrative Borrower, shall be conclusive absent manifest error. The Co-Borrowers shall pay such Lender the amount shown as due on any such certificate on the next Payment Date that is not less than ten (10) days after receipt thereof. Any such amount payable by the Co-Borrowers shall not be duplicative of any amounts (i) previously paid under this Section 2.12 or (ii) included in the calculation of ~~Adjusted~~ Term SOFR.

(d) Failure or delay on the part of any Lender to demand compensation pursuant to this Section 2.12 shall not constitute a waiver of such Lender's right to demand such compensation; provided that the Co-Borrowers shall not be required to compensate a Lender pursuant to this Section 2.12 for any increased costs incurred or reductions suffered more than nine (9) months prior to the date that such Lender notifies the Administrative Borrower of the Change in Law giving rise to such increased costs or reductions, and of such Lender's intention

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to claim compensation therefor (except that, if the Change in Law giving rise to such increased costs or reductions is retroactive, then the nine- month period referred to above shall be extended to include the period of retroactive effect thereof).

(e) If any Lender requests additional amounts pursuant to this Section 2.12, the Co-Borrowers shall have the option to terminate this Agreement and the Commitments hereunder by written notice to the Administrative Agent and prepay the Advances, any accrued interest thereon and all costs, accrued and unpaid ~~Non-Usage~~Unused Fees and all other fees and amounts payable by the Co-Borrowers under the Transaction Documents (which, for the avoidance of doubt, shall not include any penalty, premium, make-whole or similar payment due to the termination of the Agreement and Commitments) no later than the fifth (5th) Business Day next following the giving of such notice.

SECTION 2.13 Taxes.

(a) All payments made by or on account of any obligation of the Loan Parties or Holdings under this Agreement or any other Transaction Document (including by the Administrative Agent on behalf of the Loan Parties or Holdings) will be made free and clear of and without deduction or withholding for or on account of any Taxes, except as required by Applicable Law. If any Indemnified Taxes are required by Applicable Law (as determined in good faith by the applicable withholding agent) to be withheld from any such payments, then the amount payable by the Loan Parties or Holdings will be increased (the amount of such increase, the "Additional Amount") as necessary so that after such deduction or withholding has been made (including such deductions and withholdings applicable to additional sums payable under this Section 2.12) the applicable Recipient receives an amount that is not less than the amount that it would have received had no such deduction or withholding been made. Any amounts deducted or withheld pursuant to this Section 2.13(a) will be timely paid by the applicable withholding agent to the applicable Governmental Authority in accordance with Applicable Law. The Loan Parties, Holdings and the Administrative Agent may be a withholding agent.

(b) The Loan Parties and Holdings will indemnify each Recipient for (i) the full amount of Indemnified Taxes payable or paid by such Person in respect of, or required to be deducted or withheld from, payments made by or on behalf of the Loan Parties or Holdings hereunder, including Indemnified Taxes imposed or assessed on or attributable to Additional Amounts and other amounts payable under this Section 2.13 and any costs and expenses arising therefrom or with respect thereto, whether or not such 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 Administrative Borrower by a Recipient (with a copy to the Administrative Agent), or by the Administrative Agent on behalf of a Recipient, shall be conclusive absent manifest error. All payments in respect of this indemnification shall be made within ten (10) days from the date a written invoice therefor is delivered to the Administrative Borrower, with a copy to the Servicer.

(c) Each Lender will indemnify the Administrative Agent for (i) the full amount of Indemnified Taxes attributable to such Lender (but only to the extent that the Loan Parties or Holdings have not already indemnified the Administrative Agent for such Indemnified Taxes

and without limiting or expanding any obligation of the applicable Loan Party or Holdings to do so), (ii) any Taxes attributable to such Lender's failure to comply with the provisions of Section 2.03 relating to the maintenance of a Participant Register and (iii) any Excluded Taxes attributable to such Lender, in each case, that are payable or paid by the Administrative Agent in connection with any Transaction Document, and any costs and expenses arising therefrom or with respect thereto, whether or not such 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 Lender by the Administrative Agent shall be conclusive absent manifest error.

(d) Following any payment by any Loan Party or Holdings to the applicable Governmental Authority of any Taxes pursuant to this Section 2.13 and Section 11.07(b), Administrative Borrower or the Servicer, as applicable, will furnish to the Administrative Agent at the applicable address set forth on this Agreement, the original or a certified copy of a receipt issued by such Governmental Authority evidencing such payment (to the extent received by the Servicer or the Administrative Borrower, as applicable), a copy of the return reporting such payment or other evidence of such payment reasonably satisfactory to the Administrative Agent (acting at the direction of the Majority Lenders). For the avoidance of doubt, in no case or circumstance is the Administrative Agent liable to pay any Taxes pursuant to this Agreement, and if it pays any such amounts, it will solely be on behalf of the Co- Borrowers, from the Collection Account to the extent amounts are available therein.

(e) Each Lender (including any assignee thereof) that is not a "United States person" within the meaning of Section 7701(a)(30) of the Code (a "Non-U.S. Lender") shall deliver to Administrative Borrower and the Administrative Agent two properly completed and duly executed copies of whichever (if any) of the following is applicable for claiming complete exemption from, or a reduced rate of, U.S. federal withholding tax on any payment by or on behalf of the Co-Borrowers under this Agreement: (i) U.S. Internal Revenue Service Form W-8BEN or W-8BEN-E (claiming the benefits of an applicable tax treaty), W-8IMY, W-8EXP or W-8ECI or (ii) in the case of a Non-U.S. Lender claiming exemption from U.S. federal withholding tax under Section 871(h) or 881(c) of the Code with respect to payments of "portfolio interest" a statement substantially in the form of Exhibit E to the effect that such Lender is eligible for a complete exemption from withholding of U.S. taxes under Section 871(h) or 881(c) of the Code (a "Tax Compliance Certificate") and a Form W-8BEN or W-8BEN-E, in each case (A) with any required attachments (including, with respect to any Lender that provides a U.S. Internal Revenue Service Form W-8IMY, any of the forms or other documentation described in clauses (i) and (ii) above for any of the direct or indirect owners of such Lender) and (B) any subsequent versions thereof or successors thereto. In addition, each Lender (including any assignee thereof) that is not a Non-U.S. Lender shall deliver to the Administrative Borrower and the Administrative Agent two copies of U.S. Internal Revenue Service Form W-9, properly completed and duly executed and claiming complete exemption, or shall otherwise establish an exemption, from U.S. backup withholding. Such forms shall be delivered by each Lender on or about the date it becomes a party to this Agreement and from time to time thereafter as reasonably requested by Administrative Borrower or the Administrative Agent. In addition, each Lender agrees that if any form or certification it previously delivered expires or becomes obsolete or inaccurate in any respect, it shall update such form or certification or promptly notify the Administrative Borrower and the Administrative Agent in writing of its legal

inability to do so. Notwithstanding any other provision of this paragraph, a Lender shall not be required to deliver any form pursuant to this paragraph that such Lender is not legally able to deliver. For the purposes of this Section 2.13(e), “Lender” shall include any other recipients of payments on the Collateral as directed by any Lender to the Administrative Agent.

(f) A Lender that is entitled to an exemption from or reduction of withholding tax under the law of the jurisdiction in which the Co-Borrowers are located, or any treaty to which such jurisdiction is a party, with respect to payments under this Agreement shall deliver to the Administrative Borrower and the Administrative Agent, at the time or times prescribed by Applicable Law or reasonably requested by the Administrative Borrower or the Administrative Agent, such properly completed and executed documentation or information prescribed by Applicable Law as will permit such payments to be made without withholding or at a reduced rate (or otherwise permit the Administrative Borrower and the Administrative Agent to determine the applicable rate of withholding); provided that such Lender is legally entitled to complete, execute and deliver such documentation and in such Lender’s reasonable judgment such completion, execution or submission would not subject such Lender to any material unreimbursed cost or expense or would not materially prejudice the legal or commercial position of such Lender. If a payment made to a Lender under any Transaction Document would be subject to U.S. federal withholding Tax imposed by FATCA if such Lender were to fail to comply with the applicable reporting requirements of FATCA (including those contained in Section 1471(b) or 1472(b) of the Code, as applicable), such Lender shall deliver to the Administrative Borrower and the Administrative Agent at the time or times prescribed by law and at such time or times reasonably requested by the Administrative Borrower or Administrative Agent such documentation prescribed by law (including as prescribed by Section 1471(b)(3)(C)(i) of the Code) and such additional documentation reasonably requested by the Administrative Borrower or Administrative Agent as may be necessary for the Administrative Borrower and Administrative Agent to comply with their obligations under FATCA and to determine that such Lender has complied with such Lender’s obligations under FATCA or to determine the amount, if any, to deduct and withhold from such payment. Solely for purposes of this Section 2.13(f), “FATCA” shall include any amendments made to FATCA after the date of this Agreement.

(g) If any Lender determines, in its sole discretion, exercised in good faith, that it has received a refund of any Taxes for which it was indemnified by the Co-Borrowers or the Administrative Agent, pursuant to this Section 2.13 or with respect to which the Co-Borrowers or the Administrative Agent has paid additional amounts pursuant to this Section 2.13, it shall pay to the Co-Borrowers or the Administrative Agent, as applicable, an amount equal to such refund (but only to the extent of indemnity payments made, or Additional Amounts paid, by the Co-Borrowers or the Administrative Agent, as applicable, under this Section 2.13 with respect to the Taxes or Additional Amounts giving rise to such refund), net of all costs and expenses (including additional Taxes, if any) of such Lender, as the case may be, incurred in obtaining such refund, and without interest (other than any interest paid by the relevant Governmental Authority with respect to such refund). The Co-Borrowers, upon the request of such Lender, shall repay to such Lender the amount paid over pursuant to this Section 2.13(g) (plus any penalties, interest or other charges imposed by the relevant Governmental Authority) in the event that such Lender is required to repay such refund to such Governmental Authority.

Notwithstanding anything to the contrary in this Section 2.13(g), in no event will the Lender be required to pay any amount to the Co-Borrowers pursuant to this Section 2.13(g) the payment of which would place the Lender in a less favorable net after-Tax position than the Lender would have been in if the Tax subject to indemnification and giving rise to such refund had not been deducted, withheld or otherwise imposed and the indemnification payments or additional amounts with respect to such Tax had never been paid. This paragraph shall not be construed to require any Lender to make available its Tax returns (or any other information relating to its Taxes that it deems confidential) to the Co-Borrowers or any other Person.

(h) Without prejudice to the survival of any other agreement of the parties hereunder, the agreements and obligations of the parties contained in this Section 2.13 shall survive the resignation or replacement of the Administrative Agent, any assignment of rights by or replacement of any Lender, the termination of Commitments, the repayment, satisfaction or discharge of all obligations under any Transaction Document or termination of this Agreement.

SECTION 2.14 Increase in Maximum Facility Amount.

(a) ~~Prior~~ On or prior to September 22, 2022 ~~the end of the Availability Period,~~ and subject to compliance with the terms of this Section 2.14, the Administrative Borrower may ~~no more than two (2) times, upon three (3) Business Days' written notice request in writing to the Administrative Agent and the Initial Lender ("Facility Increase Notice");~~ to increase the Maximum Facility Amount to up to \$350,000,000. Any such increase shall be in the amount of up to \$25,000,000 (each such increase, a "Facility Increase"). The Administrative Agent shall promptly deliver the Facility Increase Notice to the Lenders, and upon receipt of written consent by the Majority Lenders, in their sole and absolute discretion, the Maximum Facility Amount shall be increased in accordance with the amount requested by the Administrative Borrower and consented to by the Majority Lenders. Any Facility Increase may be provided by any Lender or any Eligible Assignee (each such Lender, an "Incremental Lender"); provided that each Incremental Lender which was not a Lender immediately prior to the consummation of such Facility Increase shall be subject to the consent (in each case, not to be unreasonably withheld, delayed or conditioned) of the Administrative Agent and the Initial Lender. Notwithstanding anything herein to the contrary, no Lender shall have any obligation to agree to increase its Commitment pursuant to this Section 2.14 and any election to do so shall be in the sole discretion of such Lender.

(b) The following are conditions precedent to such increase:

(i) each Co-Borrower shall deliver to Administrative Agent and the Initial Lender, if necessary, resolutions adopted by such Co-Borrower approving or consenting to such increase, certified by a Responsible Person of such Co-Borrower that such resolutions are true and correct copies thereof and are in full force and effect;

(ii) if applicable, each Co-Borrower shall execute replacement notes payable to the Initial Lender reflecting the Facility Increase;

(iii) as of the effective date of such Facility Increase and immediately after giving effect thereto, the representations and warranties set forth herein and in the other

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Transaction Documents are true and correct in all material respects with the same force and effect as if made on and as of such date (except to the extent that such representations and warranties expressly relate to an earlier date); provided that if a representation or warranty is qualified as to materiality, with respect to such representation or warranty, the foregoing materiality qualifier shall be disregarded for the purposes of this condition;

(iv) all expenses and fees (including reasonable and documented legal fees and any fees required under the Fee Letters) that are required to be paid hereunder or by the Fee Letters that are due and payable have been paid in full;

(v) one or more favorable opinions of counsel to the Co-Borrowers and Holdings, reasonably acceptable to the Majority Lenders and the Administrative Agent and addressed to the Administrative Agent and the Lenders; ~~and~~

(vi) no Market Trigger Event or Event of Default shall have occurred and be continuing on the date on which the Facility Increase Notice is delivered or immediately after giving effect to the Facility Increase; and

(vii) the Co-Borrowers shall have obtained an investment grade Debt Rating (BBB or higher) on the Facility, as increased by the Facility Increase, and the Lenders shall have received a copy of any rating letter issued in connection therewith.

For the avoidance of doubt, any Facility Increase will be on the same terms as contained herein with respect to the Commitments as of the Closing Date.

SECTION 2.15 Mitigation Obligations; Replacement of Lenders.

(a) Designation of a Different Applicable Lending Office. If any Lender requests compensation under Section 2.12, or requires the Co-Borrowers to pay any Indemnified Taxes or additional amounts to any Lender or any Governmental Authority for the account of any Lender pursuant to Section 2.13 then such Lender shall, at the request of the Administrative Borrower, use reasonable efforts to designate a different applicable lending office for funding or booking its Advances hereunder or to assign its rights and obligations hereunder to another of its offices, branches or affiliates, if, in the judgment of such Lender, such designation or assignment (i) would eliminate or reduce amounts payable pursuant to Section 2.12 or Section 2.13, as the case may be, in the future, and (ii) would not subject such Lender to any unreimbursed cost or expense and would not otherwise be disadvantageous to such Lender. The Co-Borrowers hereby agree to pay all reasonable and documented out-of-pocket costs and expenses incurred by any Lender in connection with any such designation or assignment.

(b) Replacement of Lenders. If any Lender requests compensation under Section 2.12, or if the Co-Borrowers are required to pay any Indemnified Taxes or additional amounts to any Lender or any Governmental Authority for the account of any Lender pursuant to Section 2.13, and, in each case, such Lender has declined or is unable to designate a different applicable lending office in accordance with Section 2.15(a), or if any Lender is a Defaulting Lender or Non-Consenting Lender, then the Co-Borrowers may, at their sole expense and effort, upon

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notice to such Lender and the Administrative Agent, require such Lender to assign and delegate, without recourse (in accordance with and subject to the restrictions contained in, and consents required by, Section 11.04), all of its interests, rights (other than its existing rights to payments pursuant to Section 2.12 or Section 2.13) and obligations under this Agreement and the related Transaction Documents to an Eligible Assignee in accordance with Section 11.04 that shall assume such obligations (which Eligible Assignee may be another Lender, if a Lender accepts such assignment); provided that:

(i) the Co-Borrowers shall have paid to the Administrative Agent the assignment fee (if any) specified in Section 11.04;

(ii) such Lender shall have received payment of an amount equal to the outstanding principal of its Advances, accrued interest thereon, accrued fees and all other amounts payable to it hereunder and under the other Transaction Documents (including any amounts under this Article II) from the Eligible Assignee (to the extent of such outstanding principal) or the Co-Borrowers (in the case of accrued interest, Fees and all other amounts);

(iii) in the case of any such assignment resulting from a claim for compensation under Section 2.12 or payments required to be made pursuant to Section 2.13, such assignment shall result in a reduction in such compensation or payments thereafter;

(iv) such assignment does not conflict with Applicable Law; and

(v) in the case of any assignment resulting from a Lender becoming a Non-Consenting Lender, the applicable assignee shall have consented to the applicable amendment, waiver or consent.

A Lender shall not be required to make any such assignment or delegation if, prior thereto, as a result of a waiver by such Lender or otherwise, the circumstances entitling the Co-Borrowers to require such assignment and delegation cease to apply.

SECTION 2.16 Defaulting Lenders.

(a) Defaulting Lender Adjustments. Notwithstanding anything to the contrary contained in this Agreement, if any Lender becomes a Defaulting Lender, then, until such time as such Lender is no longer a Defaulting Lender, to the extent permitted by Applicable Law:

(i) Waivers and Amendments. Such Defaulting Lender's right to approve or disapprove any amendment, waiver or consent with respect to this Agreement shall be restricted as set forth in Section 11.01.

(ii) Defaulting Lender Waterfall. Any payment of principal, interest, fees or other amounts received by the Administrative Agent for the account of such Defaulting Lender (whether voluntary or mandatory, at maturity, pursuant to Article VI or otherwise) or received by the Administrative Agent from a Defaulting Lender pursuant to

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Section 11.13 shall be applied at such time or times as may be determined by the Administrative Agent (acting at the direction of the Majority Lenders) as follows: *first*, to the payment of any amounts owing by such Defaulting Lender to the Administrative Agent hereunder; *second*, as the Administrative Borrower may request (so long as no Event of Default exists), to the funding of any Advance in respect of which such Defaulting Lender has failed to fund its portion thereof as required by this Agreement, as determined by the Administrative Agent; *third* if so determined by the Administrative Agent (acting at the direction of the Majority Lenders) and the Administrative Borrower, to be held in a deposit account and released pro rata in order to satisfy such Defaulting Lender's potential future funding obligations with respect to Advances under this Agreement; *fourth*, to the payment of any amounts owing to the Lenders as a result of any judgment of a court of competent jurisdiction obtained by any Lender against such Defaulting Lender as a result of such Defaulting Lender's breach of its obligations under this Agreement; *fifth*, so long as no Event of Default exists, to the payment of any amounts owing to the Co- Borrowers as a result of any judgment of a court of competent jurisdiction obtained by the Co- Borrowers against such Defaulting Lender as a result of such Defaulting Lender's breach of its obligations under this Agreement; and *sixth* to such Defaulting Lender or as otherwise directed by a court of competent jurisdiction; provided that if (x) such payment is a payment of the principal amount of any Advances in respect of which such Defaulting Lender has not fully funded its appropriate share, and (y) such Advances were made at a time when the conditions set forth in Section 3.02 were satisfied or waived, such payment shall be applied solely to pay the Advances of all non-Defaulting Lenders on a pro rata basis prior to being applied to the payment of any Advances of such Defaulting Lender until such time as all Advances are held by the Lenders pro rata in accordance with the Commitments. Any payments, prepayments or other amounts paid or payable to a Defaulting Lender that are applied (or held) to pay amounts owed by a Defaulting Lender pursuant to this Section shall be deemed paid to and redirected by such Defaulting Lender, and each Lender irrevocably consents hereto.

(iii) Defaulting Lender Fees. No Defaulting Lender shall be entitled to receive any Fees (including ~~Non-Usage~~Unused Fees in respect of any commitments of a Defaulting Lender) for any period during which that Lender is a Defaulting Lender (and the Co-Borrowers shall not be required to pay any such fee that otherwise would have been required to have been paid to that Defaulting Lender).

(iv) Defaulting Lender Cure. If the Administrative Borrower and the Administrative Agent (acting at the direction of the Majority Lenders) agree in writing that a Lender is no longer a Defaulting Lender, the Administrative Agent will so notify the parties hereto, whereupon as of the effective date specified in such notice and subject to any conditions set forth therein, that Lender will, to the extent applicable, purchase at par that portion of outstanding Advances of the other Lenders or take such other actions as the Administrative Agent and the Administrative Borrower may determine to be necessary to cause the Advances and funded to be held pro rata by the Lenders in accordance with the Commitments, whereupon, such Lender will cease to be a Defaulting Lender; provided that no adjustments will be made retroactively with respect to fees accrued or payments made by or on behalf of the Co-Borrowers while that Lender was a

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Defaulting Lender; and provided, further, that except to the extent otherwise expressly agreed by the affected parties, no change hereunder from Defaulting Lender to Lender will constitute a waiver or release of any claim of any party hereunder arising from that Lender's having been a Defaulting Lender.

(b) Termination of Defaulting Lender. The Co-Borrowers may terminate the unused amount of the Commitment of any Lender that is a Defaulting Lender upon not less than five (5) Business Days' prior written notice to the Administrative Agent (which shall promptly notify the Lenders thereof), and in such event the provisions of Section 2.16(a)(ii) will apply to all amounts thereafter paid by the Co-Borrowers for the account of such Defaulting Lender under this Agreement (whether on account of principal, interest, fees, indemnity or other amounts); provided that (i) no Event of Default shall have occurred and be continuing, and (ii) such termination shall not be deemed to be a waiver or release of any claim that the Co-Borrowers, the Administrative Agent or any Lender may have against such Defaulting Lender.

(c) If any Lender becomes a Defaulting Lender, the Co-Borrowers shall have the option to terminate this Agreement and the Commitments hereunder by written notice to the Administrative Agent and prepay the Advances, any accrued interest thereon and all costs, accrued and unpaid ~~Non-Usage~~Unused Fees and all other fees and amounts payable by the Co-Borrowers under the Transaction Documents (which, for the avoidance of doubt, shall not include any penalty, premium, make-whole or similar payment due to the termination of the Agreement and Commitments) no later than the fifth (5th) Business Day next following the giving of such notice.

SECTION 2.17 Extension of Availability Period.

(a) The Administrative Borrower may by written ~~notice~~request to the Administrative Agent (no later than 10 Business Days prior to the expiration of the ~~original~~ Availability Period) extend the Availability Period to ~~March 23, 2025 or such later~~a date as may be agreed upon by the Lenders (such date, the "Availability Period Extension Date", and such election, an "Availability Period Extension").

(b) Notwithstanding the foregoing, the extension of the Availability Period pursuant to this Section 2.17 shall not be effective with respect to any Lender unless:

(i) on or prior to the date the Administrative Borrower requests an Availability Period Extension, the Co-Borrowers shall have paid in full any and all accrued and unpaid interest and all costs and expenses of the Secured Parties that are due and payable under this Agreement;

(ii) no Event of Default or any other Market Trigger Event shall have occurred and be continuing on the date of such extension and immediately after giving effect thereto;

(iii) the Co-Borrowers shall pay to the Administrative Agent for the account of each Lender an extension fee equal 0.25% of such Lender's Pro Rata Share of the Maximum Facility Amount; ~~and~~

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(iv) the representations and warranties contained in this Agreement are true and correct in all material respects (except that any representation qualified as to “materiality” or “Material Adverse Effect” shall be true and correct in all respects as so qualified) on and as of the date of such extension and immediately after giving effect thereto, as though made on and as of such date (as certified by the Co-Borrowers, or, if any such representation or warranty is expressly stated to have been made as of a specific date, as of such specific date); and

(v) Such Lender consents to the requested extension of the Availability Period.

In connection with any extension of the Availability Period, the Co-Borrowers, the Administrative Agent and each Lender may make such amendments to this Agreement as the Administrative Agent (acting at the written direction of the Initial Lender) and the Co-Borrowers mutually determine to be reasonably necessary to evidence the extension.

SECTION 2.18 Ratings Cure. In the event that the Co-Borrowers shall have failed to maintain an investment grade rating (BBB or higher) at any time or a period of longer than 364 days have elapsed since the date of issuance of any Debt Rating with respect to the ~~Advances advanced under this Agreement from an NRSRO or from a rating agency approved by the NAIC~~ Facility from an Acceptable Rating Agency and such failure shall remain uncured for thirty (30) Business Days (“Ratings Event”), Holdings and/or the Co-Borrowers may cure such failure by any or a combination of: (i) contributing additional cash to the Co-Borrowers to be deposited into the Collection Account, (ii) transferring additional Portfolio Assets to the Co-Borrowers, consented to by the Servicer in its sole and absolute discretion, and the Co-Borrowers pledging such additional Portfolio Assets to the Administrative Agent for the benefit of the Secured Parties or (iii) obtaining a replacement investment grade rating from an alternate ~~NRSRO~~ Acceptable Rating Agency. The Co-Borrowers shall provide written notice to the Administrative Agent upon the occurrence of the Ratings Event and to the extent such Rating Event is subsequently cured. No later than three (3) Business Days prior to the date a Ratings Event is cured pursuant to this Section 2.18, the Co-Borrowers shall provide written notice thereof to the Administrative Agent, unless a Ratings Event Cure occurs as a result of a change in the Co-Borrowers’ rating, in which case the Co-Borrowers shall promptly provide written notice thereof to the Administrative Agent.

ARTICLE III. CONDITIONS PRECEDENT

SECTION 3.01 Conditions Precedent to Effectiveness. This Agreement becomes effective upon, and no Lender is obligated to make any Advance, nor is any Lender, the Servicer or the Administrative Agent obligated to take, fulfill or perform any other action hereunder until, the satisfaction or waiver of the following conditions precedent:

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(a) this Agreement, all other Transaction Documents and all other agreements, instruments, certificates and other documents listed on Schedule II have been duly executed by, and delivered to, the parties hereto and thereto;

(b) immediately after giving effect to the consummation of the funding of the Initial Advances the Co-Borrowers shall have no material Indebtedness for borrowed money other than the Obligations and Permitted Debt and the Lenders shall have received such payoff letters and Lien releases as they may reasonably request with respect to other material Indebtedness for borrowed money;

(c) all up-front expenses and fees (including reasonable and documented legal fees and any fees required under the Fee Letters) that are required to be paid hereunder or by the Fee Letters have been paid in full;

(d) the Collection Account and the Interest Reserve Account have been established and are subject to an Account Control Agreement;

(e) the representations contained in Sections 4.01, 4.02 and 4.05 of this Agreement, and Section 4.1 of the Guaranty are true and correct in all material respects (except that any representation qualified as to “materiality” or “Material Adverse Effect” shall be true and correct in all respects as so qualified) (as certified by the Co-Borrowers);

(f) each Co-Borrower has received all material governmental, shareholder and third party consents and approvals necessary in connection with the transactions contemplated by this Agreement and the other Transaction Documents and all applicable waiting periods have expired without any action being taken by any Person that would reasonably be expected to restrain, prevent or impose any material adverse conditions on the Co-Borrowers or such other transactions or that could seek or threaten any of the foregoing, and no law or regulation is applicable which in the reasonable judgment of the Lenders would reasonably be expected to have such effect;

(g) no action, proceeding or investigation has been instituted or, to the knowledge of any Responsible Person of a Co-Borrower, threatened or proposed against such Co-Borrower before any Governmental Authority to enjoin, restrain, or prohibit, or to obtain substantial damages in respect of, or which is related to or arises out of this Agreement or the other Transaction Documents or the consummation of the transactions contemplated hereby or thereby, or which, in the Majority Lenders’ sole discretion, would make it inadvisable to consummate the transactions contemplated by this Agreement or the other Transaction Documents or the consummation of the transactions contemplated hereby or thereby;

(h) the Co-Borrowers shall have obtained an investment grade rating (BBB or higher) with respect to the Advances advanced under this Agreement from a NRSRO or from a rating agency approved by the NAIC and the Majority Lenders shall have a received a copy of any rating letter issued in connection therewith;

(i) the Administrative Agent and the Lenders have received all documentation and other information requested by the Administrative Agent or the Lenders, respectively, no later than ten (10) Business Days prior to the Closing Date, to the extent required by regulatory authorities with respect to the Co-Borrowers and the Servicer under applicable “know your customer”, Anti-Money Laundering Laws, including the USA PATRIOT Act, and Anti-Corruption Laws, including without limitation, a duly executed W-8 or W-9 tax form, as applicable (or such other applicable IRS tax form) of each Co-Borrower (or, if a Co-Borrower is treated as a disregarded entity for U.S. federal income tax purposes, the entity of which such Co-Borrower is considered to be a division under Treasury regulation section 301.7701-2), all in form and substance reasonably satisfactory to the Administrative Agent or the Lenders, respectively; and

(j) payment of all reasonable and invoiced fees, costs and expenses in connection therewith.

SECTION 3.02 Conditions Precedent to All Advances. Each Advance (including the Initial Advance) is subject to the further conditions precedent that:

(a) the Administrative Borrower has delivered to the Administrative Agent a Notice of Borrowing as provided in Section 2.02(a);

(b) on and as of such Advance Date, immediately after giving effect to such Advance and the transactions related thereto, including the use of proceeds thereof, the Advances Outstanding do not exceed the Maximum Availability on such Advance Date;

(c) on and as of such Advance Date, immediately after giving effect to such Advance and the transactions related thereto, including the use of proceeds thereof, no Market Trigger Event has occurred and is continuing;

(d) no Event of Default has occurred and is continuing, or would result from such Advance or application of proceeds therefrom;

(e) the Co-Borrowers shall have obtained an investment grade ~~rating~~ Debt Rating (BBB or higher) ~~with respect to~~ on the Advances advanced under this Agreement from NRSRO or from Facility and the Majority Lenders shall have received a copy of any rating agency approved by the NAIC letter issued in connection therewith;

(f) the representations contained in Sections 4.01, 4.02 and 4.05 of this Agreement, and Section 4.1 of the Guaranty are true and correct in all material respects (except that any representation qualified as to “materiality” or “Material Adverse Effect” shall be true and correct in all respects as so qualified) before and immediately after giving effect to such Advance and to the application of proceeds therefrom, on and as of such date as though made on and as of such date (or, in the case of any such representation expressly stated to have been made as of a specific date, as of such specific date); and

(g) all expenses and fees (including reasonable and documented out-of-pocket legal fees and any fees required under the Fee Letters as set forth therein) that are required to be paid hereunder or by the Fee Letters have been paid in full.

SECTION 3.03 Conditions to Transfers of Portfolio Assets. Each Transfer of a Portfolio Asset is subject to the further conditions precedent that:

(a) the Administrative Borrower has delivered to the Administrative Agent (with a copy to the Initial Lender and the Servicer) no later than 2:00 p.m. on the date that is two (2) Business Days prior to the related Cut-Off Date (i) an updated Portfolio Asset Schedule reflecting the Transfer of such Portfolio Asset and (ii) a Borrowing Base Certificate (giving pro forma effect to such Transfer and proposed Advances relating thereto, and if such Advances would cause the aggregate Advances Outstanding to exceed the Maximum Availability as of the proposed Cut-Off Date, such Borrowing Base Certificate must include any scheduled repayments or optional prepayments of Advances in accordance with the terms hereof which would result in such Advances Outstanding not exceeding the Maximum Availability as of such date);

(b) in connection with the acquisition of a Portfolio Asset, all actions required to be taken or performed (including the filing of UCC financing statements) to give the Administrative Agent, for the benefit of the Secured Parties, a first priority perfected security interest (subject only to Permitted Liens) in such Portfolio Asset and the Collateral related thereto and the proceeds thereof have been taken or performed; and

(c) no Event of Default exists or would result from such Transfer.

Each Transfer of a Portfolio Asset pursuant to this Section 3.03 is deemed a representation by the Loan Parties that the conditions specified in this Section 3.03 have been met.

SECTION 3.04 Advances Do Not Constitute a Waiver. No Advance made hereunder constitutes a waiver of any condition to any Lender's obligation to make such an Advance unless such waiver is in writing and executed by such Lender.

ARTICLE IV. REPRESENTATIONS

SECTION 4.01 Representations of the Loan Parties. The Loan Parties, jointly and severally, hereby represent to the Secured Parties as of the Closing Date and each Advance Date as follows:

(a) Organization, Good Standing and Due Qualification. Each Co-Borrower is a limited liability company duly organized, validly existing and in good standing under the laws of the State of Delaware, with all requisite limited liability company power and authority necessary to own the Portfolio Assets and the Collateral and to conduct its business as such business is presently conducted and to enter into and perform its obligations pursuant to this Agreement and

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the other Transaction Documents to which it is a party. Each Co-Borrower is duly qualified to do business as a limited liability company, and has obtained all licenses and approvals under the laws of the State of Delaware, and in all other jurisdictions necessary to own its assets and to transact the business in which it is engaged, and is duly qualified, and in good standing under the laws of the State of Delaware, and in each other jurisdiction where the transaction of such business or its ownership of the Portfolio Assets and the Collateral and the conduct of its business requires such qualification.

(b) Power and Authority; Due Authorization; Execution and Delivery. Each Co-Borrower (i) has all limited liability company power, authority and legal right to (A) execute and deliver this Agreement and the other Transaction Documents to which it is a party and (B) perform and carry out the terms of this Agreement and the other Transaction Documents to which it is a party and the transactions contemplated thereby and (ii) has taken all necessary action to (A) authorize the execution, delivery and performance of this Agreement and each of the other Transaction Documents to which it is a party, and (B) grant to the Administrative Agent, for the benefit of the Secured Parties, a first priority perfected security interest in the Collateral on the terms and conditions of this Agreement and the other Transaction Documents, subject only to Permitted Liens, and (C) authorizes the Servicer to perform its actions contemplated by this Agreement and the other Transaction Documents. This Agreement and each other Transaction Document to which each Co-Borrower is a party have been duly executed and delivered by Holdings and such Co-Borrower.

(c) Binding Obligation. This Agreement and each of the other Transaction Documents to which each Co-Borrower is a party constitutes the legal, valid and binding obligation of such Co-Borrower, enforceable against such Co-Borrower in accordance with their respective terms, except as the enforceability hereof and thereof may be limited by Bankruptcy Laws and by general principles of equity (whether considered in a proceeding in equity or at law).

(d) All Consents Required. No consent of any other party and no consent, license, approval or authorization of, or registration or declaration with, any Governmental Authority, bureau or agency is required in connection with the execution, delivery or performance by each Co-Borrower of this Agreement or any Transaction Document to which it is a party or the validity or enforceability of this Agreement or any such Transaction Document or grant of a security interest in the Collateral, other than such as have been waived, met or obtained and are in full force and effect.

(e) No Violation or Consent under Investment Fund Agreements. The execution, delivery and performance of this Agreement and the other Transaction Documents will not (i) conflict with or result in any breach of any of the terms or provisions of, or constitute (with or without notice or lapse of time or both) a default under the Investment Fund Agreements, (ii) result in the creation or imposition of any Lien on the Collateral other than Permitted Liens, (iii) violate any Applicable Law in any material respect, (iv) violate any Investment Fund Agreement, (v) require the consent of any other party (including under any Investment Fund Agreement) except for any such consent that has been obtained, or require any consent, license, approval or authorization of, or registration or declaration with, any Governmental Authority,

bureau or agency (other than (x) as required by laws or regulations of general applicability adopted after the date on which this representation is given or (y) any such consent, license, approval or authorization of, or registration or declaration with, any Governmental Authority that may be required in each of England, Guernsey, the Commonwealth of Australia and such other jurisdictions as the Administrative Borrower may reasonably request in connection with the acquisition of new Portfolio Assets) with respect to the admission of the Administrative Agent, its designee or transferee as a member (or equivalent) of the General Partner upon the transfer of the General Partner Investment to the Administrative Agent, its designee or transferee as a member (or equivalent) of the General Partner (other than, to the extent applicable, any customary transfer restrictions (including, without limitation, restrictions relating to ERISA, “know your customer” and Anti-Money Laundering Law matters) set forth in the relevant Equity Investment Agreement), in connection with any exercise of remedies in respect of the General Partner Investment under and in accordance with the terms of the Transaction Documents, (vi) violate a Co-Borrower’s Constituent Documents, or (vii) violate any contract or other agreement to which a Co-Borrower is a party or by which such Co-Borrower or any property or assets of such Co-Borrower may be bound, in each case (other than with respect to any Investment Fund Agreement), except (A) in the case of clause (vii), as would not reasonably be expected to have a Material Adverse Effect or (B) other than in respect of any Equity Interests in the Co-Borrowers, as would not reasonably be likely to cause a diminution in the value of the Collateral of greater than five percent (5%).

(f) No Proceedings. There is no litigation, proceeding or investigation pending or, to the knowledge of any Responsible Person of a Co-Borrower, threatened against any Co-Borrower, before any Governmental Authority (i) asserting the invalidity of this Agreement or any other Transaction Document, (ii) seeking to prevent the consummation of any of the transactions contemplated by this Agreement or any other Transaction Document or (iii) in which a Co-Borrower, in its good faith determination, has determined that there is a reasonable probability of an adverse determination and which, if so adversely determined, individually or in the aggregate, would result in a Material Adverse Effect.

(g) No Liens. The Collateral is owned by each Loan Party free and clear of any Liens except for Permitted Liens.

(h) Transfer of Collateral. Except as otherwise expressly permitted by the terms of this Agreement, no item of Collateral has been Sold, assigned or pledged by a Loan Party to any Person, other than in accordance with Article II and the grant of a security interest therein to the Administrative Agent, for the benefit of the Secured Parties, pursuant to the terms of this Agreement. Each Loan Party consents to the transfer of any Collateral to the Administrative Agent or its designee, following, and during the occurrence of, an Event of Default and to the substitution of the Administrative Agent or its designee as the general partner in any General Partner Investment with all the rights and powers related thereto, subject to the terms of this Agreement.

(i) Eligible Portfolio Assets. The Eligible Portfolio Assets as of the Closing Date are set forth on Schedule I attached hereto and are owned by the Loan Parties.

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(j) Indebtedness. No Co-Borrower has any Indebtedness as of the Closing Date other than Permitted Debt.

(k) Registered Investment Adviser Status. Each Co-Borrower is registered under the Investment Advisers Act to the extent such registration is required under the Investment Advisers Act.

(l) Set-Off etc. No Portfolio Asset has been compromised, adjusted, extended, satisfied, subordinated, rescinded, set-off or modified by any Co-Borrower, the Transferor, if any, or the Obligor thereof, and no item in the Collateral Portfolio is subject to compromise, adjustment, extension, satisfaction, subordination, rescission, set-off, counterclaim, defense, abatement, suspension, deferment, deduction, reduction, termination or modification, whether arising out of transactions concerning the Collateral Portfolio or otherwise, by any Co-Borrower, the Transferor, if any, or the Obligor with respect thereto, except, in each case, for amendments, extensions and modifications, if any, permitted pursuant to Section 5.02.

(m) No Injunctions. No injunction, writ, restraining order or other order of any nature materially adversely affects each Co-Borrower's performance of its obligations under this Agreement or any Transaction Document to which such Co-Borrower is a party.

(n) Taxes. All material tax returns (including all material foreign, federal, State, local and other tax returns whether filed on a standalone or group basis) required to be filed by, on behalf of or with respect to the income and assets of the Co-Borrowers (including the Collateral) have been timely filed and the Co-Borrowers are not liable for Taxes payable by any other Person. Each of the Co-Borrowers has paid all Taxes, assessments and other governmental charges made against it or any of its property (including the Collateral) except for those Taxes being contested in good faith by appropriate proceedings and in respect of which it has established proper reserves in accordance with Applicable Accounting Principles, on its books. Each Co-Borrower is disregarded as an entity separate from its owner pursuant to Treasury Regulation Section 301.7701-3(b) or a partnership (other than a publicly traded partnership) for U.S. federal income tax purposes. Each Co-Borrower is resident for Tax purposes only in the jurisdiction under whose laws each Co-Borrower is incorporated as of the Closing Date and does not have a branch, agency or permanent establishment in any other jurisdiction for Tax purposes.

(o) Location. Except as permitted pursuant to Section 5.02(q), the Co-Borrowers' location (within the meaning of Article 9 of the UCC) is Delaware and the UK Guarantors' location (within the meaning of Article 9 of the UCC) is the District of Columbia. Except as permitted pursuant to Section 5.02(q), the principal place of business and chief executive office of the Loan Parties (and the location of the Loan Parties records regarding the Collateral (other than those delivered to the Servicer pursuant to this Agreement)) is located at its address referred to in Section 11.02.

(p) Tradenames. Except as permitted pursuant to Section 5.02(q), each Loan Party's legal name is as set forth in this Agreement. Except as permitted pursuant to Section 5.02(q), no Loan Party has changed its name since its formation or has tradenames, fictitious names, assumed names or "doing business as" names. The Co-Borrowers' only jurisdiction of formation

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is Delaware, and the UK Guarantors' only jurisdiction of incorporation is England and Wales and, except as permitted pursuant to Section 5.02(q), the Loan Parties have not changed their jurisdiction of formation.

(q) No Subsidiaries. The Loan Parties do not directly own or hold interests in any other Person other than the Portfolio Assets.

(r) Reports Accurate. All Notices of Borrowing, Borrowing Base Certificates, LTV Certificates and other written or electronic information, exhibits, financial statements, documents, books, records or reports required to be furnished by the Administrative Borrower to the Administrative Agent or the Servicer in connection with this Agreement and the other Transaction Documents were accurate, true and correct in all material respects when so furnished, and no such document (as modified or supplemented by other information so furnished) contains any material misstatement of fact or omits to state a material fact or any fact necessary to make the statements contained therein, in light of the circumstances under which they were made, not misleading; provided that solely with respect to written or electronic information (other than information presented in a Notice of Borrowing or Borrowing Base Certificate) furnished by the Administrative Borrower which was provided to a Loan Party from an Obligor with respect to a Portfolio Asset or any other third party (or derived thereof), such information need only be accurate, true and correct in all material respects to the knowledge of the applicable Responsible Persons of such Loan Party.

(s) Exchange Act Compliance; Regulations T, U and X. None of the transactions contemplated herein or in the other Transaction Documents (including the use of Proceeds from the sale of any item in the Collateral) will violate or result in a violation of Section 7 of the Exchange Act or Regulations T, U and X of the Board of Governors of the Federal Reserve System, 12 C.F.R., Chapter II. No Co-Borrower owns or intends to carry or purchase, and no proceeds from the Advances will be used to carry or purchase, any "margin stock" within the meaning of Regulation U or to extend "purpose credit" within the meaning of Regulation U, except as may result from any Portfolio Asset becoming publicly traded or as a result of a distribution or payment in kind to a Co-Borrower by any Portfolio Asset of marginable stock.

(t) Event of Default or Potential Default. No event has occurred and is continuing which constitutes an Event of Default or Potential Default, in each case, which has not been previously disclosed to the Administrative Agent and the Lenders in writing.

(u) ERISA. Except as could not, individually or in the aggregate, reasonably be expected to result in a Material Adverse Effect, (i) no ERISA Event has occurred and none of the Co-Borrowers, Holdings or any ERISA Affiliate is aware of any fact, event or circumstance that would reasonably be expected to constitute or result in an ERISA Event; (ii) none of the Co-Borrowers, Holdings or any ERISA Affiliate has sponsored, established or maintained, has an obligation to contribute to, has incurred or taken any action that has resulted or would reasonably be expected to result in the imposition of liability on the Co-Borrowers, Holdings or any ERISA Affiliate with respect to any Pension Plan or Multiemployer Plan; and (iii) none of the Co-Borrowers, Holdings or any ERISA Affiliate has sponsored, established or maintained, has an obligation to contribute to, has incurred or has taken any action that has resulted or would

reasonably be expected to result in the imposition of any liability on the Co-Borrowers, Holdings or any ERISA Affiliate with respect to any Employee Benefit Plan. No assets of the Co-Borrowers or Holdings include (x) Plan Assets or (y) “plan assets” of any governmental plan that is subject to laws or regulations similar to Section 406 of ERISA or 4975 of the Code (“Similar Law”). None of the transactions or services contemplated under this Agreement or the other Transaction Documents, including exercise of rights with respect to the Collateral and performance of its duties by the Servicer, constitutes or will result in a non-exempt prohibited transaction under Section 406 of ERISA or Section 4975 of the Code or any violation of Similar Law.

(v) Broker-Dealer. No Co-Borrower is a broker-dealer or subject to the Securities Investor Protection Act of 1970.

(w) Instructions for Collections. The Collection Account is the only account to which the Obligors have been instructed by the applicable Loan Party to send Collections with respect to the Portfolio Assets. No Loan Party has granted any Person other than the Administrative Agent, for the benefit of the Secured Parties, and Permitted Liens in favor of the Account Bank, an interest in the Collection Account.

(x) Insider. No Co-Borrower is an “executive officer,” “director,” or “person who directly or indirectly or acting through or in concert with one or more persons owns, controls, or has the power to vote more than 10% of any class of voting securities” (as those terms are defined in 12 U.S.C. §375b or in regulations promulgated pursuant thereto) of any Lender, of a bank holding company of which any Lender is a subsidiary, or of any subsidiary, of a bank holding company of which any Lender is a subsidiary, or, to the knowledge of any Responsible Person of a Co-Borrower, any bank at which any Lender maintains a correspondent account, or of any bank which maintains a correspondent account with any Lender.

(y) Investment Company Act. No Co-Borrower is required to register as an “investment company” under the provisions of the 1940 Act.

(z) Compliance with Applicable Law. Except as would not, individually or in the aggregate, reasonably be expected to result in a Material Adverse Effect, (i) each Co-Borrower has complied with all Applicable Law to which it may be subject, and (ii) no item of the Collateral contravenes any Applicable Law (including all predatory and abusive lending laws, laws, rules and regulations relating to licensing, truth in lending, fair credit billing, fair credit reporting, equal credit opportunity, fair debt collection practices and privacy).

(aa) Collections. All Available Collections received by a Loan Party or its Affiliates with respect to the Collateral will be held in trust for the benefit of the Administrative Agent, for the benefit of the Secured Parties, until deposited into the Collection Account as provided herein.

(bb) Sole Purpose. Each Co-Borrower has been formed solely for the purpose of, and has not engaged in any business activity other than, the acquisition of Portfolio Assets and transactions incidental thereto and activities of the type set forth in Section 5.01(a) and Section 5.02(a). No Co-Borrower is party to any material agreements other than this Agreement and the other Transaction Documents to which it is a party and the Required Portfolio Documents and

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other agreements listed on the Portfolio Asset Checklist for each Portfolio Asset in respect of which a Co-Borrower is a lender or loan participant.

(cc) Separate Entity. Each Co-Borrower is operated as an entity with assets and liabilities distinct from those of Holdings, and any Affiliates thereof, and each Co-Borrower hereby acknowledges that the Administrative Agent and the Lenders are entering into the transactions contemplated by this Agreement in reliance upon each Co-Borrower's identity as a separate legal entity from Holdings, and from each such other Affiliate of Holdings.

(dd) Sanctions and Anti-Terrorism Laws and Anti-Money Laundering Laws. No Borrower Covered Entity described in clauses (a) or (b) of the definition thereof, nor any of their respective directors, officers, or employees, are (i) a Sanctioned Person; (ii) located, organized or resident in a Sanctioned Country; or (iii) engaging in any dealings or transactions that would result in a material violation of Sanctions and Anti-Terrorism Laws or Anti-Money Laundering Laws. Each Co-Borrower covenants and agrees that it shall promptly notify the Servicer and the Administrative Agent in writing upon a Responsible Person of a Borrower Covered Entity obtaining knowledge of the occurrence of a Reportable Compliance Event with respect to a Borrower Covered Entity, except to the extent such notice is prohibited by Applicable Law.

(ee) Security Interest.

(i) This Agreement creates a valid and continuing security interest (as defined in the applicable UCC) in the Collateral in favor of the Administrative Agent, on behalf of the Secured Parties, which security interest is prior to all other Liens (except for Permitted Liens), and is enforceable as such against creditors of and purchasers from the Co-Borrowers.

(ii) The Collateral is comprised of "instruments", "financial assets", "security entitlements", "general intangibles", "chattel paper", "accounts", "certificated securities", "uncertificated securities", "securities accounts", "deposit accounts", "supporting obligations" or "insurance" (each as defined in the applicable UCC), and the proceeds of the foregoing, or such other category of collateral under the applicable UCC as to which each Co-Borrower has complied with its obligations under this Section 4.01(dd).

(iii) Each of the Collection Account and the Interest Reserve Account, being the only Accounts currently established as listed on Schedule VIII hereto, is not in the name of any Person other than a Co-Borrower, subject to Permitted Liens and the lien of the Administrative Agent, for the benefit of the Secured Parties.

(iv) Each of the Collection Account and the Interest Reserve Account constitutes a "securities account" or "deposit account", as applicable, as defined in the applicable UCC.

(v) Kudu, the applicable banking institution and the Administrative Agent, on behalf of the Secured Parties, have entered into an Account Control Agreement with respect to each of the Collection Account and Interest Reserve Account.

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(vi) Each Co-Borrower has authorized the filing of all appropriate financing statements in the proper filing office in the appropriate jurisdictions under Applicable Law in order to perfect the security interest in the Collateral and that portion of the Portfolio Assets in which a security interest granted to the Administrative Agent, on behalf of the Secured Parties, under this Agreement may be perfected by filing; provided that filings in respect of real property shall not be required.

(vii) Other than as expressly permitted by the terms of the Transaction Documents, this Agreement and the security interest granted to the Administrative Agent, on behalf of the Secured Parties, pursuant to this Agreement, no Co-Borrower has pledged, assigned, sold, granted a security interest in or otherwise conveyed any of the Collateral. No Co-Borrower has authorized the filing of and, as of the Closing Date, is not aware of any financing statements against any Co-Borrower that include a description of collateral covering the Collateral other than any financing statement (A) that has been terminated or fully and validly assigned to the Administrative Agent, (B) reflecting the transfer of assets on a Release Date pursuant to (and simultaneously with or subsequent to) the consummation of any transaction contemplated under (and in compliance with the conditions set forth in) Section 2.11, or (C) for any Permitted Lien. As of the Closing Date, no Co-Borrower is aware of the filing of any judgment or Tax lien filings against any Co-Borrower, other than Permitted Liens.

(viii) With respect to any Collateral that constitutes a “certificated security,” such certificated security has been delivered to the Administrative Agent, on behalf of the Secured Parties and, if in registered form, has been specially Indorsed to the Administrative Agent, for the benefit of the Secured Parties, or in blank by an effective Indorsement or has been registered in the name of the Administrative Agent, for the benefit of the Secured Parties, upon original issue or registration of transfer by a Co-Borrower of such certificated security.

(ix) With respect to any Collateral that constitutes an “uncertificated security”, each Co-Borrower shall either (x) cause the issuer of such uncertificated security to register the Administrative Agent, on behalf of the Secured Parties, as the registered owner of such uncertificated security or (y) cause the issuer of such uncertificated security to agree to comply with instructions of the Administrative Agent without further consent of such Co-Borrower.

(x) The Loan Parties shall not open or close any Account without the prior written consent of the Administrative Agent, Servicer and Initial Lender, which consent may be exercised in their sole discretion.

SECTION 4.02 Representations of the Co-Borrowers Relating to the Agreement and the Collateral. The Co-Borrowers, jointly and severally, hereby represent to the Secured Parties as of the Closing Date and each Advance Date as follows:

(a) Eligibility of Collateral. (i) Schedule I and each Borrowing Base Certificate is an accurate and complete listing of all the Portfolio Assets contained in the Collateral and included

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in the Borrowing Base on the date delivered, and the information contained therein with respect to the identity of such item of Collateral and the amounts owing thereunder is true and correct in all material respects as of such date, (ii) each Portfolio Asset designated as included in the Borrowing Base on Schedule I or any Borrowing Base Certificate as an Eligible Portfolio Asset and each Portfolio Asset included as an Eligible Portfolio Asset in any calculation of the Borrowing Base is an Eligible Portfolio Asset, (iii) the Loan Parties have complied in all material respects with the requirements of this Agreement, and (iv) with respect to each such item of Collateral, all consents, licenses, approvals or authorizations of or registrations or declarations of any Governmental Authority or any Person required to be obtained, effected or given by a Loan Party in connection with the grant of a security interest in each item of Collateral to the Administrative Agent, for the benefit of the Secured Parties, have been duly obtained, effected or given and are in full force and effect.

(b) Eligible Portfolio Assets. The Eligible Portfolio Assets as of the Closing Date are set forth on Schedule I and are owned by the Loan Parties.

(c) Portfolio Assets. Each Portfolio Asset included in the Borrowing Base will be evidenced by Required Portfolio Documents evidencing each Loan Party, as applicable, as owner thereof. As of the Closing Date, no Portfolio Asset included in the Borrowing Base and held, directly or indirectly, by a Loan Party is held in a securities account.

(d) Change of Control. As of the Closing Date or, if later, on the date of acquisition thereof, no Required Portfolio Document contains provisions prohibiting the pledge of the Portfolio Assets that are included in the Borrowing Base for which consent to pledge such Collateral has not been received.

(e) No Fraud. To the knowledge of the Responsible Persons of each Loan Party as of the Closing Date, each Portfolio Asset was originated without any fraud or material misrepresentation on the part of the Obligor or Transferor, if any, of such Portfolio Asset.

SECTION 4.03 Representations of the Servicer. The Servicer hereby represents, ~~as of the Closing Date,~~ as of each applicable Cut-Off Date, as of each applicable Advance Date and as of each Reporting Date, as follows:

(a) Organization; Power and Authority. It is a duly organized and validly existing as a ~~national banking association~~ limited liability company, in good standing under the laws of the United States. It has full power, authority and legal right to execute, deliver and perform its obligations as Servicer under this Agreement and the other Transaction Documents to which it is a party.

(b) Due Authorization. The execution and delivery of this Agreement and the other Transaction Documents to which it is a party and the consummation of the transactions provided for herein and therein have been duly authorized by all necessary organizational action on its part.

(c) No Conflict. The execution and delivery of this Agreement and the other Transaction Documents to which it is a party, the performance of the transactions contemplated

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hereby or thereby and the fulfillment of the terms hereof or thereof will not conflict with, result in any breach of its organizational documents or any of the terms and provisions of, or constitute (with or without notice or lapse of time or both) a default under any indenture, contract, agreement, mortgage, deed of trust, or other instrument to which the Servicer is a party or by which it or any of its property is bound.

(d) No Violation. The execution and delivery of this Agreement and the other Transaction Documents, the performance of the transactions contemplated hereby and thereby and the fulfillment of the terms hereof and thereof will not conflict with or violate, in any respect, any Applicable Law if compliance therewith is necessary (i) to ensure the enforceability of any Portfolio Asset or (ii) for Servicer to perform its obligations under this Agreement in accordance with the terms hereof.

(e) All Consents Required; No Proceedings or Injunction. All approvals, authorizations, consents, orders or other actions of any Person or Governmental Authority applicable to the Servicer, required in connection with the execution and delivery of this Agreement and the other Transaction Documents to which it is a party, the performance by the Servicer of the transactions contemplated hereby and thereby and the fulfillment by the Servicer of the terms hereof and thereof have been obtained to the extent necessary (i) to ensure the enforceability of any Portfolio Asset or (ii) for Servicer to perform its obligations under this Agreement in accordance with the terms hereof. There is no litigation, proceeding or investigation pending or, to the knowledge of the Servicer, threatened against the Servicer, before any Governmental Authority (A) asserting the invalidity of this Agreement or any other Transaction Document or (B) seeking to prevent the consummation of any of the transactions contemplated by this Agreement or any other Transaction Document. No injunction, writ, restraining order or other order of any nature adversely affects the Servicer's performance of its obligations under this Agreement or any Transaction Document to which the Servicer is a party.

(f) Validity, Etc. The Agreement and the other Transaction Documents to which it is a party constitute the legal, valid and binding obligation of the Servicer, enforceable against the Servicer in accordance with its terms, except as such enforceability may be limited by applicable Bankruptcy Laws and general principles of equity.

(g) Reports Accurate. All Servicing Reports and other written or electronic information, exhibits, financial statements, documents, books, records or reports, in all cases, prepared and furnished by the Servicer in connection with this Agreement are, as of their date, accurate, true and correct in all material respects, and no such document contains any material misstatement of fact or omits to state a material fact or any fact necessary to make the statements contained therein not misleading; provided that for the purposes of the production by the Servicer of any reports, documents or information required under this Agreement, the Servicer may conclusively rely (absent bad faith or manifest error, and without investigation, inquiry, independent verification or any duty or obligation to recompute, verify, or recalculate any of the amounts and other information contained in) on any reports, documents or information provided to it by any Obligor or any other third party without any liability to the Servicer for such reliance.

(h) Servicing Standard. The Servicer has complied in all material respects with the Servicing Standard with regard to the servicing of the Portfolio Assets.

(i) Collections. All Available Collections received by the Servicer or its Affiliates with respect to the Collateral are held for the benefit of the Administrative Agent, for the benefit of the Secured Parties, until deposited into the Collection Account as provided herein.

(j) Servicer Termination Event. No event has occurred which constitutes a Servicer Termination Event (other than any Servicer Termination Event which has previously been disclosed to the Administrative Agent as such).

SECTION 4.04 Representations of each Lender. (a) No Lender Covered Entity is a Sanctioned Person and (b) the funds used to fund Advances, to the extent received from such Lender, are not derived from any unlawful activity. Each Lender covenants and agrees that it shall promptly notify the Servicer in writing upon obtaining actual knowledge of the occurrence of a Reportable Compliance Event with respect to any Lender Covered Entity, except to the extent such notice is prohibited by Applicable Law.

SECTION 4.05 Representations of Holdings. Holdings hereby represents to the Secured Parties solely in respect of itself as of the Closing Date and each Advance Date as follows:

(a) Organization, Good Standing and Due Qualification. Holdings is a limited liability company duly organized, validly existing and in good standing under the laws of the State of Delaware, with all requisite limited liability company power and authority necessary to own the US Pledged Equity and to conduct its business as such business is presently conducted. Holdings is (i) has obtained all licenses and approvals necessary to own its assets and to transact the business in which it is engaged, and (ii) is duly qualified and in good standing in each jurisdiction where the transaction of such business or its ownership of the US Pledged Equity requires such qualification except, in the case of clauses (i) and (ii), as would not reasonably be expected to have a Material Adverse Effect.

(b) Power and Authority; Due Authorization; Execution and Delivery. Holdings (i) has all requisite limited liability company power and authority to (A) execute and deliver this Agreement and the other Transaction Documents to which it is a party and (B) perform and carry out its obligations pursuant to this Agreement and the other Transaction Documents to which it is a party and (ii) has taken all necessary action to (A) authorize the execution, delivery and performance of this Agreement and each of the other Transaction Documents to which it is a party, (B) grant to the Administrative Agent, for the benefit of the Secured Parties, a first priority perfected security interest in the US Pledged Equity on the terms and conditions of this Agreement and the other Transaction Documents, subject only to Permitted Liens, and (C) authorize the Servicer to perform the actions contemplated herein. This Agreement and each other Transaction Document to which Holdings is a party have been duly executed and delivered by Holdings.

(c) Binding Obligation. This Agreement and each of the other Transaction Documents to Holdings is a party constitutes the legal, valid and binding obligation of Holdings, enforceable against Holdings in accordance with their respective terms, except as the enforceability hereof and thereof may be limited by Bankruptcy Laws and by general principles of equity (whether considered in a proceeding in equity or at law).

(d) All Consents Required. No consent of any other party and no consent, license, approval or authorization of, or registration or declaration with, any Governmental Authority, bureau or agency is required in connection with the execution, delivery or performance by Holdings of this Agreement or any Transaction Document to which it is a party or the validity or enforceability of this Agreement or any such Transaction Document or a grant of a security interest in the US Pledged Equity, other than such as have been waived, met or obtained and are in full force and effect or where the failure to do so would not reasonably be expected to result in a Material Adverse Effect.

(e) No Violation. The execution, delivery and performance of this Agreement and the other Transaction Documents and all other agreements and instruments required to be executed and delivered or required to be executed and delivered in connection with the Transfer of any Portfolio Asset will not (i) conflict with, result in any breach of any of the terms and provisions of, or constitute (with or without notice or lapse of time or both) a default under, the Holdings' Constituent Documents (ii) result in the creation or imposition of any Lien on the Collateral other than Permitted Liens or (iii) violate any Applicable Law in any material respect or (iv) violate any material contract or other material agreement to which the Holdings is a party or by which the or any property or assets of the Holdings may be bound, except in the case of clause (iv) as would not reasonably be expected to have a Material Adverse Effect.

(f) No Proceedings; No Injunctions. There is no litigation, proceeding or investigation pending or, to the knowledge of any Responsible Person of Holdings, threatened against Holdings before any Governmental Authority (i) asserting the invalidity of this Agreement or any other Transaction Document, (ii) seeking to prevent the consummation of any of the transactions contemplated by this Agreement or any other Transaction Document or (iii) in which Holdings, in its good faith determination, has determined that there is a reasonable probability of an adverse determination and which, if so adversely determined, individually or in the aggregate, would result in a Material Adverse Effect.

(g) Insider. Holdings is not an "executive officer," "director," or "person who directly or indirectly or acting through or in concert with one or more persons owns, controls, or has the power to vote more than 10% of any class of voting securities" (as those terms are defined in 12 U.S.C. §375b or in regulations promulgated pursuant thereto) of any Lender, of a bank holding company of which any Lender is a subsidiary, or of any subsidiary, of a bank holding company of which any Lender is a subsidiary, or, to the knowledge of any Responsible Person of Holdings, any bank at which any Lender maintains a correspondent account, or of any bank which maintains a correspondent account with any Lender.

(h) No Liens. The Equity Interests of each Co-Borrower owned, directly or indirectly, by Holdings are free and clear of any Liens except for Permitted Liens.

(i) Investment Company Act. Holdings is not required to register as an “investment company” under the provisions of the 1940 Act.

(j) Compliance with Applicable Law. Except as would not, individually or in the aggregate, reasonably be expected to result in a Material Adverse Effect, Holdings has complied with all Applicable Laws to which it may be subject.

(k) [Reserved].

(l) Sanctions and Anti-Terrorism Laws and Anti-Money Laundering Laws. Neither Holdings, nor any of their directors, officers or employees is (i) a Sanctioned Person; (ii) located, organized or resident in a Sanctioned Country; or (iii) engaging in any dealings or transactions that would result in a material violation of Sanctions and Anti-Terrorism Laws or Anti-Money Laundering Laws. Holdings covenants and agrees that it shall promptly notify the Servicer in writing upon a Responsible Person of a Co-Borrower obtaining knowledge of the occurrence of a Reportable Compliance Event with respect to Holdings or an Obligor, except to the extent such notice is prohibited by Applicable Law.

(m) [Reserved].

(n) No Plan Assets. No assets of Holdings include (x) Plan Assets or (y) “plan assets” of any governmental plan that is subject Similar Law. None of the transactions or services contemplated under this Agreement or the other Transaction Documents, including exercise of rights with respect to the Collateral and performance of its duties by the Servicer, constitutes or will result in a non-exempt prohibited transaction under Section 406 of ERISA or Section 4975 of the Code or any violation of Similar Law.

(o) Security Interest.

(i) The US Pledged Equity issued by each Co-Borrower has been duly and validly authorized and issued by such Co-Borrower.

(ii) This Agreement creates a valid and continuing security interest (as defined in the applicable UCC) in the US Pledged Equity in favor of the Administrative Agent, on behalf of the Secured Parties, which security interest is prior to all other Liens (except for Permitted Liens), and is enforceable as such against creditors of and purchasers from Holdings.

(iii) Holdings has authorized the filing of all appropriate financing statements in the proper filing office in the appropriate jurisdictions under Applicable Law in order to perfect the security interest in the US Pledged Equity.

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(iv) Other than as expressly permitted by the terms of the Transaction Documents, this Agreement and the security interest granted to the Administrative Agent, on behalf of the Secured Parties, pursuant to this Agreement, Holdings has not pledged, assigned, sold, granted a security interest in or otherwise conveyed any of the US Pledged Equity. Holdings has not authorized the filing of, and as of the Closing Date is not aware of any financing statements against Holdings that include a description of collateral covering the US Pledged Equity As of the Closing Date, Holdings is not aware of the filing of any judgment or Tax lien filings against Holdings, other than Permitted Liens.

(v) Holdings with respect to Kudu and Kudu US, and Kudu with respect to Kudu US, consents to the transfer of any US Pledged Equity to the Administrative Agent or its designee, following, and during the occurrence of, an Event of Default and to the substitution of the Administrative Agent or its designee as a member in each Co-Borrower with all the rights and powers related thereto, subject to the terms of this Agreement.

(vi) The US Pledged Equity shall not be represented by a certificate unless (A) the limited liability company agreement of each Co-Borrower expressly provides that such interest shall be a “security” within the meaning of Article 8 of the UCC of the applicable jurisdiction and (B) such certificate shall be delivered as provided in clause (vii) below.

(vii) If any portion of the US Pledged Equity constitutes a “certificated security,” such certificated security has been delivered to the Administrative Agent, on behalf of the Secured Parties and, if in registered form, has been specially Indorsed to the Administrative Agent, for the benefit of the Secured Parties, or in blank by an effective Indorsement or has been registered in the name of the Administrative Agent, for the benefit of the Secured Parties, upon original issue or registration of transfer by Holdings of such certificated security.

(viii) If any portion of the US Pledged Equity constitutes an “uncertificated security”, each Co-Borrower hereby agrees to comply with instructions of the Administrative Agent with respect to such US Pledged Equity without further consent of Holdings.

(ix) Except as permitted pursuant to Section 5.06(f), Holdings’ location (within the meaning of Article 9 of the UCC) is Delaware. Except as permitted pursuant to Section 5.06(f), the principal place of business and chief executive office of Holdings (and the location of Holdings’ records regarding the US Pledged Equity (other than those delivered to the Administrative Agent pursuant to this Agreement)) is located at its address referred to in Section 11.02.

(p) Tax Returns. All material tax returns (including all material foreign, federal, State, local and other tax returns whether filed on a standalone or group basis) required to be filed by, on behalf of or with respect to the income and assets of Holdings has been timely filed

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and Holdings is not liable for Taxes payable by any other Person. Holdings has paid all Taxes, assessments and other governmental charges made against it or any of its property except for those Taxes, assessments or charges being contested in good faith by appropriate proceedings and in respect of which it has established proper reserves in accordance with Applicable Accounting Principles, on its books. Holdings is resident for Tax purposes only in the jurisdiction under whose laws it is organized as of the Closing Date and does not have a branch, agency or permanent establishment in any other jurisdiction for Tax purposes.

ARTICLE V.
GENERAL COVENANTS

SECTION 5.01 Affirmative Covenants of the Loan Parties. From the Closing Date until the Facility Termination Date:

(a) Compliance with Constituent Documents and Scope of Business. Except as would not, individually or in the aggregate, reasonably be expected to result in a Material Adverse Effect, the Co-Borrowers will observe all organizational procedures required by its Constituent Documents. Without limiting the foregoing, each Co-Borrower will limit the scope of its business to: (i) the acquisition of Portfolio Assets and the ownership and management of the Portfolio Assets and the related assets in the Collateral Portfolio, (ii) the sale, transfer or other disposition of Portfolio Assets as and when permitted under the Transaction Documents, (iii) entering into and performing under the Transaction Documents, consenting or withholding consent as to proposed amendments, waivers and other modifications of the Equity Investment Agreements to the extent not in conflict with the terms of this Agreement or any other Transaction Document, (iv) exercising any rights (including but not limited to voting rights and rights arising in connection with a Bankruptcy Event with respect to an Obligor or the consensual or non-judicial restructuring of the debt or equity of an Obligor) or remedies in connection with the Portfolio Assets and participating in the committees (official or otherwise) or other groups formed by creditors of an Obligor to the extent not in conflict with the terms of this Agreement or any other Transaction Document, (v) acquiring Portfolio Assets directly from third-parties (other than Holdings) on an arms-length basis, (vi) contracting with third-parties to provide services as may be required from time to time by a Co-Borrower in connection with the Transaction Documents, including legal, investment, accounting, data processing, administrative and management services, (vii) taking any and all other action necessary to maintain the existence of each Co-Borrower as a limited liability company in good standing under the laws of the State of Delaware and/or to qualify each Co-Borrower to do business as a foreign limited liability company in any other state in which such qualification is required, and (viii) engaging in those lawful activities, including entering into other agreements and any amendments, supplements or restatements to the Transaction Documents to which it is a party or such other agreements and issuing any other instruments, that are necessary, convenient or advisable to accomplish the foregoing or are incidental thereto or in connection therewith.

(b) Preservation of Existence. Subject to Section 5.02(e), each Co-Borrower will preserve and maintain its limited liability company existence, rights, franchises and privileges in the jurisdiction of its formation and will promptly obtain and thereafter maintain qualifications to do business as a limited liability company in any other jurisdiction in which it does business and

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in which it is required to so qualify under Applicable Law, except where the failure to so qualify would not reasonably be expected to have a Material Adverse Effect.

(c) Deposit of Misdirected Collections. Each Loan Party shall promptly (but in no event later than two (2) Business Days after receipt and identification thereof) deposit or cause to be deposited into the Collection Account any and all Available Collections received by such Loan Party.

(d) Material Investment Event. The Administrative Borrower shall give prompt written notice to the Lenders upon receipt of actual knowledge of any Material Investment Event with respect to any Eligible Portfolio Asset to the extent such Material Investment Event reduces the value of the Borrowing Base and shall make any necessary adjustments to the calculation of as a result thereof.

(e) Rating Agency Information; Maintenance of Credit Rating on Facility.

(i) The Co-Borrowers shall at all times maintain a Debt Rating for the Facility.

(ii) The Co-Borrowers shall provide the applicable ~~NRSRO~~ Acceptable Rating Agency that is then engaged by the Co-Borrowers to rate the Advances with all available information that is reasonably requested by such ~~NRSRO, as applicable,~~ Acceptable Rating Agency in connection with its rating of the Advances.

(iii) At any time that the Debt Rating maintained pursuant to clause (i) above is not a public rating, the Co-Borrowers will provide to each Lender (x) at least annually (on or before each anniversary of the Closing Date) and (y) promptly upon receipt of knowledge of any change in such Debt Rating, an updated Rating Letter evidencing such Debt Rating and an updated Rating Rationale Report with respect to such Debt Rating (but in the case of clause (y), only to the extent received by the Co-Borrowers). In addition to the foregoing information and any information specifically required to be included in any Rating Letter or Rating Rationale Report (as set forth in the respective definitions thereof), if the SVO or any other Governmental Authority having jurisdiction over any Lender from time to time requires any additional information with respect to the Debt Rating of the Facility, the Co-Borrowers shall use commercially reasonable efforts to procure such information from the Acceptable Rating Agency.

(f) Required Portfolio Documents. The Administrative Borrower shall deliver to the Servicer, upon the written request of the Servicer, the Required Portfolio Documents and the Portfolio Asset Checklist pertaining to each Portfolio Asset after the Cut-Off Date pertaining to such Portfolio Asset.

(g) Notice of Event of Default. Each Loan Party shall promptly (and in any event within two (2) Business Days) notify the Administrative Agent in writing of the occurrence of each Potential Default or Event of Default (conspicuously labeled as a "Notice of Potential Default" or "Notice of Event of Default") of which a Responsible Person of such Loan Party has knowledge or has received notice and no later than three (3) Business Days following such

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written notice, such Loan Party will provide to the Administrative Agent a written statement of a Responsible Person of such Loan Party setting forth the details of such event and the action that such Loan Party proposes to take with respect thereto.

(h) Special Purpose Entity Requirements. Separate Entity. The Co-Borrowers are operated as a combined entity with assets and liabilities distinct and separate from those of Holdings, and any Affiliates thereof (other than the UK Guarantors), and each Co-Borrower hereby acknowledges that the Administrative Agent and the Lenders are entering into the transactions contemplated by this Agreement in reliance upon the Co-Borrowers' identity as separate legal entities from Holdings, and from each such other Affiliate of Holdings (other than the UK Guarantors).

(i) Notice of Litigation. Each Co-Borrower shall promptly notify the Administrative Agent of the filing or commencement of any action, suit, investigation or proceeding by or before any arbitrator or Governmental Authority against any Co-Borrower or Holdings, including pursuant to any applicable Environmental Laws, that would reasonably be expected to be adversely determined, and, if so determined, would reasonably be expected to result in liability of any Co-Borrower in an aggregate amount exceeding \$10,000,000.

(j) Notice of ERISA Events. Each Co-Borrower and Holdings shall promptly notify the Administrative Agent after a Responsible Person of such Co-Borrower and Holdings obtains knowledge of the occurrence of any ERISA Event with respect to any Pension Plan or Multiemployer Plan that would reasonably be expected to result in a Material Adverse Effect and shall furnish a statement of a Responsible Person of such Co-Borrower or Holdings setting forth the details as to such event and the action, if any, the Co-Borrowers, Holdings or, if applicable, an ERISA Affiliate proposes to take with respect thereto and, when known, any action taken or threatened by the IRS, the United States Department of Labor or the PBGC with respect thereto. Each Co-Borrower and Holdings will provide evidence, upon reasonable request by the Administrative Agent, that none of its assets or assets of the Co-Borrowers include (x) Plan Assets or (y) "plan assets" of any governmental plan that is subject to Similar Law.

(k) Notice of Accounting Changes. Promptly and in any event within three (3) Business Days after the effective date thereof, the Administrative Borrower will provide to the Administrative Agent notice of any material change in the accounting policies of the Co-Borrowers.

(l) Notice of Amendment or Modification. Prompt notice of any proposed amendments or modifications made to the Constituent Documents of the Co-Borrowers together with clean and marked copies of each relevant document highlighting the proposed or effected amendments or modifications as made.

(m) Additional Information; Additional Documents. The Administrative Borrower shall provide the Administrative Agent with any financial or other information reasonably requested by the Administrative Agent (acting at the direction of the Majority Lenders) evidencing the truthfulness of the representations set forth in this Agreement. Notwithstanding anything to the contrary in this provision, neither the Co-Borrowers, nor their respective

Affiliates will be required to disclose, permit the inspection, examination or making copies or abstracts of, or discuss, any document, information or other matter that (i) constitutes non-financial trade secrets or non-financial proprietary information, (ii) in respect of which disclosure to the Administrative Agent or any Lender (or their respective representatives or agents) is prohibited by law or (iii) in the Co-Borrowers' or their respective Affiliates' reasonable judgment, would compromise any attorney-client privilege, privilege afforded to attorney work product or similar privilege; provided that the Administrative Borrower shall make available redacted versions of requested documents or, if unable to do so consistent with the preservation of such privilege, shall make commercially reasonable efforts to disclose information responsive to the requests of the Administrative Agent, any Lender or any of their respective representatives and agents, in a manner that will protect such privilege.

(n) Protection of Security Interest. The Co-Borrowers will take all action reasonably necessary to perfect, protect and more fully evidence the Co-Borrowers' ownership of the Collateral free and clear of any Lien other than the Lien created hereunder and Permitted Liens, including (i) at the expense of the Co-Borrowers, taking all action necessary to cause a valid, subsisting and enforceable first priority perfected security interest, subject only to Permitted Liens, to exist in favor of the Administrative Agent (for the benefit of the Secured Parties) in the Co-Borrowers' interests in the Collateral, including the filing of a UCC financing statement in the applicable jurisdiction adequately describing the Collateral (which may include an "all asset" filing), and naming each Co-Borrower as debtor and the Administrative Agent as the secured party, and filing continuation statements, amendments or assignments with respect thereto in such filing offices (including any amendments thereto or assignments thereof) and (ii) taking all additional action that the Servicer or the Administrative Agent may reasonably request to perfect, protect and more fully evidence the respective first priority (subject to Permitted Liens) perfected security interests of the parties to this Agreement in the Collateral, or to enable the Servicer or the Administrative Agent to exercise or enforce any of their respective rights hereunder.

(o) Liens. Each Loan Party will promptly notify the Administrative Agent of the existence of any material Lien on the Collateral known to a Responsible Person of such Loan Party (other than Permitted Liens) and each Loan Party shall defend the right, title and interest of the Administrative Agent, for the benefit of the Secured Parties, in, to and under the Collateral against all claims of third parties to the extent commercially reasonable to do so (as determined by the Loan Party in their reasonable discretion), other than with respect to Permitted Liens.

(p) No Changes in Fees. The Co-Borrowers will not make any changes to the Fees or amend, restate, supplement or otherwise modify the Fee Letters in any material respect without the prior written approval of the Majority Lenders and the applicable parties to such Fee Letters.

(q) Compliance with Applicable Law. Except as would not, individually or in the aggregate, reasonably be expected to result in a Material Adverse Effect, the Co-Borrowers shall at all times comply with all Applicable Law (including Environmental Laws, and all federal securities laws).

(r) Proper Records. The Co-Borrowers shall at all times keep proper books of records and accounts in which full, true and correct entries, in all material respects, shall be made of its transactions in accordance with Applicable Accounting Principles and set aside on its books from its earnings for each fiscal year all such proper reserves in accordance with Applicable Accounting Principles. Each Co-Borrower shall account for the Transfer of it from the Transferor of the Portfolio Asset under each Portfolio Asset Assignment as a Transfer of such Portfolio Asset in its books and records.

(s) Satisfaction of Obligations. Each Co-Borrower shall pay, discharge or otherwise satisfy at or before maturity or before they become delinquent, as the case may be, all its obligations of whatever nature, except where the amount or validity thereof is currently being contested in good faith by appropriate proceedings and reserves with respect thereto have been provided on the books of such Co-Borrower.

(t) Payment of Taxes. Each Co-Borrower shall pay and discharge (i) all material Taxes, levies, liens and other charges on it or its assets and on the Collateral that, with respect to such Co-Borrower, in any manner would create any Lien or charge upon such Collateral, except for Permitted Liens, and (ii) any such Taxes that are being appropriately contested in good faith by appropriate proceedings diligently conducted and with respect to which adequate reserves have been provided in accordance with Applicable Accounting Principles.

(u) Tax Treatment. Each Co-Borrower and the Lenders intend to treat the Advances advanced hereunder as indebtedness of such Co-Borrower (or, so long as such Co-Borrower is treated as a disregarded entity for U.S. federal income tax purposes, as indebtedness of the entity of which it is considered to be a part) for U.S. federal income tax purposes and shall file any and all tax forms in a manner consistent therewith, unless otherwise required by Applicable Law.

(v) Notification Forms. After the occurrence and during the continuance of an Event of Default, Holdings and each Co-Borrower shall furnish the Administrative Agent or the Servicer, as applicable, with an appropriate power of attorney in the form of Exhibit H to send (at the direction of the Majority Lenders) notification forms to the Obligors or any agent, administrative agent, servicer or other person, as applicable, of the Administrative Agent's interest in the Collateral and the obligation to make payments as directed by the Administrative Agent (acting at the direction of the Majority Lenders).

(w) Passthrough Entity. Each Co-Borrower will be disregarded as an entity separate from its owner pursuant to Treasury Regulation Section 301.7701-3(b) or a partnership (other than a publicly traded partnership) for U.S. federal income tax purposes, and neither such Co-Borrower nor any other Person on its behalf shall make an election to be, or take or permit any other action that is reasonably likely to result in such Co-Borrower being, treated as a corporation for U.S. federal income tax purposes. Each Co-Borrower shall, whenever relevant, make an election under Section 6226 of the Code. Each Co-Borrower shall not be resident for Tax purposes in any jurisdiction other than the jurisdiction under whose laws it is incorporated as of the Closing Date or have a branch, agency or permanent establishment in any other jurisdiction for Tax purposes.

(x) Access to Records. From time to time and, prior the occurrence and continuance of an Event of Default, upon not less than five (5) Business Days advance notice, permit the Administrative Agent or any Person designated by the Administrative Agent and at the sole cost and expense of the Co-Borrowers, to, subject to Section 5.01(m), during normal hours, visit and inspect at reasonable intervals the books, records and accounts of the Co-Borrowers or any Person to which the Co-Borrowers delegate any of their duties under the Transaction Documents, in each case relating to the Co-Borrowers' business, financial condition, operations, assets and its performance under the Transaction Documents, and to make copies thereof or abstracts therefrom, and to discuss the foregoing with its and such Person's officers, partners, employees and accountants, all as often as the Administrative Agent may reasonably request (acting at the direction of the Majority Lenders); provided that (i) the Administrative Agent shall use all reasonable efforts to coordinate its inspections and (ii) so long as an Event of Default has not occurred and is continuing, no more than one site visit may be conducted in any calendar year.

(y) Sanctions and Anti-Terrorism, Anti-Money Laundering and Anti-Corruption Compliance. Each Co-Borrower shall maintain in effect policies and procedures designed to promote compliance by such Co-Borrower and its officers, employees, and agents with applicable Sanctions and Anti-Terrorism Laws, Anti-Money Laundering Laws and Anti-Corruption Laws.

(z) Financial Reporting. The Administrative Borrower will furnish:

(i) within 120 days after the end of each fiscal year of the Loan Parties, commencing with the fiscal year ended December 31, 2020, to the Administrative Agent and each Lender audited consolidated statements of the Loan Party of assets, liabilities and capital, and audited consolidated statements of operations and cash flow, audited by a firm of nationally recognized independent public accountants, as of the end of such fiscal year;

(ii) within 90 days after the end of fiscal quarter of each fiscal year to the Administrative Agent and each Lender financial reports setting forth an update of the underlying General Partnership Investments and upon the Administrative Agent's or any Lender's reasonable request, the underlying reports from each general partner, schedules and other documentation used to generate such underlying reports;

(iii) within 60 days after the end of each fiscal quarter, (x) to the Administrative Agent and each Lender and (y) to the Servicer and each Lender:

- (A) an LTV Certificate as of the last day of such quarter;
- (B) a Borrowing Base Certificate as of the last day of such quarter;
- (C) an updated Schedule I, identifying any Portfolio Assets acquired or disposed of during such month in accordance with the terms hereof; and

- (D) with respect to each Obligor for each Portfolio Asset that was an Eligible Portfolio Asset at any time during the applicable quarter, to the extent received by any Loan Party from the Obligor, make available to the Servicer and the Lenders upon reasonable request, financial reporting packages (including applicable financial statements) delivered by such Obligor pursuant to the applicable Equity Investment Agreement to the extent such financial reporting packages have been received during such quarter.

provided, that, if the Loan Parties are required to demonstrate pro forma compliance with the Maximum LTV Percentage in connection with the making of any Advance or any Sale of Eligible Portfolio Asset, the Administrative Borrower will deliver to the Servicer and the Lenders an updated LTV Certificate in connection therewith.

(iv) within 60 days after the end of each fiscal quarter, to the Administrative Agent and each Lender the income statement, the balance sheet, a cash flow statement, and calculation of the Debt Service Coverage Ratio with respect to such fiscal quarter.

(v) as soon as available, and in any event within 60 days after the end of each calendar quarter, to the Administrative Agent, the Servicer and each Lender, the quarterly portfolio update report provided to investors.

(aa) Additional Reports. The Administrative Borrower will furnish to the Administrative Agent any redacted portfolio level data and reporting as may be reasonably requested by the Administrative Agent regarding the Eligible Portfolio Assets.

(bb) Additional Collateral and Guarantors. Upon the formation or acquisition thereof, the Co- Borrowers shall promptly cause any direct or indirect Subsidiary formed or otherwise purchased or acquired after the Closing Date to (i) execute a supplement to the Guaranty Agreement in form and substance satisfactory to the Administrative Agent and each other Transaction Document reasonably requested by the Administrative Agent, acting at the direction of the Majority Lenders, (ii) obtain all consents and approvals required to be obtained by it in connection with the execution and delivery of the aforementioned joinder, such Transaction Documents, as applicable, and the performance of its obligations hereunder and thereunder and the granting by it of the Liens thereunder, and (iii) cause its assets to be subject to a first priority perfected Lien (subject only to Permitted Liens that, pursuant to the terms of this Agreement, are permitted to have priority over the Administrative Agent's Liens thereon) in favor of the Administrative Agent for the benefit of the Secured Parties and take such actions as shall be necessary or reasonably requested by the Administrative Agent to grant and perfect or record such first priority Lien.

(cc) Pledges of Additional Stock and Indebtedness. Promptly pledge to the Administrative Agent for the benefit of the Secured Parties, all the Equity Interest of each Subsidiary of each Co- Borrower formed or otherwise purchased or acquired after the Closing Date.

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(dd) Post-Closing Covenant. The Loan Parties, as applicable, shall satisfy the Post Closing Conditions set forth in Schedule VII, unless otherwise waived by the Administrative Agent, acting at the direction of the Majority Lenders.

(ee) Account Closure and Establishment; Account Control Agreements. The Loan Parties, as applicable, shall (i) notify the Initial Lender and Administrative Agent, and (ii) have received the prior written consent of the Initial Lender, prior to (y) closing or repurposing any existing Account, or (z) establishing any new Account, after the Closing Date, and within thirty (30) days of such establishment permitted pursuant to this clause (ii), the applicable Loan Parties shall negotiate, execute and deliver to the Administrative Agent an Account Control Agreement with respect to such Account; provided that the Loan Parties shall not permit any of the Collections to be deposited into any such Account prior to the delivery of an executed Account Control Agreement with respect to such Account.

(ff) Notice of Change in Debt Rating or Ratings Event. The Co-Borrowers shall promptly notify the Administrative Agent of (i) any change in ~~the current debt rating~~ any Debt Rating or (ii) the occurrence of a Ratings Event.

SECTION 5.02 Negative Covenants of the Loan Parties. From the Closing Date until the Facility Termination Date:

(a) Protection of Title. Except as otherwise permitted under this Agreement, the Co-Borrowers shall not take any action which would directly or indirectly materially impair or adversely affect the Co-Borrowers' title to the Collateral Portfolio.

(b) Transfer Limitations. Except as permitted pursuant to Section 2.09(a), Section 2.11 or Section 5.02(l), the Loan Parties shall not transfer, assign, convey, grant, bargain, sell, set over, deliver or otherwise dispose of, or pledge or hypothecate, directly or indirectly, any interest in the Collateral to any person other than the Administrative Agent for the benefit of the Secured Parties or in connection with Permitted Liens, or engage in financing transactions or similar transactions with respect to the Collateral with any person other than pursuant to this Agreement and the other Transaction Documents.

(c) Indebtedness; Liens. The Co-Borrowers shall not create, incur, assume or suffer to exist any Indebtedness other than the Obligations and Permitted Debt. The Co-Borrowers shall not create, incur or permit to exist any Lien in or on any of the Collateral subject to the Lien granted by the Co-Borrowers pursuant to this Agreement, other than Permitted Liens. The Co-Borrowers shall not permit any affiliated or intercompany Indebtedness, other than Permitted Debt, that is senior to the Co-Borrowers' interest in the Collateral to be incurred or created.

(d) Constituent Documents. No Co-Borrower shall modify, amend, terminate or otherwise alter any Constituent Document of a Co-Borrower in any manner that would materially and adversely affect the interests of the Lenders or would reasonably be expected to have a Material Adverse Effect without the prior written consent of the Majority Lenders.

(e) Fundamental Changes. The Co-Borrowers will not merge into or consolidate with any other Person, or sell, transfer, lease or otherwise dispose of (in one transaction or in a series of transactions) all or substantially all of its assets (whether now owned or hereafter acquired) or liquidate or dissolve in whole or in part if such event would reasonably be expected to have a Material Adverse Effect without the prior written consent of the Lenders.

(f) Business. The Co-Borrowers will not cease to be engaged in business of the type authorized by its Constituent Documents.

(g) Formation of Subsidiaries. The Co-Borrowers will not form any Subsidiary unless such Subsidiary complies with Sections 5.01(aabb), 5.01(cc) and 5.01(bb)5.02(h) of this Agreement or form any Subsidiary whose Equity Interest is not wholly-owned by a Loan Party.

(h) ~~Reserved~~Subsidiary Indebtedness; Liens. The Co-Borrowers shall not cause or permit any of its direct or indirect Subsidiaries to, and the direct or indirect Subsidiaries of the Co-Borrowers shall not, permit, create, incur, assume or suffer to exist any Indebtedness or Liens other than Permitted Debt and Permitted Liens.

(i) Special Purpose Entity Requirements. Except as otherwise permitted by this Agreement, the Co-Borrowers shall not become insolvent or fail to pay their respective debts and liabilities from their assets when due.

(j) Investment Company. No Co-Borrower will become an “investment company” required to be registered under the 1940 Act.

(k) Transactions with Affiliates. The Co-Borrowers will not sell, lease, transfer or otherwise dispose of any asset (which shall not include a redemption of such asset in accordance with its terms) to any Affiliate of any Co-Borrower unless such sale, lease, transfer or disposal is made in accordance with the Constituent Documents of a Co-Borrower.

(l) Use of Proceeds. The Co-Borrowers shall not use the proceeds of any Advance other than (a) to re-finance the Co-Borrowers’ existing Indebtedness, (b) to finance (i) the origination and/or (ii) the acquisition of and investment by the Co-Borrowers, directly or indirectly, in Eligible Portfolio Assets, (c) to pay transaction fees and expenses due and payable by the Co-Borrowers under this Agreement and with respect to Eligible Portfolio Assets and (d) for general company purposes.

(m) Anti-Money Laundering; Sanctions and Anti-Terrorism. The proceeds of the Advances shall not be used by any Co-Borrower, and no Co-Borrower will directly or, knowingly, indirectly lend, contribute or otherwise make available such proceeds to any other Person, (i) to fund any activities or business of or with any Person that is a Sanctioned Person, or in any country or territory, that, at the time of such funding, is, or whose government is, a Sanctioned Country, to the extent that such funding would be prohibited by Sanctions or would otherwise cause any Person to be in breach of Sanctions or (ii) in any other manner that would result in a violation of any Anti-Money Laundering Law or Sanctions and Anti-Terrorism Law

by any Person or could cause Lender or any Lender Covered Entity to become a Sanctioned Person.

(n) Anti-Corruption Compliance. The proceeds of the Advances shall not be used by any Co-Borrower, and no Co-Borrower will, directly or, knowingly, indirectly lend, contribute, or otherwise make available such proceeds to any other Person, in furtherance of an offer, payment, promise to pay, or authorization of the payment or giving of money, or anything else of value, to any Person in violation in any material respect of any Anti-Corruption Laws.

(o) ERISA Matters. Except as would not reasonably be expected to result in a Material Adverse Effect, no Co-Borrower nor Holdings will permit to exist any occurrence of any ERISA Event. The Co-Borrowers will not take any action, omit to take any action or permit any other party to take any action that would result in its assets, or the assets of Holdings or the Fund, including (x) Plan Assets or (y) “plan assets” of any governmental plan that is subject to Similar Law. None of the transactions or services contemplated under this Agreement or the other Transaction Documents, including exercise of rights with respect to the Collateral and performance of its duties by the Servicer, constitutes or will result in a non-exempt prohibited transaction under Section 406 of ERISA or Section 4975 of the Code or any violation of Similar Law.

(p) Change of Jurisdiction, Location, Names or Location of Portfolio Asset Files. No Loan Party shall change the jurisdiction of its formation, change the location of its principal place of business and chief executive office or make any change to its name or use any tradenames, fictitious names, assumed names, “doing business as” names or other names unless, prior to the effective date of any such change in the jurisdiction of its formation, change in location or name change or use, the Administrative Borrower provides at least ten (10) days prior written notice thereof and delivers to the Administrative Agent such financing statements as the Administrative Agent (acting at the direction of the Majority Lenders) may request to reflect such change in the jurisdiction of its formation, change in location or name change or use, together any other documents and instruments as the Administrative Agent (acting at the direction of the Majority Lenders) may reasonably request in connection therewith. No Loan Party shall move, or to the extent in the possession of the Servicer, consent to the Servicer moving, the Portfolio Asset Files from the location thereof on the Closing Date or applicable Advance Date, unless the Administrative Agent (acting at the direction of the Majority Lenders) shall consent to such move in writing, such consent not to be unreasonably withheld, conditioned or delayed.

(q) Portfolio Asset Assignments. No Loan Party will amend, modify, waive or terminate any provision of any Portfolio Asset Assignment in any manner that would materially and adversely affect the interests of the Lenders without the prior written consent of the Majority Lenders.

(r) Restricted Junior Payments. No Loan Party shall make (i) distributions of Portfolio Assets except as expressly contemplated under Section 2.11 so long as no Event of Default or other Market Trigger Event has occurred or (ii) any Restricted Junior Payment, except that a Loan Party may make Restricted Junior Payments so long as no Event of Default or other

Market Trigger Event has occurred in accordance with Section 2.09, and both before and after giving effect thereto, the Loan Parties, taken as a whole, are Solvent.

SECTION 5.03 Affirmative Covenants of the Servicer. From the Closing Date until the Facility Termination Date:

(a) Compliance with Applicable Law. The Servicer will comply in all material respects with all Applicable Law.

(b) Preservation of Existence. The Servicer will preserve and maintain its existence, rights, franchises and privileges in the jurisdiction of its formation and qualify and remain qualified in good standing in each jurisdiction where failure to preserve and maintain such existence, rights, franchises, privileges and qualification could reasonably be expected to have a Material Adverse Effect.

SECTION 5.04 Negative Covenants of the Servicer. From the Closing Date until the Facility Termination Date:

(a) Required Portfolio Documents. The Servicer will not dispose of any documents constituting the Required Portfolio Documents in its possession in any manner that is inconsistent with the performance of its obligations as the Servicer pursuant to this Agreement and will not dispose of any Collateral except as contemplated by this Agreement or as is consistent with the Servicing Standard.

(b) No Changes in Servicing Fees. The Servicer will not make any changes to the Servicing Fees or amend, restate, supplement or otherwise modify the Servicer Fee Letter in any material respect without the prior written approval of the Lenders and the Co-Borrowers.

SECTION 5.05 Affirmative Covenants of Holdings. From the Closing Date until the Facility Termination Date:

(a) Compliance with Constituent Documents and Scope of Business. Except as would not, individually or in the aggregate, reasonably be expected to result in a Material Adverse Effect, Holdings will observe all organizational procedures required by its Constituent Documents. Without limiting the foregoing, Holdings will limit the scope of its business to: (i) the acquisition of Portfolio Assets and the ownership and management of the Portfolio Assets and the related assets in the Collateral Portfolio, (ii) the sale, transfer or other disposition of Portfolio Assets as and when permitted under the Transaction Documents, (iii) entering into and performing under the Transaction Documents, consenting or withholding consent as to proposed amendments, waivers and other modifications of the Equity Investment Agreements to the extent not in conflict with the terms of this Agreement or any other Transaction Document, (iv) exercising any rights (including but not limited to voting rights and rights arising in connection with a Bankruptcy Event with respect to an Obligor or the consensual or non-judicial restructuring of the debt or equity of an Obligor) or remedies in connection with the Portfolio Assets and participating in the committees (official or otherwise) or other groups formed by creditors of an Obligor to the extent not in conflict with the terms of this Agreement or any other Transaction Document, (v) acquiring Portfolio Assets directly from third-parties (other than the

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Co-Borrowers) on an arms-length basis, (vi) contracting with third-parties to provide services as may be required from time to time by Holdings in connection with the Transaction Documents, including legal, investment, accounting, data processing, administrative and management services, (vii) taking any and all other action necessary to maintain the existence of Holdings as a limited liability company in good standing under the laws of the State of Delaware and/or to qualify Holdings to do business as a foreign limited liability company in any other state in which such qualification is required, and (viii) engaging in those lawful activities, including entering into other agreements and any amendments, supplements or restatements to the Transaction Documents to which it is a party or such other agreements and issuing any other instruments, that are necessary, convenient or advisable to accomplish the foregoing or are incidental thereto or in connection therewith.

(b) Preservation of Company Existence. Holdings will preserve and maintain its limited liability company existence, rights, franchises and privileges in the jurisdiction of its formation and will promptly obtain and thereafter maintain qualifications to do business as a limited liability company in any other jurisdiction in which it does business and in which it is required to so qualify under Applicable Law except where the failure to so qualify would not reasonably be expected to have a Material Adverse Effect.

(c) Protection of Security Interest. Holdings shall take all action that the Servicer or the Administrative Agent may reasonably request to perfect, protect and more fully evidence the first priority (subject to Permitted Liens) perfected security interest of the Administrative Agent, for the benefit of the Secured Parties, in the US Pledged Equity, or to enable the Administrative Agent to exercise or enforce any of its rights hereunder.

(d) Liens. Holdings will promptly notify the Administrative Agent of the existence of any material Lien on the US Pledged Equity known to a Responsible Person of Holdings (other than Permitted Liens) and Holdings shall defend the right, title and interest of the Administrative Agent, for the benefit of the Secured Parties, in and to the US Pledged Equity against all claims of third parties to the extent commercially reasonable to do so (as determined by Holdings in its reasonable discretion), other than with respect to Permitted Liens.

(e) Compliance with Applicable Law. Except as would not, individually or in the aggregate, reasonably be expected to result in a Material Adverse Effect, Holdings shall at all times comply with all Applicable Law (including Environmental Laws, and all federal securities laws).

(f) Taxes. Holdings shall pay and discharge all material Taxes, levies, liens and other charges on it or its assets and on the Collateral that, with respect to Holdings, in any manner would create any Lien or charge upon such Collateral, except for (i) Permitted Liens, and (ii) any such Taxes that are being appropriately contested in good faith by appropriate proceedings diligently conducted and with respect to which adequate reserves have been provided in accordance with Applicable Accounting Principles.

SECTION 5.06 Negative Covenants of Holdings. From the Closing Date until the Facility Termination Date:

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(a) Protection of Title. Except as otherwise permitted under this Agreement, Holdings shall not take any action which would directly or indirectly materially impair or adversely affect Holdings' title to the US Pledged Equity.

(b) Transfer Limitations. Holdings shall not transfer, assign, convey, grant, bargain, sell, set over, deliver or otherwise dispose of, or pledge or hypothecate, directly or indirectly, any interest in the US Pledged Equity to any person other than the Administrative Agent for the benefit of the Secured Parties, other than Permitted Liens, or engage in financing transactions or similar transactions with respect to the US Pledged Equity with any person other than as contemplated by this Agreement and the other Transaction Documents.

(c) Indebtedness; Liens. Holdings shall not create, incur or permit to exist any Lien in or on any of the US Pledged Equity.

(d) Organizational Documents. Holdings shall not modify or terminate any of the organizational or operational documents of Holdings in any manner that would materially and adversely affect the Administrative Agent's security interest in the US Pledged Equity.

(e) [Reserved].

(f) Change of Jurisdiction, Location or Names. Holdings shall not change the jurisdiction of its formation, change the location of its principal place of business and chief executive office or make any change to its name or use any tradenames, fictitious names, assumed names, "doing business as" names or other names unless, prior to the effective date of any such change in the jurisdiction of its formation, change in location or name change or use, Holdings provides at least ten (10) days prior written notice thereof and delivers to the Administrative Agent such financing statements as the Administrative Agent (acting at the direction of the Majority Lenders) may request to reflect such change in the jurisdiction of its formation, change in location or name change or use, together any other documents and instruments as the Administrative Agent (acting at the direction of the Majority Lenders) may reasonably request in connection therewith.

(g) ERISA Matters. Holdings will not take any action, omit to take any action or permit any other party to take any action that would result in its assets, or the assets of any Co-Borrower or Holdings, including (x) Plan Assets or (y) "plan assets" of any governmental plan that is subject to Similar Law. None of the transactions or services contemplated under this Agreement or the other Transaction Documents, including exercise of rights with respect to the Collateral and performance of its duties by the Servicer, constitutes or will result in a non-exempt prohibited transaction under Section 406 of ERISA or Section 4975 of the Code or any violation of Similar Law.

ARTICLE VI.
EVENTS OF DEFAULT

SECTION 6.01 Events of Default. If any of the following events (each, an “Event of Default”) occurs:

(a) a Co-Borrower fails to make any payment of (i) any Obligation (other than the payment of any amount upon the Maturity Date) when due and such failure is not cured within five (5) Business Days of the date on which such Obligation is due and payable or (ii) any Obligation on the Maturity Date;

(b) a Co-Borrower defaults in making any payment required to be made under one or more agreements for borrowed money to which it is a party in an aggregate principal amount in excess of \$10,000,000 and any such failure continues unremedied for five (5) Business Days, or an event of default is declared under any such agreement, and in each case, such default is not cured or remedied within the applicable cure period, if any, provided for under such agreement;

(c) any failure on the part of a Loan Party or Holdings duly to observe or perform any its covenants or agreements set forth in this Agreement or the other Transaction Documents to which it is a party that has a Material Adverse Effect on the Secured Parties (other than covenants or agreements with respect to which another clause of this Section 6.01 expressly relates, which shall not, on its own, constitute an Event of Default under this clause (c)) and the same continues unremedied for a period of thirty (30) days (if such failure can be remedied) after the earlier to occur of (i) the date on which written notice of such failure requiring the same to be remedied shall have been given to the Administrative Borrower by the Administrative Agent (acting at the direction of the Majority Lenders) or any Lender and (ii) the date on which a Responsible Person of a Loan Party or Holdings, as applicable, acquires actual knowledge thereof;

(d) the occurrence of a Bankruptcy Event relating to a Loan Party or Holdings;

(e) the rendering of one or more final judgments, decrees or orders by a court or arbitrator of competent jurisdiction against a Loan Party or Holdings for the payment of money in excess of \$10,000,000 in the aggregate (unless such judgment is covered by third party insurance as to which the insurer has been notified of such judgment, decree or order and has not denied or failed to acknowledge coverage) where a Loan Party or Holdings, as applicable, shall not have either (i) discharged within a period of thirty (30) days or provided for the discharge of any such judgment, decree or order in accordance with its terms or (ii) perfected a timely appeal, decree or order and caused the execution of the same to be stayed during the pendency of the appeal;

(f) (i) the breach by a Loan Party or Holdings (as applicable) of any covenants or agreements set forth in (x) Sections 5.01 (a), (b) (with respect to existence only), (c), (d), (g), (h), (i), (j), (k), (l), (m), (n), (o), (y) and (z), and any such breach (other than in respect of Sections 5.01(b), (c), (g), and (k)) shall not be cured or remedied within five (5) Business Days of the

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occurrence thereof or (y) Section 5.05(a), (b) (with respect to existence only), and (c) or (ii) any failure on the part of a Co- Borrower or Holdings (as applicable) to observe or perform any covenants or agreements set forth in Sections 5.02 and 5.06, and, in each case, after giving effect to any applicable grace period or notice requirement;

(g) (i) any Transaction Document, or any Lien or security interest in any of the Collateral granted thereunder, shall (except in accordance with its terms or with the consent of the Majority Lenders), in whole or in part, terminate, cease to be effective or cease to be the legally valid, binding and enforceable obligation of a Loan Party or Holdings (as applicable); provided that, there shall be no Event of Default under this clause (g)(i) to the extent such Event of Default arises solely from the action (or inaction) of the Account Bank, the Servicer, the Administrative Agent or a Lender, (ii) the Loan Parties, Holdings or any of their Affiliates shall, directly or indirectly, validly contest in writing in any manner the effectiveness, validity, binding nature or enforceability of any Transaction Document or any Lien or security interest thereunder or (iii) any security interest securing any obligation under any Transaction Document shall, in whole or in part, cease to be a first priority perfected security interest (subject to Permitted Liens) except as otherwise expressly permitted to be released in accordance with the applicable Transaction Document; provided that there shall be no Event of Default under this clause (g)(iii) to the extent such Event of Default arises from the action (or inaction) of the Account Bank, the Servicer, the Administrative Agent or a Lender;

(h) any Change of Control shall occur and such Change of Control has not been consented to by the Lenders (such consent not to be unreasonably withheld, conditioned or delayed);

(i) any representation, warranty or certification made by a Loan Party or Holdings in any Transaction Document or in any agreement, instrument, certificate or other document required to be delivered pursuant to any Transaction Document shall prove to have been incorrect in any material respect when made, and the same continues unremedied for a period of fifteen (15) days (if such failure can be remedied) after the earlier to occur of (i) the date on which written notice of such failure requiring the same to be remedied shall have been given to the Administrative Borrower by the Administrative Agent (acting at the direction of the Majority Lenders) or any Lender and (ii) the date on which a Responsible Person of a Loan Party or Holdings acquires actual knowledge thereof;

(j) any Loan Party ceases to be Solvent;

then the Administrative Agent shall, at the direction of the Majority Lenders, or the Majority Lenders may, in each case, by notice to the Administrative Borrower, declare the Maturity Date to have occurred; provided that, in the case of any event described in Section 6.01(d), the Maturity Date is deemed to have occurred automatically upon the occurrence of such event. Upon the occurrence and during the continuation of any Event of Default, (i) Lenders may decline to make any Advance hereunder or terminate its commitment to make Advances hereunder, (ii) the Administrative Agent shall, at the direction of the Majority Lenders, or the Majority Lenders may declare the Advances to be immediately due and payable in full (without presentment, demand, protest or notice of any kind all of which are hereby

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waived by the Co-Borrowers) and any other Obligations to be immediately due and payable; provided that, in the case of any event described in Section 6.01(d), the Advances and other Obligations become immediately due and payable in full (without presentment, demand, protest or notice of any kind all of which are hereby waived by the Co-Borrowers) without the need of any notice to the Co-Borrowers upon the occurrence of such event and (iii) the Administrative Agent, at the written direction of the Majority Lenders, shall instruct the Account Bank to distribute all amounts on deposit in the Collection Account and the Interest Reserve Account as described in Section 2.09(a) (provided that the Co-Borrowers shall in any event remain liable to pay such Advances and all such amounts and Obligations immediately in accordance with Section 2.09(a)). In addition, upon the occurrence and during the continuation of any Event of Default, the Lenders and the Administrative Agent, on behalf of the Secured Parties, shall have, in addition to all other rights and remedies under this Agreement, the other Transaction Documents or otherwise, all other rights and remedies provided under the UCC of the applicable jurisdiction and other Applicable Law, which rights shall be cumulative.

SECTION 6.02 Pledged Equity.

(a) Except as otherwise set forth in Section 6.02(b) or 6.02(c):

(i) Holdings shall be entitled to exercise any and all voting or other consensual rights and powers inuring to an owner of US Pledged Equity or any part thereof and Holdings agrees that it shall exercise such rights for purposes not in contravention of the terms of this Agreement and the other Transaction Documents.

(ii) Holdings shall be entitled to receive and retain any and all dividends and other distributions paid on or distributed in respect of the US Pledged Equity, to the extent and only to the extent that such dividends and other distributions are not prohibited by the terms and conditions of this Agreement and Applicable Law; provided that any noncash dividends or other distributions that would constitute US Pledged Equity, shall be and become part of the US Pledged Equity, and, if received by Holdings, shall not be commingled by Holdings with any of its other property but shall be held separate and apart therefrom, shall be held in trust for the benefit of the Administrative Agent and the Secured Parties and Holdings shall promptly take all steps reasonably necessary to ensure the validity, perfection and priority (subject to Permitted Liens), including promptly delivering the same to the Administrative Agent in the same form as so received (with any necessary endorsement reasonably requested by the Administrative Agent). So long as no Event of Default has occurred and is continuing, the Administrative Agent shall cooperate with Holdings with respect to making exchanges of US Pledged Equity in connection with any exchange or redemption of such US Pledged Equity not prohibited by this Agreement, which such cooperation shall include delivery of any such US Pledged Equity in exchange for replacement US Pledged Equity. For the avoidance of doubt, the Co-Borrowers agree to reimburse the Administrative Agent for any costs or expenses incurred due to the provisions of this Section 6.02(a)(ii).

(b) Upon the occurrence and during the continuance of an Event of Default (and after the delivery of written notice by the Majority Lenders or the Administrative Agent (acting at the

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direction of the Majority Lenders) to Holdings) or upon the occurrence of any event described in Section 6.01(d) (without notice), all rights of Holdings to dividends or other distributions that Holdings is authorized to receive pursuant to Section 6.02(a)(ii) shall cease, and all such rights shall thereupon become vested in the Administrative Agent, which shall have the sole and exclusive right and authority to receive and retain such dividends or other distributions. All dividends or other distributions received by Holdings contrary to the provisions of this Section 6.02(b) shall be held in trust for the benefit of the Administrative Agent, shall be segregated from other property or funds of Holdings and shall be promptly delivered to the Administrative Agent in the same form as so received (with any necessary endorsement reasonably requested by the Administrative Agent). Any and all money and other property paid over to or received by the Administrative Agent pursuant to the provisions of this Section 6.02(b) shall be retained by the Administrative Agent in the Collection Account and the Interest Reserve Account and shall be applied in accordance with the terms of this Agreement. After all Events of Default have been waived or are no longer continuing, the Administrative Agent shall promptly repay to Holdings (without interest) all dividends or other distributions that Holdings would otherwise be permitted to retain pursuant to the terms of Section 6.02(a)(ii) and that remain in such account.

(c) Upon the occurrence and during the continuance of an Event of Default (and after the delivery of written notice by the Majority Lenders or the Administrative Agent (acting at the direction of the Majority Lenders) to Holdings) or upon the occurrence of any event described in Section 6.01(d) (without notice), then (i) all rights of Holdings to exercise the voting and consensual rights and powers it is entitled to exercise pursuant to Section 6.02(a)(i) shall cease, and all such rights shall thereupon become vested in the Administrative Agent, which shall have the sole and exclusive right and authority to exercise such voting and consensual rights and powers; provided, that, unless otherwise directed by the Majority Lenders, the Administrative Agent shall have the right from time to time following and during the continuance of an Event of Default to permit Holdings to exercise such rights and (ii) in order to permit the Administrative Agent to exercise the voting and other consensual rights which it may be entitled to exercise pursuant hereto and to receive all dividends and other distributions which it may be entitled to receive hereunder, Holdings shall promptly execute and deliver (or cause to be executed and delivered) to the Administrative Agent all proxies, dividend payment orders and other instruments as the Administrative Agent may from time to time reasonably request. Immediately after all Events of Default have been waived or are no longer continuing, Holdings shall have the exclusive right to exercise the voting or consensual rights and powers that Holdings would otherwise be entitled to exercise pursuant to the terms of Section 6.02(a)(i).

(d) Any notice given by the Administrative Agent to Holdings under this Section 6.02 shall be given in writing.

SECTION 6.03 Additional Remedies.

(a) Upon the occurrence and during the continuation of an Event of Default in accordance with Section 6.01, and without limiting the remedies provided in this Article VI, the Administrative Agent may, at the direction of the Majority Lenders, (i) sell or otherwise dispose of any of the Collateral or the Pledged Equity at public or private sales and take possession of the Proceeds of any such sale or disposition or (ii) instruct the obligor or obligors on any

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account, agreement, instrument or other obligation constituting Collateral or Pledged Equity to make any payment required by the terms of such account, agreement, instrument or other obligation to or at the direction of the Administrative Agent (acting at the direction of the Majority Lenders). Notwithstanding the foregoing, upon the occurrence and during the continuation of an Event of Default, the Administrative Agent, acting at the direction of the Servicer, may (a) give a Notice of Exclusive Control or any other instruction in accordance with the Account Control Agreement and take any permitted action with respect to the Collateral subject thereto, (b) in accordance with Section 6.02, transfer and register in its name or in the name of its nominee the whole or any part of the Pledged Equity, exchange certificates or instruments representing or evidencing Pledged Equity for certificates or instruments of smaller or larger denominations, exercise the voting and all other rights as a holder with respect thereto, including exchange, subscription or any other rights, privileges or options pertaining to any Pledged Equity, and otherwise act with respect to the Pledged Equity as though the Administrative Agent was the absolute owner thereof and (c) in accordance with Section 6.02, collect and receive all cash dividends, interest, principal and other distributions made on any Pledged Equity.

(b) Any Collateral or Pledged Equity to be sold or otherwise disposed of pursuant to this Article VI may be sold or disposed of in one or more parcels at public or private sale or sales (which sales may be adjourned or continued from time to time with or without notice upon such terms and conditions, including price, as the Administrative Agent (acting at the direction of the Majority Lenders) may deem commercially reasonable), for cash or on credit or for future delivery without assumption of any credit risk. Any sale or disposition of Collateral or Pledged Equity may be made without the Administrative Agent giving warranties of any kind with respect to such sale or disposition and the Administrative Agent may specifically disclaim any warranties of title or the like. The Administrative Agent may comply with any applicable State or federal law requirements in connection with a sale or disposition of the Collateral and compliance will not be considered to adversely affect the commercial reasonableness of any such sale or disposition. If any notice of a proposed sale or disposition of the Collateral or Pledged Equity is required by law, such notice is deemed commercially reasonable and proper if given at least ten (10) days before such sale or disposition. The Administrative Agent has the right upon any public sale of Collateral or Pledged Equity and, to the extent permitted by law, upon any such private sale of Collateral or Pledged Equity, to purchase the whole or any part of the Collateral or Pledged Equity so sold or disposed of free of any right of equity redemption, which equity redemption the Co-Borrowers hereby waive. Upon any sale or disposition of Collateral or Pledged Equity, the Administrative Agent has the right to deliver and transfer to the purchaser or transferee thereof the Collateral or Pledged Equity so sold or disposed of.

(c) For the avoidance of doubt, this Agreement (including this Article VI) shall be subject to the special servicing activities provisions in Section 8.05.

(d) Following an acceleration of the Obligations upon the occurrence and during the continuation of an Event of Default in accordance with Section 6.01, the Co-Borrowers will use best efforts to execute all documentation and obtain all consents reasonably necessary to assign to the Servicer all of the Co-Borrowers' right, title and interest to each Eligible Portfolio Asset.

ARTICLE VII.
THE ADMINISTRATIVE AGENT

SECTION 7.01 Appointment and Authority; Rights as Lender.

(a) Each of the Lenders hereby irrevocably appoints Alter Domus (US) LLC to act on its behalf as the Administrative Agent hereunder and under the other Transaction Documents and authorizes the Administrative Agent to take such actions on its behalf and to exercise such powers as are delegated to the Administrative Agent by the terms hereof or thereof, together with such actions and powers as are reasonably incidental thereto. The provisions of this Article VII are solely for the benefit of the Administrative Agent, the Lenders and the other Secured Parties, and neither the Co-Borrowers nor Holdings shall have rights as a third-party beneficiary of any of such provisions. It is understood and agreed that the use of the term “agent” herein or in any other Transaction Documents (or any other similar term) with reference to the Administrative Agent is not intended to connote any fiduciary or other implied (or express) obligations arising under agency doctrine of any Applicable Law. Instead such term is used as a matter of market custom, and is intended to create or reflect only an administrative relationship between contracting parties.

(b) The Person serving as the Administrative Agent hereunder shall have the same rights and powers in its capacity as a Lender (to the extent it is also a Lender) as any other Lender and may exercise the same as though it were not the Administrative Agent, and the term “Lender” or “Lenders” shall, unless otherwise expressly indicated or unless the context otherwise requires, include the Person serving as the Administrative Agent hereunder in its capacity as Lender, if applicable. Such Person and its Affiliates may accept deposits from, lend money to, own securities of, act as the financial advisor or in any other advisory capacity for, and generally engage in any kind of business with, the Co-Borrowers, Holdings or any Subsidiary or other Affiliate thereof as if such Person were not the Administrative Agent hereunder and without any duty to account therefor to the Lenders.

SECTION 7.02 Exculpatory Provisions.

(a) The Administrative Agent shall not have any duties or obligations except those expressly set forth herein and in the other Transaction Documents, and its duties hereunder shall be administrative in nature. Without limiting the generality of the foregoing, the Administrative Agent:

(i) shall not be subject to any fiduciary or other implied duties, regardless of whether an Event of Default, Market Trigger Event or Potential Default has occurred and is continuing;

(ii) shall not have any duty to take any discretionary action or exercise any discretionary powers, except discretionary rights and powers expressly contemplated hereby or by the other Transaction Documents that the Administrative Agent is required to exercise as directed in writing by the Servicer or the Majority Lenders (or such other

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number or percentage of the Lenders as shall be expressly provided for herein or in such other Transaction Documents); provided that the Administrative Agent shall not be required to take any action that, in its opinion or the opinion of its counsel, may expose the Administrative Agent to liability or that is contrary to any Transaction Document or Applicable Law, including for the avoidance of doubt any action that may be in violation of the automatic stay under any Bankruptcy Law or that may affect a forfeiture, modification or termination of property of a Defaulting Lender in violation of any Bankruptcy Law; and

(iii) shall not, except as expressly set forth herein and in the other Transaction Documents, have any duty to disclose, and shall not be liable for the failure to disclose, any information relating to the Loan Parties, Holdings or any of their respective Affiliates that is communicated to or obtained by the Person serving as the Administrative Agent or any of its Affiliates in any capacity.

(b) The Administrative Agent shall not be liable for any action taken or not taken by it (i) (including errors in judgement made) with the consent or at the request or direction of the Servicer or the Majority Lenders (or such other number or percentage of the Lenders as shall be necessary, or as the Administrative Agent shall believe in good faith shall be necessary), or (ii) in the absence of its own gross negligence or willful misconduct as determined by a court of competent jurisdiction by final and nonappealable judgment; provided that, no action taken or not taken with the consent or at the request or direction of the Servicer or the Majority Lenders (or such other number or percentage of the Lenders as shall be necessary, or as the Administrative Agent shall believe in good faith shall be necessary) shall be deemed to constitute gross negligence or willful misconduct of the Administrative Agent. The Administrative Agent shall not be deemed to have knowledge of any default, Event of Default, Market Trigger Event, Potential Default or event or information, or be required to act upon any default, Event of Default, Market Trigger Event, Potential Default, or event or information (including the sending of any notice) unless a Responsible Officer of the Administrative Agent shall have received written notice of such default (which written notice shall be conspicuously labelled as a “Event of Default”, “Market Trigger Event”, or “Potential Default”), Event of Default, Market Trigger Event, Potential Default, or event or information, and shall have no duty to take any action to determine whether any such event, default, Market Trigger Event, Potential Default, or Event of Default has occurred. The Administrative Agent’s receipt of reports (including monthly distribution reports) and any publicly available information, shall not constitute actual or constructive knowledge or notice of any information contained therein or determinable from information contained therein. All reports, notices and documents delivered to the Administrative Agent hereunder shall be delivered promptly or otherwise made available by the Administrative Agent to each Lender.

(c) The Administrative Agent shall not be responsible for or have any duty to ascertain or inquire into (i) any statement, warranty or representation made in or in connection with this Agreement or any other Transaction Document, (ii) the contents or accuracy of any certificate, report or other document delivered hereunder or thereunder or in connection herewith or therewith and shall not be required to recalculate, certify or verify any information therein, (iii) the performance or observance of any of the covenants, agreements or other terms or

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conditions set forth herein or therein or the occurrence of any Event of Default, Market Trigger Event or Potential Default, (iv) the validity, enforceability, effectiveness or genuineness of this Agreement, any other Transaction Document or any other agreement, instrument or document, or (v) the satisfaction of any condition set forth in Article III or elsewhere herein, other than to confirm receipt of items expressly required to be delivered to the Administrative Agent.

(d) In no event shall the Administrative Agent be liable, directly or indirectly, for any special, indirect, punitive or consequential damages (as opposed to direct or actual damages), including lost profits, arising out of or in connection with this Agreement, even if the Administrative Agent has been advised of the possibility of such damages and regardless of the form of action.

(e) Before the Administrative Agent acts or refrains from taking any action under this Agreement or any other Transaction Document, it may require an officer's certificate or an opinion of counsel (which may come from internal counsel) from the party requesting that the Administrative Agent act or refrain from acting in form and substance reasonably acceptable to the Administrative Agent. The Administrative Agent shall not be liable for any action it takes or omits to take in good faith in reliance on such officer's certificates or opinions of counsel.

(f) The Administrative Agent shall not be required to expend or risk its own funds or otherwise incur any liability, financial or otherwise, in the performance of any of its duties, or the exercise of any of its rights or powers.

(g) The Administrative Agent shall incur no liability if, by reason of any provision of any future law or regulation thereunder, or by any force majeure event, including but not limited to natural disaster, act of war or terrorism, or other circumstances beyond its reasonable control, the Administrative Agent shall be prevented or forbidden from doing or performing any act or thing which the terms of this Agreement provide shall or may be done or performed, or by reason of any exercise of, or failure to exercise, any discretion provided for in this Indenture or any other Transaction Document.

(h) The right of the Administrative Agent to perform any permissive or discretionary act enumerated in this Agreement or any related document shall not be construed as a duty.

(i) The Administrative Agent shall not be responsible for, and makes no representation or warranty as to, the validity, legality, enforceability, sufficiency or adequacy of this Agreement, the other Transaction Documents or any related document, or as to the correctness of any statement contained in any thereof. The recitals contained herein and in the other Transaction Documents shall be construed as the statements of the Co-Borrowers. The Administrative Agent shall not be accountable for the Co-Borrower's use of the Advances or any money paid to the Co-Borrower pursuant to the provisions hereof, and it shall not be responsible for any statement of the Co-Borrowers in this Agreement or in any other Transaction Document.

(j) The Administrative Agent shall not be liable for any action or inaction of the Co-Borrowers, Holdings, the Servicer, the Lenders or any other party (or agent thereof) to this Agreement or any related document and may assume compliance by such parties with their

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obligations under this Agreement or any related agreements, unless a Responsible Officer of the Administrative Agent shall have received written notice to the contrary at the office of the Administrative Agent set forth in Section 11.02.

(k) Each Lender authorizes and directs the Administrative Agent to enter into the Transaction Documents to which it is a party on the date hereof on behalf of and for the benefit of the Lenders. Whether or not so expressly stated therein, in entering into, or taking (or forbearing from) any action under pursuant to, the Transaction Documents, the Administrative Agent shall have all of the rights, immunities, indemnities and other protections granted to it under this Agreement (in addition to those that may be granted to it under the terms of such other agreement or agreements).

(l) Notwithstanding any provision of this Agreement or the other Transaction Documents to the contrary, before taking or omitting any action to be taken or omitted by the Administrative Agent under the terms of this Agreement and the other Transaction Documents, the Administrative Agent may seek the written direction of the Servicer or the Majority Lenders (which written direction may be in the form of an email), and the Administrative Agent is entitled to rely (and is fully protected in so relying) upon such direction. In the absence of an express statement in the Transaction Documents regarding which Lenders shall direct in any circumstance, the direction of the Majority Lenders shall apply and be sufficient for all purposes.

SECTION 7.03 Reliance by Administrative Agent. The Administrative Agent shall be entitled to rely conclusively upon, and shall not incur any liability for relying upon, any notice, request, certificate, consent, opinion, statement, instrument, document or other writing (including any electronic message, Internet or intranet website posting or other distribution) believed by it to be genuine and to have been signed, sent or otherwise authenticated by the proper Person. The Administrative Agent also may rely upon any statement made to it orally or by telephone and believed by it to have been made by the proper Person, and shall not incur any liability for relying thereon. In determining compliance with any condition hereunder to the making of an Advance that by its terms must be fulfilled to the satisfaction of a Lender, the Administrative Agent may presume that such condition is satisfactory to such Lender unless the Administrative Agent shall have received notice to the contrary from such Lender prior to the making of such Advance. The Administrative Agent may consult with legal counsel (who may be counsel for the Loan Parties or Holdings), independent accountants and other experts selected by it, and shall not be liable for any action taken or not taken by it in accordance with the advice or opinion of any such counsel, accountants or experts.

SECTION 7.04 Delegation of Duties. The Administrative Agent may perform any and all of its duties and exercise its rights and powers hereunder or under any other Transaction Document by or through any one or more agents, sub-agents or attorneys appointed by the Administrative Agent. The Administrative Agent and any such agents, sub-agent or attorneys may perform any and all of its duties and exercise its rights and powers by or through their respective Related Parties. The exculpatory provisions of this Article shall apply to any such party and to the Related Parties of the Administrative Agent and any such party. The Administrative Agent shall not be responsible for the negligence or

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misconduct of any agent, sub-agents or attorney appointed by it with reasonable care, except to the extent that a court of competent jurisdiction determines in a final and non-appealable judgement that the Administrative Agent acted with gross negligence or willful misconduct in the selection of such appointees.

SECTION 7.05 Resignation of Administrative Agent.

(a) The Administrative Agent may at any time give notice of its resignation to the Lenders and the Administrative Borrower. Upon receipt of any such notice of resignation, the Majority Lenders shall have the right to appoint a successor (with the consent of the Administrative Borrower, such consent not to be unreasonably withheld or delayed) to the extent no Event of Default is continuing. If no such successor shall have been so appointed by the Majority Lenders and shall have accepted such appointment within thirty (30) days after the retiring Administrative Agent gives notice of its resignation (or such earlier day as shall be agreed by the Majority Lenders) (the "Resignation Effective Date"), then the retiring Administrative Agent may (but shall not be obligated to), on behalf of the Lenders, petition a court of competent jurisdiction for the appointment of a successor Administrative Agent. Whether or not a successor has been appointed, such resignation shall become effective in accordance with such notice on the Resignation Effective Date. Notwithstanding anything to the contrary contained herein, no Defaulting Lender shall be appointed as a successor to the Administrative Agent.

(b) The Majority Lenders may, to the extent permitted by Applicable Law, by thirty (30) days prior notice in writing to the Administrative Borrower and the Administrative Agent, remove such Administrative Agent and, with the consent of the Administrative Borrower (which consent shall not be unreasonably withheld or delayed), appoint a successor. If no such successor shall have been so appointed by the Majority Lenders and shall have accepted such appointment within thirty (30) days (or such earlier day as shall be agreed by the Majority Lenders) (the "Removal Effective Date"), then such removal shall nonetheless become effective in accordance with such notice on the Removal Effective Date.

(c) With effect from the Resignation Effective Date or the Removal Effective Date (as applicable) (i) the retiring or removed Administrative Agent shall be discharged from its duties and obligations hereunder and under the other Transaction Documents and (ii) except for any fees, expenses and indemnity payments owed to the retiring or removed Administrative Agent, all payments, communications and determinations provided to be made by, to or through the Administrative Agent shall instead be made by or to each Lender directly, until such time, if any, as the Majority Lenders appoint a successor Administrative Agent as provided for above. Upon the acceptance of a successor's appointment as Administrative Agent hereunder, such successor shall succeed to and become vested with all of the rights, powers, privileges and duties of the retiring (or removed) Administrative Agent (other than as provided in Section 2.13(h) and other than any rights to fees, expenses and indemnity payments owed to the retiring or removed Administrative Agent as of the Resignation Effective Date or the Removal Effective Date, as applicable), and the retiring or removed Administrative Agent shall be discharged from all of its duties and obligations hereunder or under the other Transaction Documents (if not already discharged therefrom as provided above in this Section). The fees payable by the Co- Borrowers

to a successor Administrative Agent shall be the same as those payable to its predecessor unless otherwise agreed between the Co-Borrowers and such successor. After the retiring or removed Administrative Agent's resignation or removal hereunder and under the other Transaction Documents, the provisions of this Article VII and Sections 2.05(d), 10.01 and 11.07 shall continue in effect for the benefit of such retiring or removed Administrative Agent, its sub-agents and their respective Related Parties in respect of any actions taken or omitted to be taken by any of them while the retiring or removed Administrative Agent was acting as Administrative Agent and the Administrative Agent shall be entitled to any fees accrued and payable up to the Resignation Effective Date or Removal Effective Date to the extent not previously paid.

(d) If the Person serving as Administrative Agent is a Defaulting Lender, the Majority Lenders may, to the extent permitted by Applicable Law, by notice in writing to the Administrative Borrower and such Person remove such Person as Administrative Agent and, in consultation with the Administrative Borrower, appoint a successor in accordance with this Section 7.05.

SECTION 7.06 Non-Reliance on Agents and Other Lenders. Each Lender acknowledges that it has, independently and without reliance upon the Administrative Agent or any other Lender or any of their Related Parties and based on such documents and information as it has deemed appropriate, made its own credit analysis and decision to enter into this Agreement. Each Lender also acknowledges that it will, independently and without reliance upon the Administrative Agent or any other Lender or any of their Related Parties and based on such documents and information as it shall from time to time deem appropriate, continue to make its own decisions in taking or not taking action under or based upon this Agreement, any other Transaction Document or any related agreement or any document furnished hereunder or thereunder.

SECTION 7.07 Indemnification by Lenders. Each Lender, severally, agrees to indemnify and hold harmless the Administrative Agent (or any sub-agent thereof) or any Related Party of any of the foregoing (to the extent not indefeasibly indemnified by or on behalf of the Co-Borrowers and without limiting the obligation of the Co-Borrowers to do so) with respect to any unpaid amount required under Article X or Section 11.07 to be paid by it, based on and to the extent of such Lender's Pro Rata Share of such unpaid amount (determined as of the time that the applicable unreimbursed expense or indemnity payment is sought based on each Lender's Pro Rata Share at such time), including any such unpaid amount in respect of a claim asserted by such Lender; provided that the unreimbursed expense or indemnified loss, claim, damage, liability or related expense, as the case may be, was incurred by or asserted against the Administrative Agent (or any sub-agent thereof) or any Related Party of any of the foregoing acting for the Administrative Agent (or any sub-agent) in connection with such capacity. The obligations of the Lenders to make payments pursuant to this Section 7.07 are several and not joint. The failure of any Lender to make any such payment on any date required hereunder shall not relieve any other Lender of its corresponding obligation to do so on such date, and no Lender shall be responsible for the failure of any other Lender to so make its payment under this Section 7.07. The obligations

of the Lenders under this Section 7.07 shall survive the resignation or removal of the Administrative Agent or the termination of this Agreement.

SECTION 7.08 Administrative Agent May File Proofs of Claim. In case of the pendency of any proceeding under any Bankruptcy Law or any other judicial proceeding relative to the Co-Borrowers or Holdings, the Administrative Agent (irrespective of whether the principal of any Advance shall then be due and payable as herein expressed or by declaration or otherwise and irrespective of whether the Administrative Agent shall have made any demand on the Co-Borrowers) shall be entitled and empowered (but not obligated) by intervention in such proceeding or otherwise, at the direction of the Majority Lenders:

(a) to file and prove a claim for the whole amount of the principal and interest owing and unpaid in respect of the Advances and all other Obligations that are owing and unpaid and to file such other documents as may be necessary or advisable in order to have the claims of the Secured Parties (including any claim for the reasonable compensation, expenses, disbursements and advances of the Secured Parties and their respective agents and counsel and all other amounts due the Secured Parties under the Transaction Documents allowed in such judicial proceeding; and

(b) to collect and receive any monies or other property payable or deliverable on any such claims and to distribute the same;

and any custodian, receiver, assignee, trustee, liquidator, sequestrator or other similar official in any such judicial proceeding is hereby authorized by each Lender to make such payments to the Administrative Agent and, in the event that the Administrative Agent shall consent to the making of such payments directly to the Lenders, to pay to the Administrative Agent any amount due for the reasonable compensation, expenses, disbursements and advances of the Administrative Agent and its agents and counsel, and any other amounts due the Administrative Agent under Section 11.07.

SECTION 7.09 Collateral Matters.

(a) Each Lender authorizes the Administrative Agent to release any Lien on any Collateral granted to or held by the Administrative Agent, for the benefit of the Secured Parties, under this Agreement or any other Transaction Document including, without limitation, the Collateral and Pledged Equity or if approved, authorized or ratified in writing in accordance with Section 11.01. Upon request by the Administrative Agent at any time, the Majority Lenders will confirm in writing the Administrative Agent's authority to release its interest in particular types or items of property. In each case as specified in this Section 7.09, the Administrative Agent will, at the Co-Borrowers' expense, execute and deliver to the Servicer such documents as the Servicer may reasonably request to evidence the release of such item of Collateral and Pledged Equity from the assignment and security interest granted under this Agreement or the other Transaction Documents in accordance with the terms of the Transaction Documents and this Section 7.09, without any recourse, representation or warranty by the Administrative Agent.

(b) The Administrative Agent shall not be responsible for or have a duty to ascertain the validity of or inquire into any representation or warranty regarding the existence, value or

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collectability of the Collateral, for the legality, enforceability, effectiveness or sufficiency of the Transaction Documents, the existence, priority, creation, validity, enforceability or perfection of the Administrative Agent's Lien thereon, or any certificate prepared by the Loan Parties, Holdings or the Servicer in connection therewith, nor shall the Administrative Agent be responsible or liable to the Lenders for any failure to monitor or maintain any portion of the Collateral or the Lien thereon. The Administrative Agent's sole duty with respect to the custody, safekeeping and physical preservation of any Collateral in its possession, under the UCC or otherwise, shall be to deal with it in the same manner as the Administrative Agent deals with similar property for the account of other customers in similar transactions.

(c) It is understood and agreed that the Administrative Agent (i) shall have no responsibility with respect to the determination of whether any Pledged Equity is certificated or uncertificated and (ii) the Administrative Agent shall only be responsible for holding Pledged Equity to the extent actually received. The Administrative Agent's sole duty with respect to the custody, safekeeping and physical preservation of any Collateral in its possession, under the UCC or otherwise, shall be to deal with it in the same manner as the Administrative Agent deals with similar property for the account of other customers in similar transactions.

SECTION 7.10 Erroneous Payments.

(a) Each Lender hereby agrees that (i) if the Administrative Agent notifies such Lender that the Administrative Agent has determined in its sole discretion that any funds received by such Lender from the Administrative Agent or any of its Affiliates were erroneously or mistakenly transmitted to, or otherwise erroneously or mistakenly received by, such Lender (whether or not known to such Lender) (whether as a payment, prepayment or repayment of principal, interest, fees or otherwise; individually and collectively, an "Erroneous Payment") and demands the return of such Erroneous Payment (or a portion thereof) (provided, that, without limiting any other rights or remedies (whether at law or inequity), the Administrative Agent may not make any such demand under this clause (a)(i) with respect to an Erroneous Payment unless such demand is made within 18 months of the date of receipt of such Erroneous Payment by the applicable Lender), such Erroneous Payment shall at all times remain the property of the Administrative Agent, and such Lender shall promptly, but in no event later than two Business Days thereafter, return to the Administrative Agent the amount of any such Erroneous Payment (or portion thereof) as to which such a demand was made, in same day funds (in the currency so received), together with interest thereon in respect of each day from and including the date such Erroneous Payment (or portion thereof) was received by such Lender to the date such amount is repaid to the Administrative Agent in same day funds at a rate determined by the Administrative Agent in accordance with banking industry rules on interbank compensation from time to time in effect and (ii) to the extent permitted by applicable law, such Lender shall not assert any right or claim to the Erroneous Payment, and hereby waives any claim, counterclaim, defense or right of set-off or recoupment with respect to any demand, claim or counterclaim by the Administrative Agent for the return of any Erroneous Payments received, including, without limitation, waiver of any defense based on "discharge for value" or any similar theory or doctrine. A notice of the Administrative Agent to any Lender or any under this clause (a) shall be conclusive, absent manifest error.

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(b) Without limiting immediately preceding clause (a), each Lender hereby further agrees that if it receives a payment from the Administrative Agent (or any of its Affiliates) (x) that is in a different amount than, or on a different date from, that specified in a notice of payment sent by the Administrative Agent, (y) that was not preceded or accompanied by notice of payment, or (z) that such Lender otherwise becomes aware was transmitted, or received, in error or by mistake (in whole or in part), then in each case, if an error has been made each such Lender is deemed to have knowledge of such error at the time of receipt of such Erroneous Payment, and to the extent permitted by applicable law, such Lender shall not assert any right or claim to the Erroneous Payment, and hereby waives, any claim, counterclaim, defense or right of set-off or recoupment with respect to any demand, claim or counterclaim by the Administrative Agent for the return of any Erroneous Payments received, including without limitation waiver of any defense based on “discharge for value” or any similar theory or doctrine. Each Lender agrees that, in each such case, it shall promptly (and, in all events, within one Business Day of its knowledge (or deemed knowledge) of such error) notify the Administrative Agent of such occurrence and, upon demand from the Administrative Agent, it shall promptly, but in all events no later than two Business Days thereafter, return to the Administrative Agent the amount of any such Erroneous Payment (or portion thereof) as to which such a demand was made in same day funds (in the currency so received), together with interest thereon in respect of each day from and including the date such Erroneous Payment (or portion thereof) was received by such Lender to the date such amount is repaid to the Administrative Agent in same day funds at a rate determined by the Administrative Agent in accordance with banking industry rules on interbank compensation from time to time in effect.

(c) The Co-Borrowers and each other Loan Party hereby agree that (x) in the event an Erroneous Payment (or portion thereof) is not recovered from any Lender that has received such Erroneous Payment (or portion thereof) for any reason (and without limiting the Administrative Agent’s rights and remedies under this Section 7.10), the Administrative Agent shall be subrogated to all the rights of such Lender with respect to such amount and (y) an Erroneous Payment shall not pay, prepay, repay, discharge or otherwise satisfy any Obligations owed by the Co-Borrowers or any other Loan Party.

(d) In addition to any rights and remedies of the Administrative Agent provided by law, Administrative Agent shall have the right, without prior notice to any Lender, any such notice being expressly waived by such Lender to the extent permitted by applicable law, with respect to any Erroneous Payment for which a demand has been made in accordance with this Section 7.10 and which has not been returned to the Administrative Agent, to set off and appropriate and apply against such amount any and all deposits (general or special, time or demand, provisional or final but excluding trust accounts), in any currency, and any other credits, indebtedness or claims, in any currency, in each case whether direct or indirect, absolute or contingent, matured or unmatured, at any time held or owing by Administrative Agent or any of its Affiliate, branch or agency thereof to or for the credit or the account of such Lender. Administrative Agent agrees promptly to notify the Lender after any such setoff and application made by Administrative Agent; provided, that the failure to give such notice shall not affect the validity of such setoff and application.

(e) Each party's obligations under this Section 7.10 shall survive the resignation or replacement of the Administrative Agent, the termination of the Commitments or the repayment, satisfaction or discharge of all Obligations (or any portion thereof) under any Transaction Document.

ARTICLE VIII.
ADMINISTRATION AND SERVICING OF COLLATERAL

SECTION 8.01 Appointment and Designation of the Servicer.

(a) Initial Servicer. The Co-Borrowers and the Lenders hereby appoint ~~Massachusetts Mutual Life Insurance Company~~ Barings Finance LLC, pursuant to the terms and conditions of this Agreement, as Servicer, with the authority to service, administer and exercise rights and remedies, on behalf of the Co-Borrowers, in respect of the Collateral and to take the actions required of it hereunder and under the other Transaction Documents. ~~Massachusetts Mutual Life Insurance Company~~ Barings Finance LLC hereby accepts such appointment and agrees to perform the duties and responsibilities of the Servicer pursuant to the terms hereof until such time as it resigns or is removed as Servicer pursuant to the terms hereof. The Servicer and the Co-Borrowers hereby acknowledge that the Administrative Agent and the Secured Parties are third party beneficiaries of the obligations undertaken by the Servicer hereunder.

(b) Servicer Termination Notice. The Co-Borrowers, the Servicer and the Administrative Agent hereby agree that, upon the occurrence of a Servicer Termination Event, the Administrative Agent, by written notice to the Servicer (a "Servicer Termination Notice"), may (upon the direction of the Majority Lenders) terminate all of the rights, obligations, power and authority of the Servicer under this Agreement. On and after the receipt by the Servicer of a Servicer Termination Notice pursuant to this Section 8.01(b), the Servicer shall continue to perform all servicing functions under this Agreement until the date that is thirty (30) days after the date of such notice or until a date mutually agreed upon by the Servicer and the Majority Lenders. The Servicer shall be entitled to receive, to the extent of funds available therefor pursuant to Section 2.08, the Servicing Fees accrued until such termination date as well as any other fees, amounts, expenses or indemnities it is entitled to pursuant to the provisions of this Agreement and any Fee Letter (collectively, the "Servicer Termination Expenses"). To the extent amounts held in the Collection Account and the Interest Reserve Account and paid in accordance with Section 2.09 are insufficient to pay the Servicer Termination Expenses, the Co-Borrowers (and to the extent the Co-Borrowers fail to so pay, the Lenders based on their Pro Rata Share) agrees to pay the Servicer Termination Expenses within ten (10) Business Days of receipt of an invoice therefor. After the earlier of (i) the termination date specified in the applicable Servicer Termination Notice and (ii) thirty (30) days thereafter as provided above, the Servicer agrees that it will terminate its activities as Servicer hereunder in a manner that the Majority Lenders believe will facilitate the transition of the performance of such activities to a Replacement Servicer, and the Replacement Servicer shall assume each and all of the Servicer's obligations under this Agreement and the other Transaction Documents, on the terms and subject to the conditions herein set forth, and the Servicer shall use its commercially reasonable efforts to assist the Replacement Servicer in assuming such obligations.

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(c) Appointment of Replacement Servicer. At any time following the delivery of a Servicer Termination Notice or receipt of any notice of resignation under Section 8.09, the Administrative Agent (acting at the direction of the Majority Lenders) may, with the consent of the Administrative Borrower (such consent not being required if an Event of Default has occurred and is continuing), appoint a new Servicer (the "Replacement Servicer"), which appointment shall take effect upon the Replacement Servicer accepting such appointment by a written assumption in a form satisfactory to the Administrative Agent acting at the direction of the Majority Lenders. Any Replacement Servicer shall be an established financial institution, having a net worth of not less than \$50,000,000 and whose regular business includes the servicing of assets similar to the Collateral.

(d) Liabilities and Obligations of Replacement Servicer. Upon its appointment, any Replacement Servicer shall be the successor in all respects to the Servicer with respect to servicing functions under this Agreement and shall be subject to all the responsibilities, duties and liabilities relating thereto placed on the Servicer by the terms and provisions hereof, and all references in this Agreement to the Servicer shall be deemed to refer to the Replacement Servicer; provided that any Replacement Servicer shall have (i) no liability with respect to any action performed by the prior Servicer prior to the date that the Replacement Servicer becomes the successor to the Servicer or any claim of a third party based on any alleged action or inaction of the prior Servicer, (ii) no obligation with respect to any Taxes on behalf of the Loan Parties, except for any payment made out of the Collection Account as provided in Section 2.13, (iii) no obligation to pay any of the fees and expenses of any other party to the transactions contemplated hereby and (iv) no liability or obligation with respect to any Servicer indemnification obligations of any prior Servicer. The indemnification obligations of the Replacement Servicer, upon becoming a Servicer, are expressly limited to those arising on account of its gross negligence or willful misconduct, or the failure to perform materially in accordance with its duties and obligations set forth in this Agreement. In addition, the Replacement Servicer shall have no liability relating to the representations of the prior Servicer contained in Section 4.03.

(e) Authority and Power. All authority and power granted to the Servicer under this Agreement shall automatically cease and terminate on the Facility Termination Date and shall pass to and be vested in the Loan Parties or their designee thereafter and, without limitation, the Loan Parties are hereby authorized and empowered to execute and deliver, on behalf of the Servicer, as attorney-in- fact or otherwise, all documents and other instruments, and to do and accomplish all other acts or things necessary or appropriate to effect the purposes of such transfer of servicing rights. The Servicer agrees to cooperate with the Loan Parties in effecting the termination of the responsibilities and rights of the Servicer to conduct servicing of the Collateral.

(f) Subcontracts. The Servicer may, with the prior written consent (except that no such consent shall be required (i) with respect to ministerial duties or (ii) to the extent necessary for Servicer to comply with any Applicable Laws, regulations, codes or ordinances relating to Servicer's servicing obligations) of the Administrative Agent (acting at the direction of the Majority Lenders) and the Administrative Borrower (not to be unreasonably withheld or

delayed), subcontract with any other Person for servicing, administering or collecting the Collateral; provided that (A) the Servicer shall select any such Person with reasonable care and shall be solely responsible for the fees and expenses payable to any such Person, (B) the Servicer shall not be relieved of, and shall remain liable for, the performance of the duties and obligations of the Servicer pursuant to the terms hereof without regard to any subcontracting arrangement and (C) any such subcontract shall be terminable upon the occurrence of a Servicer Termination Event.

(g) Waiver. The Loan Parties acknowledge that the Administrative Agent or any of its Affiliates may, but shall not be obligated to, act as the Servicer, and the Co-Borrowers waive any and all claims against the Administrative Agent, each Lender or any of their respective Affiliates and the Servicer (other than claims relating to such party's gross negligence or willful misconduct as determined in a final and non-appealable judgement by a court of competent jurisdiction) relating in any way to the custodial or collateral administration functions having been performed by the Administrative Agent or any of its Affiliates in accordance with the terms and provisions (including the standard of care) set forth in the Transaction Documents.

SECTION 8.02 Duties of the Servicer.

(a) Duties. The Servicer shall take or cause to be taken all such actions as may be necessary or advisable to, following the occurrence and during the continuance of an Event of Default, monitor and administer the Collections and to perform its duties and responsibilities under this Agreement and the other Transaction Documents, all in accordance with this Agreement and the other Transaction Documents, Applicable Law and the Servicing Standard. Without limiting the foregoing, the duties of the Servicer shall include the following:

(i) maintaining all necessary servicing records with respect to the Collateral received from the Loan Parties, or following the occurrence and continuance of an Event of Default, and providing such records to each Lender together with such other information with respect to the Collateral (including information relating to the Servicer's performance under this Agreement) as may be required hereunder or as the Majority Lenders may reasonably request;

(ii) maintaining and implementing administrative and operating procedures (including an ability to create servicing records received evidencing the Collateral) and keeping and maintaining all documents, books, records and other information or pursuant to this Agreement reasonably necessary or advisable for the collection of the Collateral;

(iii) promptly delivering to the Lenders, from time to time, such information and servicing records (to the extent received by the Servicer, including information relating to the Servicer's performance under this Agreement), as any Lender may from time to time reasonably request;

(iv) identifying each Portfolio Asset clearly and unambiguously in its records to reflect that such Portfolio Asset has been Transferred and is owned by a Loan Party;

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(v) notifying the Lenders of any material action, suit, proceeding, dispute, offset, deduction, defense or counterclaim that is or is threatened to be asserted by an Obligor with respect to any Portfolio Asset (or portion thereof) of which it has knowledge or has received notice;

(vi) maintaining the perfected first priority security interest (subject to Permitted Liens) of the Administrative Agent, for the benefit of the Secured Parties, in the Collateral to the extent required by the Transaction Documents;

(vii) pursuant to the terms hereof, directing the Administrative Agent to direct the Account Bank to make payments in accordance with Section 2.09;

(viii) following the occurrence and during the continuance of an Event of Default, if directed by the Majority Lenders, instructing the Obligors, on the Portfolio Assets to make payments with respect to the related Portfolio Asset directly into the Collection Account and otherwise directing or depositing Collections into the Collection Account;

(ix) recording in the records for the Collateral any Tax and insurance escrows and payments and Distributions with respect to the Portfolio Asset to the extent such information is received by the Servicer;

(x) all payments made with respect to the Portfolio Assets; and

(xi) following the occurrence and during the continuance of any Event of Default, identifying Collections as Excluded Amounts and preparing statements with respect to Collections and segregating Collections, all as required by this Agreement.

(b) It is acknowledged and agreed that the Loan Parties possess only such rights with respect to the enforcement of rights and remedies with respect to the Portfolio Assets and under the Equity Investment Agreements as have been transferred to the applicable Loan Party with respect to the related Portfolio Asset, and therefore in all circumstances, the Loan Parties shall perform their duties hereunder only to the extent that they have the right to do so.

(c) Notwithstanding anything to the contrary contained herein, the exercise by the Administrative Agent and the Secured Parties of their rights hereunder shall not release the Servicer or the Loan Parties from any of their duties or responsibilities with respect to the Collateral. The Secured Parties and the Administrative Agent shall not have any obligation or liability with respect to any Collateral, nor shall any of them be obligated to perform any of the obligations of the Servicer or the Loan Parties hereunder.

(d) [Reserved.]

(e) The Servicer is not required to take any action under this Agreement or any other Transaction Document that, in its opinion or the opinion of its counsel, may expose the Servicer to liability or that is contrary to any Transaction Document or Applicable Law. The Servicer

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shall not be liable for any action taken or not taken by it under this Agreement or any other Transaction Document with the consent or at the request of the Co-Borrowers or the Majority Lenders (or all Lenders, as applicable and as set forth in Sections 6.01 and 11.01). In the event the Servicer requests the consent of a Lender pursuant to the foregoing provisions and the Servicer does not receive a consent (either positive or negative) from such Person within ten (10) Business Days of such Person's receipt of such request, then such Lender shall be deemed to have declined to consent to the relevant action. For all purposes of this Agreement and the other Transaction Documents, the Loan Parties and the Lenders, as the case may be, shall direct the Servicer and the Account Bank, as applicable, what lender consent is required for a particular amendment, waiver or consent.

(f) The Servicer shall not be liable for any action taken or omitted to be taken by it under or in connection with this Agreement or any of the other Transaction Documents in the absence of its own gross negligence or willful misconduct as determined in a final decision by a court of competent jurisdiction. Without limiting the foregoing, the Servicer (i) may consult with legal counsel (including counsel for the Co-Borrowers or the Servicer), independent public accountants and other experts selected by it and shall not be liable for any action taken or omitted to be taken in good faith by it in accordance with the advice of such counsel, accountants or experts, (ii) shall not be responsible for or have any duty to ascertain or inquire into (A) any statement, warranty or representation made in or in connection with this Agreement or any other Transaction Document, (B) the contents of any certificate, report or other document delivered hereunder or thereunder or in connection herewith or therewith, (C) except as otherwise expressly provided herein, the performance or observance by any party (other than the Servicer) of any of the covenants, agreements or other terms or conditions set forth herein or therein or the occurrence of any Event of Default or Potential Default, (D) the validity, enforceability, effectiveness or genuineness of this Agreement, any other Transaction Document or any other agreement, instrument or document or (E) the satisfaction of any condition set forth in Article III or elsewhere herein, other than to confirm receipt of items expressly required to be delivered to the Servicer (if any) and (iii) shall incur no liability under or in respect of this Agreement or any of the other Transaction Documents for relying on any notice (including notice by telephone), consent, certificate or other instrument or writing (which may be by facsimile) believed by it to be genuine and signed or sent by the proper party or parties.

SECTION 8.03 Authorization of the Servicer.

(a) The Loan Parties hereby authorize the Servicer (including any successor thereto) to take any and all reasonable steps in its name and on its behalf necessary or desirable in the determination of the Loan Parties and not inconsistent with the security interest of the Administrative Agent, for the benefit of the Secured Parties, in the Collateral, upon the occurrence and during the continuance of an Event of Default to collect all amounts due under the Collateral, in accordance with and subject to the terms hereof, including, to the extent the Servicer is permitted to do so, endorsing its name on checks and other instruments representing Collections, executing and delivering any and all instruments of satisfaction or cancellation, or of partial or full release or discharge, and all other comparable instruments, with respect to the Collateral and, after the delinquency of any Portfolio Asset, and to the extent permitted under and in compliance with Applicable Law, to commence proceedings with respect to enforcing

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payment thereof. The Loan Parties shall furnish the Servicer (and any successors thereto) with any powers of attorney and other documents, in each case effective only after the occurrence and during the continuance of an Event of Default, necessary or appropriate to enable the Servicer to carry out its servicing and administrative duties hereunder, and after the occurrence and during the continuance of an Event of Default shall cooperate with the Servicer to the fullest extent in order to facilitate the collectability of the Collateral. In no event shall the Servicer be entitled to make the Secured Parties, the Administrative Agent or any Lender a party to any litigation without such party's express prior written consent, or to make the Servicer a party to any litigation (other than any routine foreclosure or similar collection procedure) without the Administrative Agent's (at the direction of the Majority Lenders) consent. In the performance of its obligations hereunder, the Servicer shall not be obligated to take, or to refrain from taking, any action which any Lender requests that the Servicer take or refrain from taking to the extent that the Servicer determines in its reasonable and good faith judgment that such action or inaction (i) may cause a violation of Applicable Laws, regulations, codes, ordinances, court orders or restrictive covenants with respect to any Portfolio Asset, the Loan Parties or any Obligor, (ii) may cause a violation of any provision of this Agreement, a Fee Letter or a Required Portfolio Document or any other Transaction Document or (iii) may be a violation of the Servicing Standard.

(b) After the declaration of the Maturity Date and to the extent any Obligations remain unpaid, at the direction of the Majority Lenders, the Servicer shall take such action as the Majority Lenders may deem necessary or advisable to enforce collection of the Portfolio Assets; provided that the Servicer may, at any time that an Event of Default has occurred and is continuing, notify the Obligor, with respect to any Portfolio Asset of the assignment of such Portfolio Asset to the Servicer and direct that payments of all amounts due or to become due thereunder be made directly to the Administrative Agent or any servicer, collection agent or account designated by the Administrative Agent (acting at the direction of the Majority Lenders) and, upon such notification, after the occurrence and during the continuance of an Event of Default and at the expense of the Co-Borrowers, the Servicer (acting at the direction of the Majority Lenders) may enforce collection of any such Portfolio Asset, and adjust, settle or compromise the amount or payment thereof.

SECTION 8.04 Collection of Payments; Accounts.

(a) Without limiting Section 8.02, following the occurrence and during the continuance of an Event of Default, the Servicer will monitor all Collections deposited to the Collection Account and will monitor the administration of the Collection Account in accordance with this Agreement and the Account Control Agreement.

(b) Collection Account and Interest Reserve Account. Each of the parties hereto hereby agrees that (i) each of the Collection Account and the Interest Reserve Account is intended to be a "deposit account" or "securities account" within the meaning of the UCC and (ii) following the occurrence and during the continuance of an Event of Default, only the Administrative Agent, acting at the direction of the Servicer, shall be entitled to exercise the rights with respect to the Collection Account and the Interest Reserve Account and have the right to direct the disposition of funds in the Collection Account and the Interest Reserve

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Account in accordance with Section 2.09. Each Co-Borrower hereby agrees to use commercially reasonable efforts to cause the Account Bank to agree with the parties hereto that regardless of any provision in any other agreement, for purposes of the UCC, with respect to the Collection Account and the Interest Reserve Account, New York shall be deemed to be the Account Bank's jurisdiction (within the meaning of Section 9-304 of the UCC). If at any time a Responsible Person of a Loan Party obtains knowledge that the Collection Account and the Interest Reserve Account ceases to be maintained by a Qualified Institution (with written notice from the Administrative Borrower to the Administrative Agent and the Lenders), then each Loan Party shall transfer such account to another Qualified Institution; provided that notice of such transfer to another Qualified Institution shall be given by the Administrative Borrower to the Administrative Agent and the Lenders at least ninety (90) days prior to the transfer to such Qualified Institution.

(c) Adjustments. If a Loan Party makes a deposit into the Collection Account in respect of a Collection and such Collection was received in the form of a check that is not honored for any reason then the amount subsequently deposited into the Collection Account to reflect such dishonored check shall be adjusted. Any Scheduled Payment in respect of which a dishonored check is received shall be deemed not to have been paid.

SECTION 8.05 Realization Upon Portfolio Assets. For the avoidance of doubt and notwithstanding anything to the contrary in this Agreement, the Servicer shall only exercise rights to realize upon Portfolio Assets upon the occurrence and during the continuance of an Event of Default. Following the occurrence and during the continuance of an Event of Default, the Servicer will use reasonable efforts consistent with the Servicing Standard and the Equity Investment Agreement to exercise available remedies (which may include foreclosing upon or repossessing, as applicable, or otherwise comparably converting the ownership of any Portfolio Asset) relating to a defaulted Portfolio Asset as to which no satisfactory arrangements can be made for the collection of delinquent payments, and may, consistent with the Servicing Standard and exercising its reasonably good faith judgment to maximize value, hold for value, sell or transfer any equity or other securities shall have received in connection with a default, workout, restructuring or plan of reorganization with respect to such Portfolio Asset. The Servicer will comply with the Servicing Standard and Applicable Law in realizing upon such Portfolio Asset, and employ practices and procedures including commercially reasonable efforts consistent with the Servicing Standard to enforce all obligations of Obligors by foreclosing upon, repossessing and causing the sale of such Portfolio Asset at public or private sale in circumstances other than those described in the preceding sentence. Without limiting the generality of the foregoing, unless the Majority Lenders have specifically given instruction to the contrary, the Servicer may cause the sale of any such Portfolio Asset to the Servicer or its Affiliates for a purchase price equal to the then fair value thereof, any such sale to be evidenced by a certificate of a Responsible Person of the Servicer delivered to the Lenders setting forth the Portfolio Asset, the Portfolio Asset, the sale price of the Portfolio Asset and certifying that such sale price is the fair value of such Portfolio Asset. In any case in which any such Portfolio Asset has suffered damage, the Servicer will have no obligation to expend funds in connection with any repair or toward the foreclosure or repossession of such Portfolio Asset. The Servicer will remit to the Collection Account the recoveries received in connection with the sale or disposition of Portfolio Asset

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relating to a defaulted Portfolio Asset. Notwithstanding anything to the contrary herein, the Servicer shall not take any action with respect to the Portfolio Assets, nor shall it be required to take any actions, relating to any special servicing activities (it being understood and agreed that the Servicer shall determine whether any obligations or actions of the Servicer expressly set forth in this Agreement or the other Transaction Documents shall constitute special servicing activities), except to the extent (i) agreed to among the Co-Borrowers, the Lenders and the Servicer, pursuant to a separate fee letter agreement and (ii) the parties to such fee agreement agree to address any conflicts presented by such performance of special servicing activities reasonably requested by the Servicer with respect to any Portfolio Asset that is in default, if a Co-Borrower believes the exercise of remedies would maximize recoveries thereunder. Subject to the terms of the Equity Investment Agreement and the Servicing Standard, the Servicer will comply in all material respects with Applicable Law in exercising such remedies. Notwithstanding any of the foregoing, the Loan Parties shall not be obligated to breach any of their duties or responsibilities under any Equity Investment Agreement to comply with this Section 8.05.

SECTION 8.06 Servicing Compensation. As compensation for its Servicer activities hereunder, the Servicer shall be entitled to the Servicing Fees from the Co-Borrowers as set forth in the Servicer Fee Letter, payable pursuant to the extent of funds available therefor pursuant to the provisions of Section 2.09; provided that if such amounts are insufficient then Sections 8.10 and 11.07 shall be applicable. The Servicer's entitlement to receive the Servicing Fees shall cease on the earlier to occur of (i) its removal as Servicer as provided in Section 8.01(b), (ii) its resignation as Servicer as provided in Section 8.09 or (iii) the termination of this Agreement; provided that the Servicer shall be entitled to any fees accrued and payable up to such date to the extent not previously paid.

SECTION 8.07 Payment of Certain Expenses. The Loan Parties will be required to pay all reasonable and invoiced out-of-pocket fees and expenses owing to any bank or trust company in connection with the maintenance of the Collection Account. The Servicer shall be reimbursed for any such reasonable and invoiced out-of-pocket expenses incurred hereunder (including reasonable and invoiced out-of-pocket expenses paid by the Servicer on behalf of the Loan Parties), subject to the availability of funds pursuant to Section 2.09; provided that, to the extent funds are not available for such reimbursement, the Servicer shall be entitled to repayment of such expenses from the Loan Parties and if the Loan Parties fail to so reimburse the Servicer, the Servicer shall be entitled to be reimbursed by the Lenders (and each Lender hereby agrees to so reimburse the Servicer as provided herein) within ten (10) Business Days of receipt of an invoice therefor. In no event shall the Administrative Agent have any duty, obligation or liability for payment of any fees, expenses, indemnities or other amounts payable to the Servicer.

SECTION 8.08 Reports to the Administrative Agent Account Statements; Servicing Information.

(a) [Reserved].

(b) [Reserved].

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(c) Servicing Report. No later than three (3) Business Days prior to each Payment Date, the Servicer will provide to the Administrative Borrower and the Lenders a quarterly statement including (i) a summary prepared with respect to each Obligor and with respect to each Portfolio Asset for such Obligor prepared as of the most recent Determination Date and in a form determined by the initial Servicer hereunder (upon consultation with the Administrative Borrower) or in the form subsequently agreed to by any Replacement Servicer, the Administrative Borrower and the Majority Lenders (such quarterly statement, together with the items set forth in clauses (ii) and (iii) below, collectively, a “Servicing Report”), (ii) the aggregate Investment Value of all Eligible Portfolio Assets as of the Determination Date for such Reporting Date and (iii) the identification of any Excluded Amounts.

(d) Following the occurrence and during the continuance of a Potential Default or an Event of Default, Servicer may direct Administrative Agent to send instructions to the Account Bank to withdraw amounts and distribute such amounts pursuant to Section 2.09 hereof.

(e) [Reserved].

(f) Amendments to Portfolio Assets. To the extent delivered to the Servicer hereunder, the Servicer will deliver to the Lenders a copy of any amendment, restatement, supplement, waiver or other modification to the Equity Investment Agreement of any Eligible Portfolio Asset (along with any internal documents that are not privileged prepared by its investment committee in connection with such amendment, restatement, supplement, waiver or other modification) (i) with respect to any Material Investment Event, promptly and in any event within five (5) Business Days of request of the Majority Lenders thereof and (ii) with respect to any amendment, restatement, supplement, waiver or other modification which is not a Material Investment Event, within forty-five (45) days after the end of each quarter (in each case, to the extent received by the Servicer). The Servicer shall also deliver to the Lenders any notice or other correspondence that it receives hereunder or with respect to any Portfolio Asset, in each case, to the extent it deems such material in accordance with the Servicing Standard, promptly upon receipt thereof.

(g) Delivery Methods. Notwithstanding anything to the contrary contained herein, information required to be delivered or submitted to any Secured Party pursuant to this Agreement shall be deemed to have been delivered on the date upon which such information is received through e-mail.

SECTION 8.09 The Servicer Not to Resign. The Servicer shall not resign from the obligations and duties hereby imposed on it except (a) upon the Servicer’s determination that (i) the performance of its duties hereunder is or becomes impermissible under Applicable Law and (ii) there is no reasonable action that the Servicer could take to make the performance of its duties hereunder permissible under Applicable Law, (b) (I) Massachusetts Mutual Life Insurance Company, as initial Servicer and (II) Barings Finance LLC, as Servicer hereunder, may resign as Servicer upon prior notice to the other parties hereto upon the selection of a Replacement Servicer or (c) upon at least sixty (60) days’ prior notice to the other parties hereto. If no successor Servicer shall have been appointed and an instrument

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of acceptance by a successor Servicer shall not have been delivered to the Servicer within thirty (30) days after the giving of such notice of resignation, the resigning Servicer may petition any court of competent jurisdiction for the appointment of a successor Servicer. No such resignation shall become effective until a Replacement Servicer shall have assumed the responsibilities and obligations of the Servicer in accordance with Section 8.02. Any Fees then due and owing to the Servicer and accrued through such date, including any expenses or indemnities it is entitled to pursuant to the provisions of this Agreement and any Fee Letter, shall be due and payable on such discharge date and shall be paid in accordance with Section 2.09 and if such amounts are insufficient to pay such amounts then due and owing, shall be paid by the Co-Borrowers (or the Lenders if the Co-Borrowers fail to so pay such amounts) within ten (10) Business Days of receipt of an invoice therefor.

SECTION 8.10 Indemnification of the Servicer. Each Lender agrees to indemnify the Servicer from and against any and all liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements of any kind or nature whatsoever which may be imposed on, incurred by, or asserted against the Servicer in any way relating to or arising out of this Agreement or any of the other Transaction Documents, or any action taken or omitted by the Servicer hereunder or thereunder; provided that (a) the Lenders shall not be liable for any portion of such liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements resulting from the Servicer's gross negligence or willful misconduct as determined in a final decision by a court of competent jurisdiction and (b) no action taken in accordance with the directions of the Majority Lenders, Lenders or the Co-Borrowers shall be deemed to constitute gross negligence or willful misconduct for purposes of this Article VIII. Without limitation of the foregoing, each Lender agrees to reimburse the Servicer, promptly upon demand, for any Fees due to it hereunder, out-of-pocket expenses (including counsel fees) incurred by the Servicer in connection with the administration, modification, amendment or enforcement (whether through negotiations, legal proceedings or otherwise) of, or legal advice in respect of rights or responsibilities under, this Agreement and the other Transaction Documents, to the extent that such expenses are incurred in the interests of or otherwise in respect of the Servicer or Lenders hereunder or thereunder and to the extent that the Servicer is not reimbursed for such expenses by the Co-Borrowers under Section 2.09.

SECTION 8.11 Rights as a Lender. The Person serving as the Servicer hereunder shall have the same rights and powers in its capacity as a Lender as any other Lender and may exercise the same as though it were not the Servicer, and the term "Lender" or "Lenders" shall, unless otherwise expressly indicated or unless the context otherwise requires, include the Person serving as the Servicer hereunder in its individual capacity. Such Person and its Affiliates may accept deposits from, lend money to, own securities of, act as the financial advisor or in any other advisory capacity for, and generally engage in any kind of business with, the Co-Borrowers, Holdings or any Subsidiary or other Affiliate thereof as if such Person were not the Servicer hereunder and without any duty to account therefor to the Lenders.

ARTICLE IX.
[RESERVED].

ARTICLE X.
INDEMNIFICATION

SECTION 10.01 Indemnities by the Co-Borrowers and Holdings.

(a) Without limiting any other rights which the Secured Parties or any of their respective Affiliates may have hereunder or under Applicable Law, each of Holdings and, jointly and severally, the Co-Borrowers, shall indemnify the Secured Parties and each of their respective Affiliates, assigns, officers, directors, employees and agents (each, an “Indemnified Party” for purposes of this Article X) and hold each Indemnified Party harmless from and against any and all damages, losses, claims, liabilities and related costs and expenses, including reasonable and documented out-of-pocket attorneys’ fees and disbursements and court costs (all of the foregoing being collectively referred to as “Indemnified Amounts”), incurred by or asserted against such Indemnified Party arising out of or as a result of (i) this Agreement or the other Transaction Documents or in respect of any of the Collateral, (ii) any Advance or the use or proposed use of the proceeds therefrom, (iii) any actual or prospective claim, litigation, investigation or proceeding relating to any of the foregoing, whether based on contract, tort or any other theory, whether brought by a third party, by Holdings or the Co-Borrowers or by any other Person, and regardless of whether any Indemnified Party is a party thereto, or (iv) any action, claim or suit brought by an Indemnified Party to enforce its right to indemnification hereunder, provided, however, with respect to any Indemnified Party, such indemnification shall not be available (A) to the extent that such Indemnified Amounts arise out of or result from (x) disputes among Indemnified Parties (other than disputes involving claims against the Administrative Agent in its capacity as such) or (y) the gross negligence, bad faith or willful misconduct on the part of such Indemnified Party as determined in a final and non-appealable judgement of a court of competent jurisdiction or (z) a claim brought by Holdings or the Co-Borrowers against such Indemnified Party (other than the Administrative Agent and its respective Affiliates, assigns, officers, directors, employees and agents) for material breach of such Indemnified Party’s (other than the Administrative Agent’s and its respective Affiliates, assigns, officers, directors, employees and agents) express obligations hereunder (including, for the avoidance of doubt, any failure by such Indemnified Party (other than the Administrative Agent and its respective Affiliates, assigns, officers, directors, employees and agents) to comply with its obligation to fund any portion of its Advances as required hereby) or under any other Transaction Document, if Holdings or the Co-Borrowers, as applicable, have obtained a final, non-appealable judgment of a court of competent jurisdiction in its favor on such claim or (B) with respect to any settlement relating to any Indemnified Amounts that is entered into by such Indemnified Party (other than the Administrative Agent and its respective Affiliates, assigns, officers, directors, employees and agents) without the prior written consent of Holdings or the Co-Borrowers, as applicable, which consent shall not be unreasonably withheld, conditioned or delayed. This Section 10.01(a) shall not apply with respect to Taxes other than any Taxes that represent losses, claims, damages, etc. arising from any non-Tax claim. The obligations of Holdings, on the one

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hand, and the Co-Borrowers, on the other, to make payments pursuant to this Section 10.01 are several and not joint.

(b) Other than as expressly set forth in Section 10.01(a), any amounts subject to the indemnification provisions of this Section 10.01 shall be paid by Holdings or the Co-Borrowers to the applicable Indemnified Party within thirty (30) days following receipt by the Co-Borrowers of such Indemnified Party's written demand therefor. Any Indemnified Party making a request for indemnification under this Section 10.01 shall submit to the Administrative Borrower a notice setting forth in reasonable detail the basis for and the computations of the Indemnified Amounts with respect to which such indemnification is requested, which notice shall be conclusive absent demonstrable error.

(c) [Reserved].

(d) If Holdings or a Co-Borrower has made any payments in respect of Indemnified Amounts to an Indemnified Party pursuant to this Section 10.01 and such Indemnified Party thereafter collects any of such amounts from others, such Indemnified Party will promptly repay such amounts collected to Holdings or such Co-Borrower in an amount equal to the amount it has collected from others in respect of such Indemnified Amounts, without interest.

(e) The obligations of Holdings and the Co-Borrowers under this Section 10.01 shall survive the resignation or removal of the Administrative Agent or the Servicer or the termination or assignment of this Agreement.

(f) The procedures for making claims for indemnification set forth in this Section 10.01 shall not apply to any claim for indemnification of any attorneys' fees, costs and expenses incurred by an Indemnified Party in connection with any enforcement (including by means of any action, claim or suit) by an Indemnified Party of any indemnification or other obligation of Holdings and the Co-Borrowers, and the Indemnified Party shall only be required to make a request for payment.

ARTICLE XI. MISCELLANEOUS

SECTION 11.01 Amendments and Waivers.

(a) Except as set forth herein, (i) no amendment or modification of any provision of this Agreement or any other Transaction Document shall be effective without the written agreement of Holdings, the Co-Borrowers and the Majority Lenders and, solely if such amendment or modification would affect the rights or obligations of the Administrative Agent or the Servicer, the written agreement of the Administrative Agent or the Servicer, as applicable, and (ii) no termination or waiver of any provision of this Agreement or any other Transaction Document or consent to any departure therefrom by Holdings, the Co-Borrowers or the Servicer shall be effective without the written consent of the Majority Lenders. Any waiver or consent shall be effective only in the specific instance and for the specific purpose for which given.

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Notwithstanding the foregoing, with respect to any amendment, waiver or modification to which the Administrative Agent's consent is not required, the parties agree to deliver to the Administrative Agent a copy of each such amendment, waiver or modification; provided that, (i) no party shall be liable for its failure to comply with this sentence and (ii) the Administrative Agent shall not be bound by any such amendment unless and until it has received a copy thereof.

(b) Notwithstanding the provisions of Section 11.01(a), the written consent of all of the Lenders affected thereby shall be required for any amendment, modification or waiver (i) reducing (without payment thereon) the principal amount due and owing under any outstanding Advance or the interest thereon, (ii) postponing any date for any payment of any Advance or the interest thereon, (iii) modifying the provisions of this Section 11.01 or the definition of Majority Lenders or changing any other provision specifying the number or percentage of Lenders required to amend, waive or otherwise modify any rights or make any determination or grant any consent, (iv) extending the Maturity Date, (v) of any provision of Section 2.09, (vi) extending or increasing any Commitment of any Lender, (vii) changing Section 11.15 in a manner that would alter the pro rata sharing of payments required thereby without the written consent of each Lender directly and adversely affected thereby, (viii) waive any condition set forth in Section 3.01 or (ix) to consent to a Co-Borrower's assignment or transfer of its rights and obligations under this Agreement or any other Transaction Document or release all or substantially all of the Collateral except as expressly authorized in this Agreement.

(c) Notwithstanding anything herein to the contrary, no Defaulting Lender shall have any right to approve or disapprove any amendment, waiver or consent hereunder, and any amendment, waiver or consent that by its terms requires the consent of all the Lenders or each affected Lender may be effected with the consent of the applicable Lenders other than Defaulting Lenders, except that (x) the Commitment of any Defaulting Lender may not be increased or extended, or the maturity of any of its Advances may not be extended, the rate of interest on any of its Advances may not be reduced and the principal amount of any of its Advances may not be forgiven, in each case without the consent of such Defaulting Lender and (y) any amendment, waiver or consent requiring the consent of all the Lenders or each affected Lender that by its terms affects any Defaulting Lender more adversely than the other affected Lenders shall require the consent of such Defaulting Lender.

SECTION 11.02 Notices, Etc. All notices and other communications hereunder shall, unless otherwise stated herein, be in writing (which shall include facsimile communication and communication by e-mail) and faxed, e-mailed or delivered, to each party hereto, at its address set forth on Schedule IV or at such other address as shall be designated by such party in a written notice to the other parties hereto. Notices and communications by facsimile and e-mail shall be effective when sent during business hours on a Business Day, and notices and communications sent by other means shall be effective when received.

SECTION 11.03 No Waiver Remedies. No failure on the part of the Administrative Agent or any Lender to exercise, and no delay in exercising, any right hereunder shall operate as a waiver thereof; nor shall any single or partial exercise of any right hereunder

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preclude any other or further exercise thereof or the exercise of any other right. The remedies herein provided are cumulative and not exclusive of any remedies provided by law.

SECTION 11.04 Binding Effect; Assignability; Multiple Lenders.

(a) This Agreement shall be binding upon and inure to the benefit of Holdings, the Co-Borrowers, the Administrative Agent, each Lender, the Servicer and their respective successors and permitted assigns. Each Lender and their respective successors and assigns may assign, or grant a security interest in, (i) this Agreement and such Lender's rights and obligations hereunder and interest herein in whole or in part or (ii) any Advance (or portion thereof) or any Revolving Loan Note (or any portion thereof), in each case, to any Eligible Assignee; provided that unless and until an Event of Default pursuant to Section 6.01(a) or Section 6.01(d) has occurred and is continuing, the consent of the Administrative Borrower (such consent not to be unreasonably withheld) shall be required for a Lender to assign to any Person that is not an Eligible Assignee. Notwithstanding the foregoing, in no event shall a Lender (or its successors or assigns) transfer or assign, or grant a security interest in, its rights under clauses (i) or (ii) above to any Person that is a Disqualified Lender, including, for the avoidance of doubt, upon the occurrence or continuation of an Event of Default in respect of a Co-Borrower. Any such assignee shall execute and deliver to the Servicer, the Administrative Borrower and the Administrative Agent a fully-executed Assignment and Assumption Agreement (which shall include a certification that such assignee is an Eligible Assignee (or has otherwise received the consent of the Administrative Borrower)) and the Administrative Agent shall have received payment of an assignment fee in the amount of \$3,500, unless waived or reduced by the Administrative Agent. In addition to the delivery of the Assignment and Assumption Agreement and the processing and recordation fee, to the extent the assignee is not then currently a Lender hereunder, the assignee shall deliver to the Administrative Agent all documentation and other information reasonably determined by the Administrative Agent to be required by applicable regulatory authorities under applicable "know your customer" and Anti-Money Laundering Law. Upon delivery of the duly-executed Assignment and Assumption Agreement, processing fee and any "know your customer" information requested by the Administrative Agent, the Administrative Agent shall accept such Assignment and Assumption Agreement and record the information contained therein in the Register. No assignment shall be effective for purposes of this Agreement unless and until it has been recorded in the Register as provided in this Section. Upon the recordation in the Register, (i) the assignee shall become and thereafter be deemed to be a "Lender" for the purposes of this Agreement, (ii) the assignor shall be released from its obligations hereunder to the extent that its interest has been assigned, (iii) in the event that the assignor's entire interest has been assigned, the assignor shall cease to be and thereafter shall no longer be deemed to be a "Lender". Neither the Co-Borrowers nor the Servicer may assign, or permit any Lien to exist upon, any of its rights or obligations hereunder or under any Transaction Document or any interest herein or in any Transaction Document without the prior written consent of the Lenders unless otherwise contemplated hereby. Each Lender may sell a participation in its interests hereunder as provided in Section 11.04(d). No assignment or sale of a participation under this Section 11.04 shall be effective unless and until properly recorded in the Register or Participant Register, as applicable, pursuant to Section 2.03. Any attempted assignment, transfer or grant of security interest by any Lender in violation of this Section 11.04 shall be null and void *ab initio*.

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(b) Notwithstanding any other provision of this Section 11.04, any Lender may at any time pledge or grant a security interest in all or any portion of its rights (including rights to payment of principal and interest) under this Agreement to secure obligations of such Lender to a Federal Reserve Bank, without notice to or consent of the Co-Borrowers or the Administrative Agent; provided that no such pledge or grant of a security interest shall release such Lender from any of its obligations hereunder or under any Transaction Document, or substitute any such pledgee or grantee for such Lender as a party hereto or to any Transaction Document, as the case may be.

(c) Each Indemnified Party shall be an express third party beneficiary of this Agreement.

(d) Any Lender may at any time, without the consent of, or notice to, the Co-Borrowers or without the consent of, but with notice to, the Administrative Agent, sell participations to any Person (other than a natural Person, or a holding company, investment vehicle or trust for, or owned and operated for the primary benefit of, a natural Person, or the Co-Borrowers or any of the Co-Borrowers' respective Affiliates (each, a "Participant")) in all or a portion of such Lender's rights or obligations under this Agreement (including all or a portion of its Commitment or the Advances owing to it); provided that (i) such Lender's obligations under this Agreement shall remain unchanged, (ii) such Lender shall remain solely responsible to the other parties hereto for the performance of such obligations, (iii) the Co-Borrowers, the Administrative Agent and Lenders shall continue to deal solely and directly with such Lender in connection with such Lender's rights and obligations under this Agreement and (iv) such Lender shall register such participation in its Participant Register pursuant to Section 2.03(c). Any agreement or instrument pursuant to which a Lender sells such a participation shall provide that such Lender shall retain the sole right to enforce this Agreement and to approve any amendment, modification or waiver of any provision of this Agreement; provided that such agreement or instrument may provide that such Lender will not, without the consent of the Participant, agree to any amendment, modification or waiver described in Section 11.01(b) that affects such Participant. The Co-Borrowers agree that each Participant shall be entitled to the benefits of Section 2.13 (subject to the requirements and limitations therein, including the requirements under Section 2.13(e) and (f) (it being understood that the documentation required under Section 2.13(e) and (f) shall be delivered to the participating Lender)) to the same extent as if it were a Lender and had acquired its interest by assignment; provided that such Participant (A) agrees to be subject to the provisions of Section 2.15(a) as if it were an assignee under paragraph (b) of this Section; and (B) shall not be entitled to receive any greater payment under Sections 2.12 or 2.13, with respect to any participation, than its participating Lender would have been entitled to receive, except to the extent such entitlement to receive a greater payment results from a Change in Law that occurs after the Participant acquired the applicable participation.

SECTION 11.05 Term of This Agreement. This Agreement, including the Co-Borrowers' representations and covenants set forth in Articles IV and V, Holdings' representations and covenants set forth in Articles IV and V, and the Servicer's representations, covenants and duties set forth in Articles IV, V and VIII shall remain in full force and effect until this Agreement has been terminated by the Co-Borrowers and the

Facility Termination Date has occurred; provided that any representation made or deemed made hereunder survives the execution and delivery hereof and the provisions of Section 2.07(c), 2.13, Section 7.07, Section 8.10, Section 11.06, Section 11.07, Section 11.08, Section 11.11 and Article X shall be continuing and shall survive any termination of this Agreement and the resignation or removal of the Administrative Agent.

SECTION 11.06 GOVERNING LAW; JURY WAIVER. THIS AGREEMENT IS GOVERNED BY THE LAWS OF THE STATE OF NEW YORK. EACH OF THE PARTIES HERETO WAIVES, TO THE FULLEST EXTENT PERMITTED BY LAW, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY LITIGATION ARISING DIRECTLY OR INDIRECTLY OUT OF, UNDER OR IN CONNECTION WITH THIS AGREEMENT, THE TRANSACTION DOCUMENTS OR ANY OF THE TRANSACTIONS CONTEMPLATED HEREUNDER OR THEREUNDER.

SECTION 11.07 Costs, Expenses and Taxes.

(a) In addition to the rights of indemnification hereunder, the Co-Borrowers shall, jointly and severally, pay on demand (i) all costs and expenses of the Administrative Agent, the Servicer and the Lenders incurred in connection with the pre-closing due diligence, preparation, execution, delivery, administration, syndication, renewal, amendment or modification of, any waiver or consent issued in connection with, this Agreement, the Transaction Documents and the other documents required to be delivered hereunder or thereunder or in connection herewith or therewith, including the reasonable fees, disbursements and other charges of rating agency, reasonable and invoiced accounting costs and fees and the reasonable and invoiced out-of-pocket fees and expenses of (A) counsel for the Administrative Agent with respect thereto, (B) counsel for the Servicer with respect thereto (C) a single counsel to the Lenders with respect thereto and (D) local counsel for the Administrative Agent, Servicer and the Lenders, as reasonably necessary in any relevant jurisdiction (and solely in the case of actual or bona fide perceived conflict of interest, one additional counsel in each relevant jurisdiction), in each case, with respect to advising the Administrative Agent, the Lenders and the Servicer as to their respective rights and remedies under this Agreement, the Transaction Documents and the other documents required to be delivered hereunder or thereunder or in connection herewith or therewith and (ii) all costs and expenses, if any (including reasonable and invoiced out-of-pocket counsel fees and expenses of each counsel), incurred by the Administrative Agent, the Lenders or the Servicer in connection with the enforcement or potential enforcement of its respective rights under this Agreement or any other Transaction Document and the other documents required to be delivered hereunder or thereunder or in connection herewith or therewith or in connection with the Advances made hereunder, including all such expenses incurred during any workout, restructuring or negotiations in respect thereof (including reasonable and invoiced out-of-pocket counsel fees and expenses of each counsel); provided that absent an Event of Default, after the Closing Date the aggregate costs and expenses of Massachusetts Mutual Life Insurance Company and Barings Finance LLC (in ~~its~~their capacity as Lender, Servicer or otherwise) and the Lenders that are payable by the Co-Borrowers under the Transaction Documents, solely with respect to any amendments initiated by Massachusetts Mutual Life Insurance Company or Barings Finance LLC, shall not exceed ~~\$50,000~~75,000 per year.

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(b) The Co-Borrowers shall pay promptly in accordance with Applicable Law any and all present or future stamp, court or documentary, intangible, recording, filing or similar Taxes payable or determined to be payable to any Governmental Authority that arise from any payment made under, the execution, delivery, performance, enforcement or registration of, from receipt or perfection of a security interest under, filing and recording of this Agreement, or any other Transaction Documents, or otherwise in connection with this Agreement or any other Transaction Document, except any such Taxes or fees that are imposed as the result of any other present or former connection between any Indemnified Party and the jurisdiction imposing such Tax (other than connections arising from such Person having executed, delivered, become a party to, performed its obligations under, received payments under, received or perfected a security interest under, engaged in any other transaction pursuant to or enforced any Transaction Document, or sold or assigned an interest in any loan made pursuant to this Agreement) with respect to an assignment other than an assignment made pursuant to Section 2.15(b) (“Other Taxes”).

SECTION 11.08 Recourse Against Certain Parties; Non-Petition.

(a) No recourse under or with respect to any obligation, covenant or agreement (including the payment of any fees or any other obligations) of the Servicer, Co-Borrowers, Holdings, the Administrative Agent, Barings LLC, the Lenders or any Secured Party as contained in this Agreement or any other agreement, instrument or document entered into by the Servicer, Co-Borrowers, Holdings, the Administrative Agent, Barings LLC, the Lenders or any Secured Party pursuant hereto or in connection herewith shall be had against the Servicer, Co-Borrowers (other than with respect to fraud), Holdings, the Administrative Agent, Barings LLC, the Lenders or any Secured Party or any incorporator, affiliate, stockholder, officer, employee or director of the Servicer, Borrower, Holdings, the Administrative Agent, Barings LLC, the Lenders or any Secured Party, as such, by the enforcement of any assessment or by any legal or equitable proceeding, by virtue of any statute or otherwise; it being expressly agreed and understood that the agreements of each party hereto contained in this Agreement and all of the other agreements, instruments and documents entered into by the Servicer, Borrower, Holdings, the Administrative Agent, Barings LLC, the Lenders or any Secured Party pursuant hereto or in connection herewith are, in each case, solely the corporate obligations of such party (and nothing in this Section 11.08 shall be construed to diminish in any way such corporate obligations of such party), and that no personal liability whatsoever shall attach to or be incurred by the Servicer, Borrower, Holdings, the Administrative Agent, Barings LLC, the Lenders or any Secured Party or any incorporator, stockholder, affiliate, officer, employee or director of the Lenders, the Servicer, Borrower, Holdings, Barings LLC or the Administrative Agent, as such, or any of them, under or by reason of any of the obligations, covenants or agreements of the Servicer, Borrower, Holdings, the Administrative Agent, Barings LLC, the Lenders or any Secured Party contained in this Agreement or in any other such instruments, documents or agreements, or are implied therefrom, and that any and all personal liability of each of the Servicer, Borrower, Holdings, the Administrative Agent, Barings LLC, the Lenders or any Secured Party and each incorporator, stockholder, affiliate, officer, employee or director of the Servicer, Borrower, Holdings, the Administrative Agent, Barings LLC, the Lenders or any Secured Party, or any of them, for breaches by the Servicer, Borrower, Holdings, the

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Administrative Agent, [Barings LLC](#), the Lenders or any Secured Party of any such obligations, covenants or agreements, which liability may arise either at common law or in equity, by statute or constitution, or otherwise, is hereby expressly waived as a condition of and in consideration for the execution of this Agreement.

(b) Notwithstanding any contrary provision set forth herein, no claim may be made by any party hereto against any party hereto or their respective Affiliates, directors, officers, employees, attorneys or agents for any special, indirect, consequential or punitive damages in respect to any claim for breach of contract or any other theory of liability arising out of or related to the transactions contemplated by this Agreement, or any act, omission or event occurring in connection therewith; and each party hereto hereby waives, releases, and agrees not to sue upon any claim for any such damages, whether or not accrued and whether or not known or suspected.

(c) No obligation or liability to any Obligor under any of the Portfolio Assets is intended to be assumed by the Servicer, the Administrative Agent, the Lenders or any Secured Party under or as a result of this Agreement and the transactions contemplated hereby.

(d) Each of the parties hereto hereby agrees that it will not institute against, or join any other Person in instituting against, the Co-Borrowers any bankruptcy or insolvency proceeding so long as there shall not have elapsed one (1) year and one (1) day (or such longer preference period as shall then be in effect) since the Facility Termination Date unless the Majority Lenders otherwise consent to any such action.

(e) The provisions of this [Section 11.08](#) survive the termination of this Agreement.

SECTION 11.09 Execution in Counterparts; Severability; Integration. This Agreement may be executed in any number of counterparts and by different parties hereto in separate counterparts, each of which when so executed shall be deemed to be an original and all of which when taken together shall constitute one and the same agreement. Delivery of an executed counterpart of a signature page to this Agreement by e-mail in portable document format (.pdf) or facsimile shall be effective as delivery of a manually executed counterpart of this Agreement. In the event that any provision in or obligation under this Agreement shall be invalid, illegal or unenforceable in any jurisdiction, the validity, legality and enforceability of the remaining provisions or obligations, or of such provision or obligation in any other jurisdiction, shall not in any way be affected or impaired thereby. This Agreement and any agreements or letters (including Fee Letters) executed in connection herewith contains the final and complete integration of all prior expressions by the parties hereto with respect to the subject matter hereof and shall constitute the entire agreement among the parties hereto with respect to the subject matter hereof, superseding all prior oral or written understandings.

SECTION 11.10 Consent to Jurisdiction; Service of Process.

(a) Each party hereto hereby irrevocably submits to the exclusive jurisdiction of any New York State or Federal court sitting in New York City in any action or proceeding arising out of or relating to the Transaction Documents, and each party hereto hereby irrevocably agrees that all claims in respect of such action or proceeding may be heard and determined in such New

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York State court or, to the extent permitted by law, in such Federal court. The parties hereto hereby irrevocably waive, to the fullest extent they may effectively do so, the defense of an inconvenient forum to the maintenance of such action or proceeding. The parties hereto agree 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.

(b) Each Co-Borrower and the Servicer agree that service of process may be effected by mailing a copy thereof by registered or certified mail, postage prepaid, to the Administrative Borrower or the Servicer, as applicable, at its address specified in [Section 11.02](#) or at such other address as the Administrative Agent shall have been notified in accordance herewith. Nothing in this [Section 11.10](#) shall affect the right of the Lenders or the Administrative Agent to serve legal process in any other manner permitted by law.

SECTION 11.11 Confidentiality.

(a) Each of the Administrative Agent, the Lenders and the Servicer (severally and not jointly) shall maintain and shall cause each of its employees and officers to maintain the confidentiality of all Information (as defined below), including all Information regarding the business of the Co-Borrowers and the Servicer and their respective businesses obtained by it or them in connection with the structuring, negotiating and execution of the transactions contemplated herein, except that Information may be disclosed (i) to its Affiliates, managed accounts and its and its Affiliates', managed accounts', limited partners', directors, officers, employees, partners, funding sources, and other advisors, accountants, investigators, auditors, attorneys or other agents, including any rating agency or valuation firm engaged by such party in connection with any due diligence or comparable activities with respect to the transactions and Portfolio Assets contemplated herein, and the agents of such Persons, taxing authorities and governmental agencies, in each case, to the extent reasonably necessary in connection with their work with respect to this Agreement ("Excepted Persons"); provided that each Excepted Person is informed of the confidential nature of such Information and instructed to keep such Information confidential, (ii) as is required by Applicable Law, (iii) in accordance with the Servicing Standard, (iv) when required by any law, regulation, ordinance, court order or subpoena, (v) to the extent the Servicer is disseminating general statistical information relating to the assets being serviced by the Servicer (including the Portfolio Assets) hereunder so long as the Servicer does not identify the Co-Borrowers, any Lender or the Obligor or (vi) in connection with the exercise of any remedies hereunder or under any other Transaction Document or any action or proceeding relating to this Agreement or any other Transaction Document or the enforcement of rights hereunder or thereunder.

(b) Anything herein to the contrary notwithstanding, the Co-Borrowers hereby consent to the disclosure of any Information with respect to it (i) to the Administrative Agent, the Lenders or the Servicer by each other, (ii) by the Administrative Agent, the Lenders and the Servicer to any prospective or actual assignee or participant of any of them that would be permitted under the terms hereof provided such Person agrees to hold such information confidential or (iii) by the Administrative Agent, the Lenders and the Servicer to any rating agency, commercial paper dealer or provider of a surety, guaranty or credit or liquidity enhancement to any Lender or any Person providing financing to, or holding Equity Interests in,

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any Lender, as applicable, and to any officers, directors, employees, outside accountants and attorneys of any of the foregoing, provided each such Person is informed of and agrees to maintain the confidential nature of such information. In addition, the Lenders and the Administrative Agent may disclose any such Information as required pursuant to any law, rule, regulation, direction, request or order of any judicial, administrative or regulatory authority or proceedings (whether or not having the force or effect of law).

(c) Notwithstanding anything herein to the contrary, the foregoing shall not be construed to prohibit (i) disclosure of any and all Information that is or becomes publicly known other than as a result of a breach of this Section, (ii) disclosure of any and all Information (A) if required to do so by any applicable statute, law, rule or regulation, (B) to any government agency, the NAIC or regulatory body having or claiming authority to regulate or oversee any aspects of the Lenders', the Administrative Agent's or the Servicer's business or that of their Affiliates, or self-regulatory authority having or asserting jurisdiction over such Person (including, without limitation, any Governmental Authority regulating any Lender or its Affiliates and in connection with filings, submissions and any other similar documentation required or customary to comply with SEC filing requirements applicable to such Lender), (C) pursuant to any subpoena, civil investigative demand or similar demand or request of any court, regulatory authority, arbitrator or arbitration to which the Administrative Agent, any Lender or the Servicer or an officer, director, employer, shareholder or affiliate of any of the foregoing is a party or (D) in any preliminary or final offering circular, registration statement or contract or other document approved in advance by the Administrative Borrower, (iii) any other disclosure authorized by the Administrative Borrower, ~~or~~ (iv) disclosure to any rating agency when required by it (it being understood that, prior to any such disclosure, such rating agency shall undertake to preserve the confidentiality of any Information relating to the Co-Borrowers and their Subsidiaries received by it from such Lender) or to the CUSIP Service Bureau or any similar organization, (v) disclosure of any and all Information that becomes available to the Administrative Agent, any Lender or the Servicer on a nonconfidential basis from a source other than the Co-Borrowers who did not acquire such information as a result of a breach of this Section 11.11 or (vi) on the advice of counsel and with prior notice, to the extent reasonably practicable, to the Co-Borrowers so as to afford the Co-Borrowers the opportunity to seek a protective order or other remedy aimed at protecting the confidentiality of the Information, disclosure for purposes of establishing a "due diligence" defense.

(d) The parties hereto may disclose the existence of the Agreement, but not the financial terms hereof, including all fees and other pricing terms, all Events of Default, and priority of payment provisions, in each case except in compliance with this Section 11.11. Notwithstanding anything to the contrary in this Section 11.11, the Co-Borrowers, Holdings and any of their respective Affiliates may make any public disclosures of or about this Agreement or the other Transaction Documents, including without limitation any publicly filed copies or descriptions of this Agreement or the other Transaction Documents, which may disclose, among other things, fees and pricing terms and other financial terms hereof or thereof, in each case, to the extent required by Applicable Law. "Information" means any and all non-public information received or obtained from the Co-Borrowers or any of their Affiliates or agents, relating to the Co-Borrowers, Holdings, their Affiliates or businesses, including without limitation, data, evaluations, reports, analyses, methodologies, proprietary "know-how", financial information or

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any other information. The term "Information" shall not include information that (i) is or becomes available in the public domain other than through a material breach of this Agreement by the Administrative Agent, Servicer, Lenders or any of their Affiliates, (ii) is already known or available on a non-confidential basis to the Administrative Agent, the Servicer, Lenders or any of their Affiliates or agents or in any of their possession before such party receives the information from the Co-Borrowers or any of their Affiliates or agents on a non-confidential basis, (iii) is independently developed or acquired by the Administrative Agent, Servicer, Lenders or any of their Affiliates without using the Information, and (iv) is unrelated to this Agreement and rightfully obtained by the Administrative Agent, Servicer, Lenders or any of their Affiliates or agents from a third party not to each such party's actual knowledge under any obligation of confidentiality to the Co-Borrowers or any of their Affiliates or agents. Any Person required to maintain the confidentiality of Information as provided in this Section 11.11 shall be considered to have complied with its obligation to do so if such Person has exercised the same degree of care to maintain the confidentiality of such Information as such Person would accord to its own confidential information. Each of the Servicer and the Lenders acknowledges that (a) the Information may include material non-public information concerning the Co-Borrowers, Holdings or their Subsidiaries, as the case may be, (b) it has developed compliance procedures regarding the use of material non-public information and (c) it will handle such material non-public information in accordance with Applicable Law, including United States Federal and state securities Laws.

SECTION 11.12 Non-Confidentiality of Tax Treatment. All parties hereto agree that each of them and each of their employees, representatives, and other agents may disclose to any and all Persons, without limitation of any kind, the tax treatment and tax structure of the transaction and all materials of any kind (including opinions or other tax analyses) that are provided to any of them relating to such tax treatment and tax structure. "Tax treatment" and "tax structure" shall have the same meaning as such terms have for purposes of Treasury Regulation Section 1.6011-4; provided that with respect to any document or similar item that in either case contains information concerning the tax treatment or tax structure of the transaction as well as other information, the provisions of this Section 11.12 shall only apply to such portions of the document or similar item that relate to the tax treatment or tax structure of the transactions contemplated hereby.

SECTION 11.13 Waiver of Set Off. If an Event of Default has occurred and is continuing, the Administrative Agent, each Lender and each of its Affiliates is hereby authorized at any time and from time to time, to the fullest extent permitted by Applicable Law, to set off and apply any and all deposits (general or special, time or demand, provisional or final, in whatever currency) at any time held, and other obligations (in whatever currency) at any time owing, by the Administrative Agent, such Lender or any such Affiliate, to or for the credit or the account of the Co-Borrowers against any and all of the Obligations, irrespective of whether or not such the Administrative Agent or Lender or Affiliate shall have made any demand under this Agreement or any other Transaction Document and although such Obligations may be contingent or unmatured or are owed to a branch office or Affiliate of the Administrative Agent or such Lender different from the branch office or Affiliate holding such deposit or obligated on such Indebtedness. Each Lender shall notify the Administrative Borrower and the Administrative Agent promptly

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after any such setoff and application; provided that the failure to give such notice shall not affect the validity of such setoff and application and provided, further, that in the event that any Defaulting Lender shall exercise any such right of setoff, (x) all amounts so set off shall be paid over immediately to the Administrative Agent for further application in accordance with the provisions of Section 2.16 and, pending such payment, shall be segregated by such Defaulting Lender from its other funds and deemed held in trust for the benefit of the Administrative Agent and the Lenders, and (y) the Defaulting Lender shall provide promptly to the Administrative Agent a statement describing in reasonable detail the Obligations owing to such Defaulting Lender as to which it exercised such right of setoff.

SECTION 11.14 Headings, Schedules and Exhibits. The headings herein are for purposes of references only and shall not otherwise affect the meaning or interpretation of any provision hereof. The schedules and exhibits attached hereto and referred to herein shall constitute a part of this Agreement and are incorporated into this Agreement for all purposes.

SECTION 11.15 Ratable Payments. If any Lender, whether by setoff or otherwise, shall obtain any payment (whether voluntary, involuntary, through the exercise of any right of setoff, or otherwise) on account of Advances owing to it (other than pursuant to Section 2.12 or Section 2.13) in excess of its ratable share of payments on account of the Advances obtained by all the Lenders, such Lender shall forthwith purchase from the other Lenders such participations in the Advances owing to them as shall be necessary to cause such purchasing Lender to share the excess payment ratably with each of them; provided that, if all or any portion of such excess payment is thereafter recovered from such purchasing Lender, such purchase from each Lender shall be rescinded and such Lender shall repay to the purchasing Lender the purchase price to the extent of such recovery together with an amount equal to such Lender's ratable share (according to the proportion of (a) the amount of such Lender's required repayment to (b) the total amount so recovered from the purchasing Lender) of any interest or other amount paid or payable by the purchasing Lender in respect of the total amount so recovered.

SECTION 11.16 Failure of Co-Borrowers to Perform Certain Obligations. If a Co-Borrower fails to perform any of its agreements or obligations required under Section 5.01(s), the Administrative Agent may (but shall not be required to, and in any case, acting at the direction of the Majority Lenders) itself perform, or cause performance of, such agreement or obligation, and the expenses of the Administrative Agent incurred in connection therewith shall be payable by the Co-Borrowers promptly upon the Administrative Agent's demand therefore.

SECTION 11.17 Power of Attorney. Each of the Co-Borrowers and Holdings irrevocably authorizes the Administrative Agent and appoints the Administrative Agent as its attorney-in-fact to act on its behalf as set forth in Exhibit H to file financing statements reasonably necessary or desirable (as determined by Servicer acting at the direction of the Majority Lenders) to perfect and to maintain the perfection and priority of the interest of the Administrative Agent, for the benefit of the Secured Parties, in the Collateral. This appointment is coupled with an interest and is irrevocable.

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SECTION 11.18 Delivery of Termination Statements, Releases, etc. Upon the occurrence of the Facility Termination Date, the Administrative Agent shall, at the direction of the Majority Lenders, execute and deliver to the Servicer termination statements, reconveyances, releases and other documents and instruments of release reasonably requested by the Co-Borrowers or the Servicer to evidence the termination of the Liens securing the Obligations on the Collateral, all at the expense of the Co-Borrowers and without any recourse, representation or warranty by the Administrative Agent.

SECTION 11.19 Exclusive Remedies. Except as otherwise expressly provided in this Agreement, no remedy provided for by this Agreement shall be exclusive of any other remedy, and each and every remedy shall be cumulative and in addition to any other remedy, and no delay or omission to exercise any right or remedy shall impair any such right or remedy.

SECTION 11.20 Post-Closing Performance Conditions. The parties hereto agree to cooperate with reasonable requests made by any other party hereto after signing this Agreement to the extent reasonable necessary for such party to comply with laws and regulations applicable to financial institutions in connection with this transaction (e.g., the USA PATRIOT Act, OFAC and related regulations).

SECTION 11.21 Performance Conditions. The obligations of the Servicer to effect the transactions contemplated hereby shall be subject to the following conditions:

(a) The Servicer shall have (i) completed its due diligence with respect to the Co-Borrowers and each Lender in order to satisfy compliance with laws and regulations applicable to financial institutions in connection with this transaction (e.g., the USA PATRIOT Act, OFAC and related regulations) and (ii) been satisfied with the results of such due diligence in its sole discretion.

(b) [Reserved].

(c) In each and every case of a Holdings AML and International Trade Default, Borrower AML and International Trade Default or a Lender event of default, the Servicer may, by notice in writing to Co-Borrowers and the Lenders, in addition to whatever rights the Servicer may have at law or in equity, including injunctive relief and specific performance, immediately resign as Servicer (notwithstanding any provision in Section 8.09 or otherwise in this Agreement, but subject to the provisions set forth in this Section 11.21(c)), without the Servicer incurring any penalty or fee of any kind whatsoever in connection therewith. Except as otherwise expressly provided in this Agreement, no remedy provided for by this Agreement shall be exclusive of any other remedy, and each and every remedy shall be cumulative and in addition to any other remedy, and no delay or omission to exercise any right or remedy shall impair any such right or remedy or shall be deemed to be a waiver of any Holdings AML and International Trade Default, Borrower AML and International Trade Default or Lender event of default. On or after the receipt by Holdings or the Co-Borrowers and any Lender of a written notice of resignation from the Servicer pursuant to this Section 11.21(c), (i) all payments communications, determinations and other obligations provided to be made by, to or through the Servicer shall

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instead be made by, to or through each Lender until such time as a successor to the Servicer has been appointed as provided by this Agreement and (ii) the Servicer's obligations under this Agreement shall terminate. After the receipt by Holdings or the Administrative Borrower and any Lender of a written notice of resignation from the Servicer pursuant to this Section 11.21(c), the Servicer shall deliver all Portfolio Asset Files to the Administrative Agent or such other Person as the Administrative Agent designates in writing, in all cases at the sole cost and expense of the Co-Borrowers. Notwithstanding the foregoing, upon any such termination, the Servicer will be entitled to receive all accrued Fees, indemnities and expenses through the date of termination.

(d) AML and International Trade Covenants. The obligations of the Servicer to effect any transaction contemplated hereby shall be subject to (i) no Holdings' AML and International Trade Default, (ii) no Borrower AML and International Trade Default and (iii) Co-Borrowers' compliance with Section 5.02(n).

(e) AML and International Trade Defaults. Upon discovery by Holdings of any Holdings AML and International Trade Default, or by a Co-Borrower or a UK Guarantor of any Borrower AML and International Trade Default (but, in each case, regardless of whether any notice has been given as provided in this Agreement or any cure period provided herein has expired), each such Loan Party, as applicable, shall give prompt written notice thereof to the Servicer.

SECTION 11.22 Bail In. Notwithstanding anything to the contrary in any Transaction Document or in any other agreement, arrangement or understanding among any such parties, each party hereto acknowledges that any liability of any EEA Financial Institution arising under any Transaction Document, to the extent such liability is unsecured, may be subject to the Write-Down and Conversion Powers of an EEA Resolution Authority and agrees and consents to, and acknowledges and agrees to be bound by:

(a) the application of any Write-Down and Conversion Powers by an EEA Resolution Authority to any such liabilities arising hereunder that may be payable to it by any party hereto that is an EEA Financial Institution; and

(b) the effects of any Bail-In Action on any such liability, including, if applicable:

(i) a reduction in full or in part or cancellation of any such liability;

(ii) a conversion of all, or a portion of, such liability into shares or other instruments of ownership in such EEA Financial Institution, its parent undertaking, or a bridge institution that may be issued to it or otherwise conferred on it, and that such shares or other instruments of ownership will be accepted by it in lieu of any rights with respect to any such liability under this Agreement or any other Transaction Document; or

(iii) the variation of the terms of such liability in connection with the exercise of the Write-Down and Conversion Powers of any EEA Resolution Authority.

SECTION 11.23 Joint and Several; Administrative Borrower.

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(a) The obligations of the Co-Borrowers hereunder and under the other Transaction Documents are joint and several. Without limiting the generality of the foregoing, reference is hereby made to the Guaranty and Collateral Agreement, to which the obligations of the Loan Parties are subject.

(b) Each of the Co-Borrowers accepts joint and several liability hereunder in consideration of the financial accommodation provided or to be provided by the Administrative Agent and the Lenders under this Agreement and the other Transaction Documents, for the mutual benefit, directly and indirectly, of each Co-Borrower and in consideration of the undertakings of the Co-Borrowers to accept joint and several liability for the obligations of each other.

(c) Each of the Co-Borrowers shall be jointly and severally liable for the Obligations. Each of the Co-Borrower's obligations arising as a result of the joint and several liability of such Co-Borrower hereunder, with respect to Loans made to such Co-Borrower hereunder, shall be separate and distinct obligations, but all such obligations shall be primary obligations of each Co-Borrower.

(d) Upon the occurrence and during the continuation of any Event of Default, the Administrative Agent and the Lenders may proceed directly and at once, without notice, against any Co-Borrower to collect and recover the full amount, or any portion of, the Obligations, without first proceeding against any other Co-Borrower or any other Person, or against any security or collateral for the Obligations. Each Co-Borrower waives, to the maximum extent permitted by law, all suretyship defenses and consents and agrees that the Administrative Agent and the Lenders shall be under no obligation to marshal any assets in favor of any Co-Borrower or against or in payment of any or all of the Obligations.

(e) Each representation and warranty made on behalf of a Loan Party shall be deemed for all purposes to have been made by all of the Loan Parties and shall be binding upon and enforceable against each Loan Party to the same extent as if the same had been made directly by each such Loan Party.

(f) Each Co-Borrower hereby designates the Administrative Borrower as its representative and agent on its behalf for the purposes of taking all actions required (including in respect of compliance with covenants) on behalf of any Co-Borrower under the Transaction Documents. The Administrative Borrower hereby accepts such appointment. The Administrative Agent (and each Lender) may regard any notice or other communication pursuant to any Transaction Document from the Administrative Borrower as a notice or communication from all Co-Borrowers, and may give any notice or communication required or permitted to be given to any Co-Borrower hereunder to the Administrative Borrower on behalf of such Co-Borrower or Co-Borrowers. Each Co-Borrower agrees that each notice, election, representation and warranty, covenant, agreement, and undertaking made on its behalf by the Administrative Borrower shall be deemed for all purposes to have been made by such Co-Borrower and shall be binding upon and enforceable against such Co-Borrower to the same extent as if the same had been made directly by such Co-Borrower.

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[Signature Pages Follow]

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Executed as of the date first above written.

Holdings:

| KUDU INVESTMENT MANAGEMENT, LLC, a Delaware limited liability company

By: _____
Name:
Title:

The Co-Borrowers:

KUDU INVESTMENT HOLDINGS, LLC, a Delaware limited liability company

By: _____
Name:
Title:

KUDU INVESTMENT US, LLC, a Delaware limited liability company

By: _____
Name:
Title:

The UK Guarantors:

KFO Holdings, Ltd., a limited liability company incorporated in England and Wales

By: _____
Name:
Title: Director

KWCP Holdings (UK), Ltd. a limited liability company incorporated in England and Wales

By: _____
Name:
Title: Director

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| [USActive 60444631.4](#)

Lender:

MASSACHUSETTS MUTUAL LIFE INSURANCE COMPANY

| By: Barings LLC, its Investment Adviser

By: _____

Name:

Title:

The Administrative Agent:

ALTER DOMUS (US) LLC

By: _____

Name:

Title:

The Servicer:

| ~~MASSACHUSETTS MUTUAL LIFE INSURANCE COMPANY~~ BARINGS FINANCE LLC, in
its capacity as Servicer

By: _____

Name:

Title:

Schedule I
Eligible Portfolio Assets and Post-Closing Portfolio Assets

Sch. I-1

| USActive [68906140-1060444631.4](#)

Kudu Investment Holdings, LLC

# of Eligible Assets	11
Total Cost	\$ 328,829,185.35
Total Fair Value	\$ 345,342,112.53
TTM Revenue	\$
Eligible Receivable	\$

#	Eligible Portfolio Asset	Closing Date	Firm Vintage	Geography	Revenue Share Basis	Revenue/Income Share %	Cost	% of Total Cost	Fair Value ⁽¹⁾ 12/31/2020	% of Total Fair Value	TTM Revenue 12/31/2020	Eligible Receivable 12/31/2020	AUM (1) ⁽²⁾ 12/31/2020
1	Savanna		2006	New York, NY			\$		\$				
2	TIG		1983	New York, NY			\$		\$				
3	BIOSIS		1985	San Francisco, CA			\$		\$				
4	Versus		2010	Denver, CO			\$		\$				
5	First Long Island Investors		1983	Jamaica, NY			\$		\$				
6	EIF		2005	Arlington, VA			\$		\$				
7	Pennybacker		2006	Austin, TX			\$		\$				
8	Creation		2007	Chicago, IL			\$		\$				
9	Seavus		1991	Alamogordo, OH			\$		\$				
10	Ranger		2003	Dallas, TX			\$		\$				
11	Warwick		2000	London, UK			\$		\$				

⁽¹⁾ Fair Market Value as of 12/31/2020. TIG Fair Market Value also includes cost of add-on investments of [REDACTED] which were closed on January 5, 2021 and February 26, 2021, respectively.
⁽²⁾ Most recently available AUM (channel is 7/31/20) converted using 12/31/2020 USG/AUG FX rate of 0.7715. Savanna, Creation and Ranger are 9/30/2020; Warwick is 12/31/2020; TIG, BIOS, Far Oak, EIF, Versus, FLI, Pennybacker, Seavus are 12/31/2020.

Schedule II
Condition Precedent Documents

As required by Section 3.01 of the Agreement, each of the following items must be delivered prior to the effectiveness of this Agreement:

(a) to the Administrative Agent and the Lenders, a copy of this Agreement and the Account Control Agreement duly executed by each of the parties hereto and thereto;

(b) a certificate of a Responsible Person of each Loan Party and Holdings, dated the date of the Agreement, certifying (i) the names and true signatures of the Responsible Persons of each Loan Party authorized to sign on behalf of each Loan Party and Holdings each of the Transaction Documents to which it is a party (on which certificate the Administrative Agent and the Lenders may conclusively rely until such time as the Administrative Agent has received from each Loan Party and Holdings a revised certificate meeting the requirements of this paragraph (b)(i)), (ii) that the copy of the Constituent Documents of each Loan Party and Holdings, as applicable, is a complete and correct copy and that such Constituent Documents have not been amended, modified or supplemented and are in full force and effect and (iii) the authorization document or resolution of the managing member, board of directors, the shareholders or board of trustees, as applicable, approving and authorizing the execution, delivery and performance by such Person of the Transaction Documents to which it is a party;

(c) to the Lenders and Administrative Agent, certified copies of such documents and certificates relating to the organization, valid existence and good standing of each Loan Party, the authorization of each Loan Party and Holdings of the transactions contemplated by this Agreement and any of the other Transaction Documents, the execution of the Transaction Documents and all other documents in connection therewith (which may be in the form of a general resolution, resolution of the Board of Directors, resolutions of the shareholders consent or other authorization) and any other legal matters relating to each Loan Party and Holdings or the transactions contemplated by this Agreement and any of the other Transaction Documents as the Administrative Agent may reasonably request, all in form and substance reasonably satisfactory to the Administrative Agent and the Lenders;

(d) to the Administrative Agent and the Lenders, financing statements describing the Collateral and the Pledged Equity and (i) naming each Loan Party and Holdings, as applicable, as debtor and the Administrative Agent, on behalf of the Secured Parties, as secured party and (ii) other, similar instruments or documents, as may be necessary or, in the opinion of the Administrative Agent, desirable under the UCC of all appropriate jurisdictions or any comparable law to perfect the Administrative Agent's, on behalf of the Secured Parties, interests in the Collateral and the Pledged Equity;

(e) to the Lenders, financing statements, if any, necessary to release all security interests and other rights of any Person in the Collateral previously granted by any Transferor;

(f) to the Administrative Agent, with respect to any certificated Pledged Equity, delivery of stock powers duly executed in blank or other instruments of transfer reasonably satisfactory to the Administrative Agent;

Sch. II-1

(g) duly executed Powers of Attorney from the Co-Borrowers and Holdings in the form of Exhibit H;

(h) to the Lenders, copies of tax and judgment lien searches in all jurisdictions reasonably requested by the Lenders and requests for information (or a similar UCC search report certified by a party acceptable to the Lenders), dated a date reasonably near to the Closing Date, and with respect to such requests for information or UCC searches, listing all effective financing statements which name each Loan Party and Holdings (under its present name and any previous name) as debtor(s) and which are filed in such jurisdictions with copies of such financing statements (none of which shall cover the Collateral);

(i) (a) one or more favorable opinions of counsel to the each Co-Borrower and Holdings, reasonably acceptable to the Majority Lenders and the Administrative Agent and addressed to the Administrative Agent and the Lenders, (b) one or more favorable opinions of counsel to the Initial Lender in respect of the UK Guarantors, reasonably acceptable to the Administrative Agent and the Majority Lenders and addressed to the Administrative Agent and the Lenders, (c) one or more favorable opinions of counsel to the Initial Lender in respect of the Australian Pledge Agreement, reasonably acceptable to the Administrative Agent and the Majority Lenders and addressed to the Administrative Agent and the Lenders, and (d) one or more favorable opinions of counsel to the Initial Lender in respect of the Guernsey Pledge Agreement, reasonably acceptable to the Administrative Agent and the Majority Lenders and addressed to the Administrative Agent and the Lenders;

(j) to the Lenders, a copy of each of the other Transaction Documents duly executed by the parties thereto; and

(k) such other documents as the Administrative Agent or Lender may reasonably request.

Sch. II-2

Schedule III
Notice Information

If to the Co-Borrowers, the Administrative Borrower or Holdings:

Kudu Investment Management, LLC / Kudu Investment Holdings, LLC / Kudu Investment US, LLC
286 Madison Ave., Suite 2002
New York, NY 10017
Telephone: [REDACTED]
Email: [REDACTED]
Attention: Gavin McLeod

If to Massachusetts Mutual Life Insurance Company, as a Lender ~~and the Servicer~~:

Massachusetts Mutual Life Insurance Company, as a Lender
c/o Barings LLC, as Investment Adviser to the Lender
Attention: Portfolio Finance
10 Fan Pier Boulevard
Boston, MA 02210
Telephone: [REDACTED]
Email: [REDACTED]
~~Attention:~~ [REDACTED]

~~and~~
~~Massachusetts Mutual Life Insurance Company~~
~~Attention: Philip Titolo, Jaime Genua~~
~~10 Fan Pier Boulevard~~
~~Boston, MA 02210~~
~~Telephone:~~ [REDACTED]
~~Email:~~ [REDACTED]

With a Copy to:

Kate Fletcher
300 S. Tryon Street, Suite 2500
Charlotte NC 28202
Email: [REDACTED]
Attention: Legal Department

If to the Administrative Agent:

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Alter Domus (US) LLC
225 W. Washington St., 9th Floor
Chicago, Illinois 60606

Telephone: [REDACTED]

Email: [REDACTED] and

Attention: Legal Department – Agency, Emily Ergang Pappas and Sharjeel Haroon

With a copy to (which shall not constitute notice):

Holland & Knight LLP
150 N. Riverside Plaza, Suite 2700
Chicago, Illinois 60606

Telephone: [REDACTED]

Email: [REDACTED]

Attention: Joshua M. Spencer

[If to the Servicer:](#)

[Barings Finance LLC, as Servicer](#)
[Attention: Loan Asset Management Team, Barings Portfolio Finance](#)
[10 Fan Pier Boulevard](#)
[Boston, MA 02210](#)

[Telephone:](#) [REDACTED]

[Email:](#) [REDACTED]

[With a Copy to:](#)

[Kate Fletcher](#)
[300 S. Tryon Street, Suite 2500](#)
[Charlotte NC 28202](#)

[Email:](#) [REDACTED]

[Attention: Legal Department](#)

[If to any Lender other than Massachusetts Mutual Life Insurance Company:](#)

As set forth in the Assignment and Assumption Agreement for such Lender.

Sch. III-2

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Schedule IV
Lender Commitments

Closing Date through (but not including) the Second Amendment Effective Date

Lender	Commitments
Massachusetts Mutual Life Insurance Company	\$300,000,000
Total:	\$300,000,000

Second Amendment Effective Date

Lender	Commitments
Massachusetts Mutual Life Insurance Company	\$350,000,000
Total:	\$350,000,000

Sch. IV-1

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Schedule V
Investment Guidelines

FINAL

[To be appended to the agreed upon term sheet]

Eligible Collateral Portfolio Requirements/Limits:

*As measured at cost at the time of each new asset's inclusion into the borrowing base. These limits will only be tested when a new asset is added, and not each quarter year otherwise.

At a Portfolio Level (all to be measured as a% of the greater of total invested capital plus total undrawn equity and debt commitments or the Collateral Portfolio):

1. Size per position: 25% max for the largest position; no more than 35% in the top three; no more than 45% for top 5.
2. Strategy Limits:
 - a. Wealth Management- no more than 35% in aggregate
 - b. Monoline Strategy / Product Asset Management firms - no more than 25% in aggregate, per Strategy (excludes firms with multiple strategies; for the avoidance of doubt, Wealth Management will be considered a multiple strategy firm type). *See Exhibit A for approved Strategy list*
3. Leverage at underlying firm: for monoline strategy managers up to 1x EBITDA, for non-monoline strategy managers up to 1.5x, for 'platforms' (defined as portfolio companies with multi-affiliate managers with three or more sub-strategies or advisors and the opportunity to make follow-on investments) up to 2x. Strategies defined in Exhibit A
4. If position is "bottom line" interest, there must be protections in the form of effective budgetary approval or compensation controls for key employees/shareholders.
5. Minimum run-rate proforma cash yield of ■ (for hedge funds, ■)
6. Each position in the Portfolio must contain appropriate downside protections such as service agreements and non-competes for key employees, key-person insurance, or other protections reasonably satisfactory to the Lender. Per se appropriateness to be defined in definitive documents. Parties to agree set of standards that will be automatically appropriate.

For each Wealth Management position (all to be measured as a% of the greater of the Maximum Facility Size or the Collateral Portfolio):

1. AUM: No less than \$500 million or \$10 million of revenues

2. AUM Growth trailing 3 YR YoY %: 2.5% minimum annualized
3. Track Record: minimum of five (5) years
4. Client Servicing: Client Retention min of 90% (average of past three years)

For each Asset Management position (all to be measured as a% of the greater of the Maximum Facility Size or the Collateral Portfolio):

5. ~~1.~~ AUM: No less than \$500 million or \$10 million of revenues
6. ~~2.~~ For managers managing liquid strategies, AUM Growth trailing 3 YR YoY %: 5% minimum annualized
7. ~~3.~~ Track Record: minimum of five (5) years
8. ~~4.~~ Management fees as percentage of trailing twelve months total revenues excluding carry: 51% minimum

Schedule VI
Disqualified Lenders

- Affiliated Managers Group
- Alderwood Capital
- Allworth Financial
- Azimut
- Bonaccord Capital affiliate of Aberdeen Standard
- Blackstone
- Capital Constellation
- CI Financial/GSFM JV
- Dyal Capital Partners division of Neuberger Berman
- Emigrant
- Estancia
- Focus Financial
- Genstar
- Goodhart Partners
- Hunter Point
- IM Global Partners
- Investcorp
- Lincoln Peak Capital
- Merchant Investment Management
- Mercer Advisors
- Mubadala Investment Co
- Natixis Investment Managers
- Navigator Global Investments
- North Square Investments
- Northhill Capital
- Pacific Current Group
- Petershill division of Goldman Sachs
- Redbird Capital partners
- Reverence Capital Partners
- RidgeLake Partners
- Rosemont Investment Group affiliate of Markel Corp
- Stonyrock Partners affiliate of Jefferies/Leucadia Corp
- Tria Capital

Sch. VI-1

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Schedule VII
Post Closing Conditions

9. ~~4.~~ With respect to the Equity Investment held with Kudu in Fair Oaks Capital Limited (incorporated in England and Wales with company number 08260598), the Co-Borrowers shall promptly, and no later than 20 days after the date of this Agreement (as such date may be extended by the Administrative Agent, acting at the direction of the Majority Lenders), procure the amendment to the satisfaction of the Administrative Agent of the constitutional documents of Fair Oaks Capital Limited (incorporated in England and Wales with company number 08260598) to remove any restriction on the transfer or the registration of the transfer of its shares on enforcement of the Liens granted over them.
10. ~~2.~~ With respect to the Equity Investment held by Kudu in the Australian Equity Notes, the Co-Borrowers shall promptly, and no later than 30 days after the date of this Agreement (as such date may be extended by the Administrative Agent, acting at the direction of the Majority Lenders) procure that the Australian Equity Notes shall have each been amended, in form and substance acceptable to the Administrative Agent, to allow a provider of financial accommodation, lender or other creditor to transfer the Australian Equity Notes to any other person pursuant to rights arising under a Lien.
11. ~~3.~~ With respect to the Equity Investment held by Kudu in Fair Oaks Income Fund (GP) Limited, a company incorporated in Guernsey with registered number 58125 and whose registered office is at Sarnia House, Le Truchot, St Peter Port, Guernsey, GY1 1GR (“Fair Oaks Income Fund (GP) Limited”), the Co-Borrowers shall promptly, and no later than 10 Business Days after the date of this Agreement (as such date may be extended by the Administrative Agent, acting at the direction of the Majority Lenders) execute the Guernsey Pledge Agreement and procure that the Co-Borrowers shall promptly, and no later than 10 Business Days after the date of this Agreement (as such date may be extended by the Administrative Agent, acting at the direction of the Majority Lenders), immediately upon execution of the Guernsey Pledge Agreement, execute (where applicable) and deliver each of the following documents to the Administrative Agent, in each case, in form and substance acceptable to the Administrative Agent:
- a. That certain Notice of Assignment (from Kudu and the Administrative Agent to Fair Oaks Income Fund (GP) Limited, as issuer, together with an acknowledgement of the applicable notice, by Fair Oaks Income Fund (GP) Limited, with respect to the Guernsey Pledge Agreement, in each case, with respect to the Guernsey Pledge Agreement;
 - b. Original share certificates and original executed undated share transfer forms with respect to the Securities (as defined in the Guernsey Pledge Agreement);
 - c. A copy of the register of shareholders of Fair Oaks Income Fund (GP) Limited annotated to reflect the fact that the pledged Securities (as defined in and pursuant to the Guernsey Pledge Agreement) are held subject to the terms of the Guernsey Pledge Agreement; and

d. Resolutions of the shareholders of Fair Oaks Income Fund (GP) Limited, amending the articles of incorporation of Fair Oaks Income Fund (GP) Limited to remove any restriction on, and to permit the transfer, or the registration of transfer of, its shares on enforcement of the security interests granted over them.

12. ~~4.~~ In connection with the matters described in clauses (a) through (c), inclusive, of this paragraph 3, one or more favorable opinions of Guernsey counsel to the Initial Lender, on matters of Guernsey law concerning the enforceability of the Guernsey security interests pursuant to the Guernsey Pledge Agreement, in the agreed form as reasonably acceptable to the Administrative Agent and the Majority Lenders and addressed to the Administrative Agent and the Lenders.

Sch. VII-2

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ANNEX B

Amended Exhibits to Loan and Servicing Agreement

[Attached]

Annex B-1

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Execution Version
Annex B to Second Amendment to Loan and Servicing Agreement
Conformed through Second Amendment to Loan and Servicing Agreement

~~REXHIBITS~~EXHIBITS

TO

LOAN AND SERVICING AGREEMENT

Dated as of March 23, 2021

EXHIBITS

EXHIBIT A	Form of LTV Certificate
EXHIBIT B	Form of Notice of Borrowing
EXHIBIT C	Form of Borrowing Base Certificate
EXHIBIT D	Form of Revolving Loan Note
EXHIBIT E	Form of U.S. Tax Compliance Certificate
EXHIBIT F	Form of Payment Date Report
EXHIBIT G	Form of Assignment and Assumption Agreement
EXHIBIT H	Form of Power of Attorney

EXHIBIT A
FORM OF LTV CERTIFICATE
[DATE]

To:

Alter Domus (US) LLC, as Administrative Agent
225 W. Washington St., 9th Floor
Chicago, Illinois 60606

Telephone: [REDACTED]

Email: [REDACTED]

Attention: Legal Department; ~~Lisa Schutz~~ – Agency, Emily Ergang Pappas and Sharjeel Haroon

and

Massachusetts Mutual Life Insurance Company, as ~~Servicer~~
~~One Marina Park~~
~~8th Floor~~
~~Boston, MA 02210~~

~~Attention: Sarah Doyle, Investment Operations~~

~~Email:~~ [REDACTED] a Lender

c/o Barings LLC, as Investment Adviser to the Lender

Attention: Portfolio Finance

10 Fan Pier Boulevard

Boston, MA 02210

Telephone: [REDACTED]

Email: [REDACTED]

With a Copy to:

Kate Fletcher
300 S. Tryon Street, Suite 2500
Charlotte NC 28202

Email: [REDACTED]

Attention: Legal Department

and

Barings Finance LLC, as Servicer
Attention: Loan Asset Management Team, Barings Portfolio Finance
10 Fan Pier Boulevard
Boston, MA 02210

Telephone: [REDACTED]

Email: [REDACTED]

With a Copy to:

Kate Fletcher
300 S. Tryon Street, Suite 2500
Charlotte NC 28202
Email: [REDACTED]
Attention: Legal Department

Re: Loan and Servicing Agreement

Ladies and Gentlemen:

This LTV Certificate (this “Certificate”) is given by [_____] (the “Administrative Borrower”) pursuant to [Section 2.01][Section 2.09(a)][Section 5.01(z)(iii)(A)] of the Loan and Servicing Agreement, dated as of March 23, 2021 (as the same may be amended, restated, or otherwise modified from time to time, the “Loan and Servicing Agreement”), among Kudu Investment Holdings, LLC, a Delaware limited liability company (“Kudu”), Kudu Investment US, LLC, a Delaware limited liability company (“Kudu US”, and collectively with Kudu, the “Co-Borrowers”), Kudu Investment Management, LLC (“Holdings”), KFO Holdings, Ltd., a limited liability company incorporated in England and Wales under number 11786202 (“KFO Holdings”), KWCP Holdings UK, Ltd., a limited liability company incorporated in England and Wales under number 11860833 (“KWCP Holdings”, and collectively with KFO Holdings, the “UK Guarantors”, and collectively with the Co-Borrowers, the “Loan Parties”), the Lenders from time to time party thereto, Alter Domus (US) LLC, as Administrative Agent, and ~~Massachusetts Mutual Life Insurance Company~~ Barings Finance LLC, as the Servicer. Capitalized terms used herein and not otherwise defined herein shall have the meanings assigned to such terms in the Loan and Servicing Agreement.

The person executing this Certificate is a Responsible Person of the Administrative Borrower and as such is duly authorized to execute and deliver this Certificate on behalf of the Loan Parties. By executing this Certificate, such officer hereby certifies as of the date hereof to the Lenders, the Servicer and the Administrative Agent, on behalf of the Loan Parties, solely in [his/her] capacity as an officer and not individually, that all of the information set forth on Schedule I is true, correct and complete in all material respects.

[Remainder of Page Intentionally Left Blank; Signature Page Follows]

The undersigned has executed this Certificate as of the date first written above.

KUDU INVESTMENT HOLDINGS, LLC, as
the Administrative Borrower

By: _____
Name:
Title:

SCHEDULE I
LTV CERTIFICATE

| ~~[SEE ATTACHED]~~ [See 'Borrowing Base Certificate' tab of reporting package.](#)

Kudu Investment Holdings, LLC

Exhibit A & C – LTV Certificate / Borrowing Base Certificate

Close Date: 3/23/2021
 Availability Period: 3/23/2024
 Maturity Date: 3/23/2036

Determination Date: 6/23/2021
 Reporting and Payment Date: 6/30/2021

Maximum Facility Amount	\$ 300,000,000.00
Advances Outstanding	\$ 102,000,000.00
Remaining Commitment	\$ 198,000,000.00
<i>Advance Rate</i>	<i>35.0%</i>
Borrowing Base (Advance Rate * Aggregate Investment Value of all Eligible Portfolio Assets)	\$ 120,871,491.14
# of Eligible Portfolio Assets	11
Aggregate Investment Value of all Eligible Portfolio Assets	\$ 345,347,117.53
Ending Balance of Collection Account (as of Determination Date)	\$ -
Ending Balance of Interest Reserve Account (as of Determination Date)	\$ -
Debt Service Coverage Ratio	4.27
<i>EBITDA (four quarter period)</i>	<i>\$ 16,741,449.17</i>
<i>Debt Service (four quarter period)</i>	<i>\$ 3,917,552.65</i>
Debt Service Coverage Ratio Threshold	3.00
Quarterly LTV	29.5%
<i>Maximum Quarterly LTV % Threshold</i>	<i>50.0%</i>

LTV Compliance Check: **PASS**
 Market Trigger Event: **NO**
 Partnership Default Trigger Event: **NO**

EXHIBIT B

FORM OF NOTICE OF BORROWING

[DATE]

To:

Alter Domus (US) LLC, as Administrative Agent
225 W. Washington St., 9th Floor
Chicago, Illinois 60606
Telephone: [REDACTED]
Email: [REDACTED]

Attention: Legal Department – Agency, Emily Ergang Pappas and ~~Lisa Schutz~~ Sharjeel Haroon

and

~~Massachusetts Mutual Life Insurance Company~~ Barings Finance LLC, as Servicer
~~One Marina Park~~
~~8th Floor~~
Attention: Loan Asset Management Team, Barings Portfolio Finance
10 Fan Pier Boulevard
Boston, MA 02210
~~Attention: Sarah Doyle, Investment Operations~~ Telephone: [REDACTED]

With a Copy to:

Kate Fletcher
300 S. Tryon Street, Suite 2500
Charlotte NC 28202
Email: [REDACTED]
Attention: Legal Department

Re: Loan and Servicing Agreement

Ladies and Gentlemen:

This Notice of Borrowing is delivered to you pursuant to [Section 2.02][Section 3.02] of the Loan and Servicing Agreement, dated as of March 23, 2021 (as the same may be amended, restated, or otherwise modified from time to time, the “Loan and Servicing Agreement”), among Kudu Investment Holdings, LLC, a Delaware limited liability company (“Kudu”), Kudu Investment US, LLC, a Delaware limited liability company (“Kudu US”, and collectively with Kudu, the “Co-Borrowers”), Kudu Investment Management, LLC (“Holdings”), KFO Holdings, Ltd., a limited liability company incorporated in England and

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Wales under number 11786202 (“KFO Holdings”), KWCP Holdings UK, Ltd., a limited liability company incorporated in England and Wales under number 11860833 (“KWCP Holdings”, and collectively with KFO Holdings, the “UK Guarantors”, and collectively with the Co-Borrowers, the “Loan Parties”), the Lenders from time to time party thereto, Alter Domus (US) LLC, as Administrative Agent, and ~~Massachusetts Mutual Life Insurance Company~~ Barings Finance LLC, as the Servicer. Capitalized terms used herein and not otherwise defined herein shall have the meanings assigned to such terms in the Loan and Servicing Agreement.

The undersigned, being a duly elected Responsible Person of the Administrative Borrower and holding the office set forth below such person’s name, hereby certifies as follows:

1. The Administrative Borrower hereby requests an Advance in the principal amount of \$ _____.¹
2. The Borrower hereby requests that such Advance be made on _____.²
3. Attached to this Notice of Borrowing is a Borrowing Base Certificate, together with a true, correct and complete calculation in all material respects of the Borrowing Base and all components thereof.
4. The Advance would not cause (on and as of the Advance Date, immediately after giving effect to such Advance and the transactions related thereto, including the use of proceeds thereof), the Advances Outstanding to exceed the Maximum Availability on such Advance Date.
5. On and as of the Advance Date, immediately after giving effect to such Advance and the transactions related thereto, including the use of proceeds thereof, no Market Trigger Event has occurred and is continuing.
6. No Event of Default has occurred and is continuing, or would result from such Advance or application of proceeds therefrom.
7. ~~Each~~The Co-Borrower ~~shall have~~Borrowers obtained an investment grade ~~rating~~Debt Rating (BBB or higher) ~~from NRSRO or from~~on the Facility, and the Lenders have received a copy of any rating agency approved by the NAIC with respect to the Advances advanced under this Agreement~~letter issued in connection therewith.~~
8. The representations contained in Sections 4.01, 4.02 and 4.05 are true and correct in all material respects (except that any representation qualified as to “materiality” or “Material Adverse Effect” shall be true and correct in all respects as so qualified) before and

¹ The amount must be at least equal to \$1,000,000 or a whole multiple of \$1,000,000 in excess thereof, or if less, the remainder of the Advance.

² Pursuant to Section 2.02(a) of the Loan and Servicing Agreement, delivery of the Notice of Borrowing to be no later than 2:00 pm NY time three (3) U.S. Government Securities Business Days prior to the proposed date of such advance (or such shorter period of time agreed to by the Administrative Agent and the Majority Lenders in their sole discretion).

immediately after giving effect to such Advance and to the application of proceeds therefrom, on and as of such date as though made on and as of such date (or, in the case of any such representation expressly stated to have been made as of a specific date, as of such specific date).

9. The proceeds of the Advance are to be distributed to the following account:

Account Name:

Account #:

Bank Name:

ABA:

10. All of the conditions applicable to the Advance requested herein as set forth in Section 3.02 of the Loan and Servicing Agreement will have been satisfied on the date of such Advance.

[Remainder of Page Intentionally Left Blank; Signature Page Follows]

The undersigned has executed this Notice of Borrowing as of the date first written above.

KUDU INVESTMENT HOLDINGS, LLC, as
the Administrative Borrower

By: _____
Name:
Title:

EXHIBIT C

FORM OF BORROWING BASE CERTIFICATE

[Date]

To:

Alter Domus (US) LLC, as Administrative Agent
225 W. Washington St., 9th Floor
Chicago, Illinois 60606

Telephone: [REDACTED]

Email: [REDACTED] and

Attention: Legal Department – Agency, Emily Ergang Pappas and Sharjeel Haroon

and

Massachusetts Mutual Life Insurance Company, as a Lender
c/o Barings LLC, as Investment Adviser to the Lender

Attention: Portfolio Finance

10 Fan Pier Boulevard

Boston, MA 02210

Telephone: [REDACTED]

Email: [REDACTED]

With a Copy to:

Kate Fletcher

300 S. Tryon Street, Suite 2500

Charlotte NC 28202

Email: [REDACTED]

Attention: Legal Department

and

Barings Finance LLC, as Servicer

Attention: Loan Asset Management Team, Barings Portfolio Finance

10 Fan Pier Boulevard

Boston, MA 02210

Telephone: [REDACTED]

Email: [REDACTED]

With a Copy to:

Kate Fletcher

300 S. Tryon Street, Suite 2500

Charlotte NC 28202
Email: [REDACTED]
Attention: Legal Department

Re: Loan and Servicing Agreement

Ladies and Gentlemen:

Reference is made to the Loan and Servicing Agreement, dated as of March 23, 2021 (as the same may be amended, restated, or otherwise modified from time to time, the "Loan and Servicing Agreement"), among Kudu Investment Holdings, LLC, a Delaware limited liability company ("Kudu"), Kudu Investment US, LLC, a Delaware limited liability company ("Kudu US", and collectively with Kudu, the "Co-Borrowers"), Kudu Investment Management, LLC ("Holdings"), KFO Holdings, Ltd., a limited liability company incorporated in England and Wales under number 11786202 ("KFO Holdings"), KWCP Holdings UK, Ltd., a limited liability company incorporated in England and Wales under number 11860833 ("KWCP Holdings", and collectively with KFO Holdings, the "UK Guarantors", and collectively with the Co-Borrowers, the "Loan Parties"), the Lenders from time to time party thereto, Alter Domus (US) LLC, as Administrative Agent, and ~~Massachusetts Mutual Life Insurance Company~~ Barings Finance LLC, as the Servicer. Capitalized terms used herein and not otherwise defined herein shall have the meanings assigned to such terms in the Loan and Servicing Agreement.

This Borrowing Base Certificate is being delivered in connection with:

- a Notice of Borrowing under Section 2.02(a) of the Loan and Servicing Agreement
- a Transfer of a Portfolio Asset under Section 3.03 of the Loan and Servicing Agreement
- Section 5.01(z)(iii)(B) of the Loan and Servicing Agreement

As the person executing this Borrowing Base Certificate is a Responsible Person of the date hereof, the Administrative Borrower certifies and as such is duly authorized to execute and deliver this Borrowing Base Certificate on behalf of the Loan Parties. By executing this Borrowing Base Certificate, such officer hereby certifies as of the date hereof to the Lenders, the Servicer and the Administrative Agent, on behalf of the Loan Parties, solely in [his/her] capacity as an officer and not individually that all of the information set forth on Annex I is true, correct and complete in all material respects and no information set forth therein contains any material misstatement of fact or omits to state a material fact or any fact necessary to make such information not misleading.

[Remainder of Page Intentionally Left Blank; Signature Page Follows]

Kudu Investment Holdings, LLC

Exhibit A & C – LTV Certificate / Borrowing Base Certificate

Close-Date:	3/23/2021
Availability-Period:	3/23/2024
Maturity-Date:	3/23/2036
Determination-Date:	6/23/2021
Reporting and Payment-Date:	6/30/2021

Maximum Facility Amount	\$ 300,000,000.00
Advances Outstanding	\$ 102,000,000.00
Remaining Commitment	\$ 198,000,000.00
<i>Advance Rate</i>	<i>35.0%</i>
Borrowing Base (Advance Rate * Aggregate Investment Value of all Eligible Portfolio Assets)	\$ 120,871,491.14
# of Eligible Portfolio Assets	11
Aggregate Investment Value of all Eligible Portfolio Assets	\$ 345,347,117.53
Ending Balance of Collection Account (as of Determination Date)	\$ -
Ending Balance of Interest Reserve Account (as of Determination Date)	\$ -
Debt Service Coverage Ratio	4.27
<i>EBITDA (four quarter period)</i>	<i>\$ 16,741,449.17</i>
<i>Debt Service (four quarter period)</i>	<i>\$ 3,917,552.65</i>
Debt Service Coverage Ratio Threshold	3.00
Quarterly LTV	29.5%
<i>Maximum Quarterly LTV % Threshold</i>	<i>50.0%</i>

<i>LTV Compliance Check:</i>	PASS
<i>Market Trigger Event:</i>	NO
<i>Partnership Default Trigger Event:</i>	NO

The undersigned has executed this Borrowing Base Certificate as of the date first written above.

KUDU INVESTMENT HOLDINGS, LLC, as
the Administrative Borrower

By: _____
Name:
Title:

| Annex I

| [See 'Borrowing Base Certificate' tab of reporting package.]

EXHIBIT D

FORM OF REVOLVING LOAN NOTE

\$ _____

[Date]

THIS REVOLVING LOAN NOTE HAS NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"). NEITHER THIS NOTE NOR ANY PORTION HEREOF MAY BE OFFERED OR SOLD EXCEPT IN COMPLIANCE WITH THE REGISTRATION PROVISIONS OF THE SECURITIES ACT OR PURSUANT TO AN AVAILABLE EXEMPTION FROM SUCH REGISTRATION PROVISIONS.

THIS REVOLVING LOAN NOTE IS NOT PERMITTED TO BE TRANSFERRED, ASSIGNED, EXCHANGED OR OTHERWISE PLEDGED OR CONVEYED EXCEPT IN COMPLIANCE WITH THE TERMS OF THE LOAN AND SERVICING AGREEMENT REFERRED TO HEREIN.

FOR VALUE RECEIVED, [Kudu Investment Holdings, LLC, a Delaware limited liability company ("Kudu Borrower")] [Kudu Investment US, LLC, a Delaware limited liability company ("Kudu US Borrower")] (the "Borrower"), hereby promises to pay to [Name of Lender] ("Lender") or its registered assigns, the principal sum of \$ _____ or, if less, the unpaid principal amount of the aggregate advances (the "Advances") made by the Lender to the Borrower pursuant to the Loan and Servicing Agreement (as defined below), on the dates specified in the Loan and Servicing Agreement, and to pay interest on the unpaid principal amount of each Advance made by Lender from the date of such Advance for each day that such unpaid principal amount is outstanding, at such interest rates related to such Advance as provided in the Loan and Servicing Agreement, on each Payment Date and each other date specified in the Loan and Servicing Agreement.

This Note (the "Note") is issued pursuant to the Loan and Servicing Agreement dated as of March 23, 2021 (as amended, restated, supplemented or otherwise modified from time to time, the "Loan and Servicing Agreement"), among the [Kudu Borrower] [Kudu Borrower US], Kudu Investment Management, LLC ("Holdings"), KFO Holdings, Ltd., a limited liability company incorporated in England and Wales under number 11786202 ("KFO Holdings"), KWCP Holdings UK, Ltd., a limited liability company incorporated in England and Wales under number 11860833 ("KWCP Holdings"), the Lenders from time to time party thereto, Alter Domus (US) LLC, as Administrative Agent, and ~~Massachusetts Mutual Life Insurance Company~~ Barings Finance LLC, as the Servicer. Capitalized terms used herein and not otherwise defined herein shall have the meanings assigned to such terms in the Loan and Servicing Agreement.

Notwithstanding anything herein to the contrary, if at any time the interest rate applicable to any Advance, together with all fees, charges and other amounts that are treated as interest on such Advance under Applicable Law (collectively, "charges"), exceed the maximum lawful rate (the "Maximum Rate") that may be contracted for, charged, taken, received or reserved by the Lender in accordance with Applicable Law, the rate of interest payable in respect

of such Advance hereunder, together with all charges payable in respect thereof, shall be limited to the Maximum Rate. To the extent lawful, the interest and charges that would have been paid in respect of such Advance but were not paid as a result of the operation of this paragraph shall be cumulated and the interest and charges payable to the Lender in respect of such Advances or periods shall be increased (but not above the amount collectible at the Maximum Rate therefor) until such cumulated amount shall have been received by the Lender. Any amount collected by the Lender that exceeds the maximum amount collectible at the Maximum Rate shall be applied to the reduction of the principal balance of such Advance or refunded to the Borrower to which such Advance was made so that at no time shall the interest and charges paid or payable in respect of such Advance exceed the maximum amount collectible at the Maximum Rate.

Payments of the principal of, and interest on, the Advances shall be made by or on behalf of the Borrower to the Administrative Agent (for the benefit of the Lenders) in immediately available funds in the manner specified for such purpose as provided in the Loan and Servicing Agreement, without the presentation or surrender of this Note or the making of any notation on this Note.

If any payment under this Note falls due on a day that is not a Business Day, then such due date is extended to the next succeeding Business Day.

If any amount is not paid when due, such amount shall bear interest, to be paid upon demand, from the date of such nonpayment until such amount is paid in full (as well after as before judgment) computed at the per annum rate set forth in the Loan and Servicing Agreement.

Portions or all of the principal amount of the Note shall become due and payable at the time or times set forth in the Loan and Servicing Agreement. Any portion or all of the principal amount of this Note may be prepaid, together with interest thereon (and, as set forth in the Loan and Servicing Agreement, certain costs and expenses of the Lender) at the time and in the manner set forth in, but subject to the provisions of, the Loan and Servicing Agreement. The Borrower may borrow, repay and reborrow hereunder upon the terms and conditions set forth in the Loan and Servicing Agreement.

Except as provided in the Loan and Servicing Agreement, the Borrower expressly waives presentment, demand, diligence, protest and all notices of any kind whatsoever with respect to this Note.

The Lender may sell, assign, transfer, negotiate, grant participations in or otherwise dispose of all or any portion of any Advances made by the Lender and represented by this Note and the indebtedness evidenced by this Note, subject to the applicable provisions of the Loan and Servicing Agreement.

The Advances are secured by the Collateral and the Pledged Equity granted pursuant to the Loan and Servicing Agreement. The Lender is entitled to the benefits of the Loan and Servicing Agreement and the other Transaction Documents and may enforce the agreements of the Borrower contained in the Loan and Servicing Agreement and the other Transaction Documents and exercise the remedies provided for by, or otherwise available in

respect of, the Loan and Servicing Agreement and the other Transaction Documents, all in accordance with, and subject to the restrictions contained in, the terms of the Loan and Servicing Agreement and the other Transaction Documents. In accordance with the terms of the Loan and Servicing Agreement, if an Event of Default exists, the unpaid balance of the principal of all Advances, together with accrued interest thereon, may be declared, and may become, due and payable in the manner and with the effect provided in the Loan and Servicing Agreement. Pursuant to Section 11.23 of the Loan and Servicing Agreement, the Borrower and the [Kudu Borrower][Kudu US Borrower] are jointly and severally liable with respect to payment and performance of all Obligations (including without limitation any Obligations arising under this Note).

This Note is a “Revolving Loan Note” as referred to in Section 2.03(a) of the Loan and Servicing Agreement. This Note shall be construed in accordance with and governed by the laws of the State of New York.

[Remainder of Page Intentionally Left Blank; Signature Page Follows]

The undersigned has executed this Note as on the date first written above.

[KUDU INVESTMENT HOLDINGS,
LLC][KUDU INVESTMENT US, LLC], as
the Borrower

By: _____
Name:
Title:

EXHIBIT E

FORM OF
U.S. TAX COMPLIANCE CERTIFICATE

(For Non-U.S. Lenders That Are Not Partnerships For U.S. Federal Income Tax Purposes)

Reference is made to the Loan and Servicing Agreement, dated as of March 23, 2021 (as the same may be amended, restated, or otherwise modified from time to time, the "Loan and Servicing Agreement"), among Kudu Investment Holdings, LLC, a Delaware limited liability company ("Kudu"), Kudu Investment US, LLC, a Delaware limited liability company ("Kudu US"), and collectively with Kudu, the "Co-Borrowers", Kudu Investment Management, LLC ("Holdings"), KFO Holdings, Ltd., a limited liability company incorporated in England and Wales under number 11786202 ("KFO Holdings"), KWCP Holdings UK, Ltd., a limited liability company incorporated in England and Wales under number 11860833 ("KWCP Holdings"), and collectively with KFO Holdings, the "UK Guarantors", and collectively with the Co-Borrowers, the "Loan Parties", the Lenders from time to time party thereto, Alter Domus (US) LLC, as Administrative Agent, and ~~Massachusetts Mutual Life Insurance Company~~ Barings Finance LLC, as the Servicer. Capitalized terms used herein and not otherwise defined herein shall have the meanings assigned to such terms in the Loan and Servicing Agreement.

Pursuant to the provisions of Section 2.13 of the Loan and Servicing Agreement, the undersigned hereby certifies that (i) it is the sole record and beneficial owner of the loan(s) (as well as any note(s) evidencing such loan(s)) in respect of which it is providing this certificate, (ii) it is not a bank within the meaning of Section 881(c)(3)(A) of the Code, (iii) it is not a ten percent shareholder of each of the Co-Borrowers within the meaning of Section 871(h)(3)(B) of the Code and (iv) it is not a controlled foreign corporation related to the Co-Borrowers as described in Section 881(c)(3)(C) of the Code.

The undersigned has furnished the Administrative Agent and the Co-Borrowers with a certificate of its non-U.S. Person status on IRS Form W-8BEN or W-8BEN-E as applicable. By executing this certificate, the undersigned agrees that (1) if the information provided on this certificate changes, the undersigned shall promptly so inform the Co-Borrowers and the Administrative Agent, and (2) the undersigned shall have at all times furnished the Co-Borrowers and the Administrative Agent, with a properly completed and currently effective certificate in either the calendar year in which each payment is to be made to the undersigned, or in either of the two calendar years preceding such payments.

[NAME OF LENDER]

By: _____
Name:
Title:

FORM OF
U.S. TAX COMPLIANCE CERTIFICATE

(For Foreign Participants That Are Not Partnerships For U.S. Federal Income Tax Purposes)

Reference is made to the Loan and Servicing Agreement, dated as of March 23, 2021 (as the same may be amended, restated, or otherwise modified from time to time, the "Loan and Servicing Agreement"), among Kudu Investment Holdings, LLC, a Delaware limited liability company ("Kudu"), Kudu Investment US, LLC, a Delaware limited liability company ("Kudu US", and collectively with Kudu, the "Co-Borrowers"), Kudu Investment Management, LLC ("Holdings"), KFO Holdings, Ltd., a limited liability company incorporated in England and Wales under number 11786202 ("KFO Holdings"), KWCP Holdings UK, Ltd., a limited liability company incorporated in England and Wales under number 11860833 ("KWCP Holdings", and collectively with KFO Holdings, the "UK Guarantors", and collectively with the Co-Borrowers, the "Loan Parties"), the Lenders from time to time party thereto, Alter Domus (US) LLC, as Administrative Agent, and ~~Massachusetts Mutual Life Insurance Company~~ Barings Finance LLC, as the Servicer. Capitalized terms used herein and not otherwise defined herein shall have the meanings assigned to such terms in the Loan and Servicing Agreement.

Pursuant to the provisions of Section 2.13 of the Loan and Servicing Agreement, the undersigned hereby certifies that (i) it is the sole record and beneficial owner of the participation in respect of which it is providing this certificate, (ii) it is not a bank within the meaning of Section 881(c)(3)(A) of the Code, (iii) it is not a ten percent shareholder of either of the Co-Borrowers within the meaning of Section 871(h)(3)(B) of the Code, and (iv) it is not a controlled foreign corporation related to the Co-Borrowers as described in Section 881(c)(3)(C) of the Code.

The undersigned has furnished its participating Lender with a certificate of its non-U.S. Person status on IRS Form W-8BEN or W-8BEN-E, as applicable. By executing this certificate, the undersigned agrees that (1) if the information provided on this certificate changes, the undersigned shall promptly so inform such Lender in writing, and (2) the undersigned shall have at all times furnished such Lender with a properly completed and currently effective certificate in either the calendar year in which each payment is to be made to the undersigned, or in either of the two calendar years preceding such payments.

[NAME OF PARTICIPANT]

By: _____
Name:
Title:

FORM OF
U.S. TAX COMPLIANCE CERTIFICATE

(For Foreign Participants That Are Partnerships For U.S. Federal Income Tax Purposes)

Reference is made to the Loan and Servicing Agreement, dated as of March 23, 2021 (as the same may be amended, restated, or otherwise modified from time to time, the "Loan and Servicing Agreement"), among Kudu Investment Holdings, LLC, a Delaware limited liability company ("Kudu"), Kudu Investment US, LLC, a Delaware limited liability company ("Kudu US"), and collectively with Kudu, the "Co-Borrowers", Kudu Investment Management, LLC ("Holdings"), KFO Holdings, Ltd., a limited liability company incorporated in England and Wales under number 11786202 ("KFO Holdings"), KWCP Holdings UK, Ltd., a limited liability company incorporated in England and Wales under number 11860833 ("KWCP Holdings"), and collectively with KFO Holdings, the "UK Guarantors", and collectively with the Co-Borrowers, the "Loan Parties", the Lenders from time to time party thereto, Alter Domus (US) LLC, as Administrative Agent, and ~~Massachusetts Mutual Life Insurance Company~~ Barings Finance LLC, as the Servicer. Capitalized terms used herein and not otherwise defined herein shall have the meanings assigned to such terms in the Loan and Servicing Agreement.

Pursuant to the provisions of Section 2.13 of the Loan and Servicing Agreement, the undersigned hereby certifies that (i) it is the sole record owner of the participation in respect of which it is providing this certificate, (ii) its direct or indirect partners/members are the sole beneficial owners of such participation, (iii) with respect such participation, neither the undersigned nor any of its direct or indirect partners/members is a bank extending credit pursuant to a loan agreement entered into in the ordinary course of its trade or business within the meaning of Section 881(c)(3)(A) of the Code, (iv) none of its direct or indirect partners/members is a ten percent shareholder of each of the Co-Borrowers within the meaning of Section 871(h)(3)(B) of the Code and (v) none of its direct or indirect partners/members is a controlled foreign corporation related to either of the Co-Borrowers as described in Section 881(c)(3)(C) of the Code.

The undersigned has furnished its participating Lender with IRS Form W-8IMY accompanied by one of the following forms from each of its partners/members that is claiming the portfolio interest exemption: (i) an IRS Form W-8BEN or W-8BEN-E, as applicable, or (ii) an IRS Form W-8IMY accompanied by an IRS Form W-8BEN or W-8BEN-E, as applicable, from each of such partner's/member's beneficial owners that is claiming the portfolio interest exemption. By executing this certificate, the undersigned agrees that (1) if the information provided on this certificate changes, the undersigned shall promptly so inform such Lender and (2) the undersigned shall have at all times furnished such Lender with a properly completed and currently effective certificate in either the calendar year in which each payment is to be made to the undersigned, or in either of the two calendar years preceding such payments.

[NAME OF PARTICIPANT]

By: _____

Name:

Title:

EXHIBIT E

FORM OF
U.S. TAX COMPLIANCE CERTIFICATE

(For Non-U.S. Lenders That Are Partnerships For U.S. Federal Income Tax Purposes)

Reference is made to the Loan and Servicing Agreement, dated as of March 23, 2021 (as the same may be amended, restated, or otherwise modified from time to time, the "Loan and Servicing Agreement"), among Kudu Investment Holdings, LLC, a Delaware limited liability company ("Kudu"), Kudu Investment US, LLC, a Delaware limited liability company ("Kudu US", and collectively with Kudu, the "Co-Borrowers"), Kudu Investment Management, LLC ("Holdings"), KFO Holdings, Ltd., a limited liability company incorporated in England and Wales under number 11786202 ("KFO Holdings"), KWCP Holdings UK, Ltd., a limited liability company incorporated in England and Wales under number 11860833 ("KWCP Holdings", and collectively with KFO Holdings, the "UK Guarantors", and collectively with the Co-Borrowers, the "Loan Parties"), the Lenders from time to time party thereto, Alter Domus (US) LLC, as Administrative Agent, and ~~Massachusetts Mutual Life Insurance Company~~ Barings Finance LLC, as the Servicer. Capitalized terms used herein and not otherwise defined herein shall have the meanings assigned to such terms in the Loan and Servicing Agreement.

Pursuant to the provisions of Section 2.13 of the Loan and Servicing Agreement, the undersigned hereby certifies that (i) it is the sole record owner of the loan(s) (as well as any note(s) evidencing such loan(s)) in respect of which it is providing this certificate, (ii) its direct or indirect partners/members are the sole beneficial owners of such loan(s) (as well as any note(s) evidencing such loan(s)), (iii) with respect to the extension of credit pursuant to the Loan and Servicing Agreement or any other Transaction Document, neither the undersigned nor any of its direct or indirect partners/members is a bank extending credit pursuant to a loan agreement entered into in the ordinary course of its trade or business within the meaning of Section 881(c)(3)(A) of the Code, (iv) none of its direct or indirect partners/members is a ten percent shareholder of each of the Co-Borrowers within the meaning of Section 871(h)(3)(B) of the Code and (v) none of its direct or indirect partners/members is a controlled foreign corporation related to either of the Co-Borrowers as described in Section 881(c)(3)(C) of the Code.

The undersigned has furnished the Administrative Agent and the Co-Borrowers with IRS Form W-8IMY accompanied by one of the following forms from each of its partners/members that is claiming the portfolio interest exemption: (i) an IRS Form W-8BEN or W-8BEN-E, as applicable, or (ii) an IRS Form W-8IMY accompanied by an IRS Form W-8BEN or W-8BEN-E, as applicable, from each of such partner's/member's beneficial owners that is

claiming the portfolio interest exemption. By executing this certificate, the undersigned agrees that (1) if the information provided on this certificate changes, the undersigned shall promptly so inform the Co-Borrowers and the Administrative Agent, and (2) the undersigned shall have at all times furnished the Co-Borrowers and the Administrative Agent with a properly completed and currently effective certificate in either the calendar year in which each payment is to be made to the undersigned, or in either of the two calendar years preceding such payments.

[NAME OF LENDER]

By: _____
Name:
Title:

EXHIBIT F

FORM OF PAYMENT DATE REPORT

| [~~SEE ATTACHED~~ [See 'Payment Date Report' tab of reporting package.](#)]

Kudu Investment Holdings, LLC

Exhibit F – Payment Date Report			
Borrower:	Kudu Investment Holdings, LLC	Determination Date:	6/30/2031
Lender:	Massachusetts Mutual Life Insurance Company	Reporting Date:	6/30/2031
Administrative Agent:	Alter Domus (US) LLC	Payment Date:	6/30/2031
Maximum Facility Amount			\$ 300,000,000.00
Advances Outstanding (Total Funded)			\$ 99,200,000.00
Remaining Commitment			\$ 200,800,000.00
Ending Balance of Collection Account			\$ 10,000,000.00
Ending Balance of Interest Reserve Account			\$ 4,513,600.00
<i>All payments so received by the Administrative Agent pursuant to this Section 2.09(a) will be distributed in accordance with the following waterfall:</i>			
2.09 (a)(i)			
<i>First, (A) to the Administrative Agent for the payment in full of all accrued reasonable and documented fees, expenses, losses and indemnities due and payable to the Administrative Agent hereunder or under any other Transaction Document and under the Agent Fee Letter, and then (B) to the Servicer and the Account Bank for the payment in full of all accrued reasonable and documented fees, expenses and indemnities due and payable to the Servicer and Account Bank, respectively, hereunder or under any other Transaction Document and under the Fee Letters;</i>			
Distribution Description	From	Payable to	Cash Distribution
(A) Accrued Fees, expenses, losses and indemnities	Collection Account	Admin Agent	\$ -
(B) Accrued Fees, expenses, losses and indemnities	Collection Account	Servicer and Account Bank	\$ 10,58
Total			\$ 10,58
2.09 (a)(ii)			
<i>Second, to the Administrative Agent for distribution to each Lender, to pay such Lender's Pro Rata Share of accrued and unpaid interest owing to such Lender under this Agreement;</i>			
Distribution Description	From	Payable to	Cash Distribution
Pro Rata Share of accrued and unpaid interest	Collection or Interest Reserve Account	Admin Agent for distribution to Lender	\$ 1,471,36
Total			\$ 1,471,36
2.09 (a)(iii)			
<i>Third, to the extent amounts on deposit in the Interest Reserve Account are less than the Interest Reserve Amount, an amount equal to such shortfall;</i>			
Distribution Description	From	Payable to	Cash Distribution
Amount equal to such shortfall	Collection Account	Interest Reserve Account	\$ -
Total			\$ -
2.09 (a)(iv)			
<i>Fourth, to the extent a Market Trigger Event has occurred, or would result therefrom, then to the Administrative Agent for distribution to each Lender, to repay such Lender's Pro Rata Share of the Advances Outstanding until the delivery of an LTV Certificate by the Administrative Borrower to the Servicer, demonstrating that the Market Trigger Event no longer exists or, notwithstanding the occurrence of such Market Trigger Event, the LTV is not in excess of the applicable Maximum LTV Percentage; and</i>			
Distribution Description	From	Payable to	Cash Distribution
If MTE, Pro Rata Share of Advances Outstanding until cured	Collection Account	Admin Agent for distribution to Lender	\$ -
Total			\$ -
2.09 (a)(v)			
<i>Fifth, only to the extent no Market Trigger Event has occurred, or would result therefrom, then to the Loan Parties;</i>			
Distribution Description	From	Payable to	Cash Distribution
If no MTE, Available to the Borrower	Collection Account	Loan Parties	\$ 5,252,366.67
Total			\$ 5,252,366.67
Total Waterfall Distribution (USD)			\$ 6,734,308.00
Post-Waterfall Balance in Collection Account			\$ 3,265,692.00
Post-Waterfall Balance in Interest Reserve Account			\$ 4,513,600.00

EXHIBIT G

FORM OF ASSIGNMENT AND ASSUMPTION

This Assignment and Assumption (the “Assignment and Assumption”) is dated as of the Effective Date set forth below and is entered into by and between [the][each] Assignor identified in item 1 below ([the][each, an] “Assignor”) and [the][each] Assignee identified in item 2 below ([the][each, an] “Assignee”). [It is understood and agreed that the rights and obligations of [the Assignors][the Assignees] hereunder are several and not joint.]³ Capitalized terms used but not defined herein shall have the meanings given to them in the Credit Agreement identified below (as amended, the “Credit Agreement”), receipt of a copy of which is hereby acknowledged by [the][each] Assignee. The Standard Terms and Conditions set forth in Annex 1 attached hereto are hereby agreed to and incorporated herein by reference and made a part of this Assignment and Assumption as if set forth herein in full.

For an agreed consideration, [the][each] Assignor hereby irrevocably sells and assigns to [the Assignee][the respective Assignees], and [the][each] Assignee hereby irrevocably purchases and assumes from [the Assignor][the respective Assignors], subject to and in accordance with the Standard Terms and Conditions and the Credit Agreement, as of the Effective Date inserted by the Administrative Agent as contemplated below (i) all of [the Assignor’s][the respective Assignors’] rights and obligations in [its capacity as a Lender][their respective capacities as Lenders] under the Credit Agreement and any other documents or instruments delivered pursuant thereto to the extent related to the amount and percentage interest identified below of all of such outstanding rights and obligations of [the Assignor][the respective Assignors] under the respective facilities identified below, and (ii) to the extent permitted to be assigned under Applicable Law, all claims, suits, causes of action and any other right of [the Assignor (in its capacity as a Lender)][the respective Assignors (in their respective capacities as Lenders)] against any Person, whether known or unknown, arising under or in connection with the Credit Agreement, any other documents or instruments delivered pursuant thereto or the loan transactions governed thereby or in any way based on or related to any of the foregoing, including contract claims, tort claims, malpractice claims, statutory claims and all other claims at law or in equity related to the rights and obligations sold and assigned pursuant to clause (i) above (the rights and obligations sold and assigned by [the][any] Assignor to [the][any] Assignee pursuant to clauses (i) and (ii) above being referred to herein collectively as [the][an] “Assigned Interest”). Each such sale and assignment is without recourse to [the][any] Assignor and, except as expressly provided in this Assignment and Assumption, without representation or warranty by [the][any] Assignor.

- 1. Assignor[s]: _____

- 2. Assignee[s]: _____

³ Include bracketed language if there are either multiple Assignors or multiple Assignees.

[Assignee is an [Affiliate] of [identify Lender]]

3. Borrower(s): _____
4. Administrative Agent: Alter Domus (US) LLC, as the administrative agent under the Credit Agreement
5. Credit Agreement: Loan and Servicing Agreement, dated as of March 23, 2021 (as the same may be amended, restated, or otherwise modified from time to time, the "Loan and Servicing Agreement"), among Kudu Investment Holdings, LLC, a Delaware limited liability company ("Kudu"), Kudu Investment US, LLC, a Delaware limited liability company ("Kudu US"), and collectively with Kudu, the "Co-Borrowers", Kudu Investment Management, LLC ("Holdings"), KFO Holdings, Ltd., a limited liability company incorporated in England and Wales under number 11786202 ("KFO Holdings"), KWCP Holdings UK, Ltd., a limited liability company incorporated in England and Wales under number 11860833 ("KWCP Holdings"), and collectively with KFO Holdings, the "UK Guarantors", and collectively with the Co-Borrowers, the "Loan Parties", the Lenders from time to time party thereto, Alter Domus (US) LLC, as Administrative Agent, and ~~Massachusetts Mutual Life Insurance Company~~ Barings Finance LLC, as the Servicer.
6. Assigned Interest[s]:

Assignor[s]	Assignee[s]	Facility Assigned	Aggregate Amount of Commitment/ Loans for all Lenders	Amount of Commitment/ Loans Assigned	Percentage Assigned of Commitment/ Loans	CUSIP Number
			\$	\$	%	
			\$	\$	%	
			\$	\$	%	

7. Effective Date: _____, 20__⁴
8. The Assignee is a Disqualified Lender: ___ Yes ___ No⁵

[Remainder of Page Intentionally Left Blank; Signature Page Follows]

⁴ To be inserted by Administrative Agent and which shall be the effective date of recordation of transfer in the register therefor.

⁵ To be completed by Assignor.

Effective Date: _____, 20__.

The terms set forth in this Assignment and Assumption are hereby agreed to:

ASSIGNOR[S]
[NAME OF ASSIGNOR]

By: _____
Name:
Title:

[NAME OF ASSIGNOR]

By: _____
Name:
Title:

ASSIGNEE[S]
[NAME OF ASSIGNEE]

By: _____
Name:
Title:

[NAME OF ASSIGNEE]

By: _____
Name:
Title:

Consented to and Accepted:

Alter Domus (US) LLC, as Administrative Agent

By:

Name:

Title:

Consented to:

Kudu Investment Holdings, LLC

By:

Name:

Title:

Kudu Investment US, LLC

By:

Name:

Title:

ANNEX 1

STANDARD TERMS AND CONDITIONS FOR
ASSIGNMENT AND ASSUMPTION

1. Representations and Warranties.

1.1 Assignor[s]. [The][Each] Assignor (a) represents and warrants that (i) it is the legal and beneficial owner of [the][the relevant] Assigned Interest, (ii) [the][such] Assigned Interest is free and clear of any lien, encumbrance or other adverse claim, and (iii) it has full power and authority, and has taken all action necessary, to execute and deliver this Assignment and Assumption and to consummate the transactions contemplated hereby; and (b) assumes no responsibility with respect to (i) any statements, warranties or representations made in or in connection with the Credit Agreement or any other Transaction Documents, (ii) the execution, legality, validity, enforceability, genuineness, sufficiency or value of the Transaction Documents or any collateral thereunder, (iii) the financial condition of the Borrower, any of its Subsidiaries or Affiliates or any other Person obligated in respect of any Transaction Document, or (iv) the performance or observance by the Borrower, any of its Subsidiaries or Affiliates or any other Person of any of their respective obligations under any Transaction Document.

1.2 Assignee[s]. [The][Each] Assignee (a) represents and warrants that (i) it has full power and authority, and has taken all action necessary, to execute and deliver this Assignment and Assumption and to consummate the transactions contemplated hereby and to become a Lender under the Credit Agreement, (ii) it meets all the requirements to be an assignee under Section 11.04 of the Credit Agreement, including that it is an Eligible Assignee (subject to such consents, if any, as may be required thereunder), (iii) from and after the Effective Date, it shall be bound by the provisions of the Credit Agreement as a Lender thereunder and, to the extent of [the][the relevant] Assigned Interest, shall have the obligations of a Lender thereunder, (iv) it is sophisticated with respect to decisions to acquire assets of the type represented by the Assigned Interest and either it, or the Person exercising discretion in making its decision to acquire the Assigned Interest, is experienced in acquiring assets of such type, (v) it has received a copy of the Credit Agreement, and has received or has been accorded the opportunity to receive copies of the most recent financial statements delivered pursuant to Section 5.01(cc) thereof, as applicable, and such other documents and information as it deems appropriate to make its own credit analysis and decision to enter into this Assignment and Assumption and to purchase [the][such] Assigned Interest, (vi) it has, independently and without reliance upon the Administrative Agent or any other Lender and based on such documents and information as it has deemed appropriate, made its own credit analysis and decision to enter into this Assignment and Assumption and to purchase [the][such] Assigned Interest, (vii) if it is a foreign Lender attached to the Assignment and Assumption is any documentation required to be delivered by it pursuant to the terms of the Credit Agreement, duly completed and executed by [the][such] Assignee, (viii) if it is not then currently a Lender under the Credit Agreement, the Assignee shall deliver to the Administrative Agent all documentation and other reasonable information reasonably determined by Administrative Agent to be required by applicable regulatory authorities under applicable “know your customer” and anti-money laundering rules and regulations, including the Patriot Act, and (ix) it is not a Disqualified Lender; and (b) agrees that (i) it will, independently and without reliance on the Administrative Agent, [the][any] Assignor

or any other Lender, and based on such documents and information as it shall deem appropriate at the time, continue to make its own credit decisions in taking or not taking action under the Transaction Documents, and (ii) it will perform in accordance with their terms all of the obligations which by the terms of the Transaction Documents are required to be performed by it as a Lender.

2. Payments. From and after the Effective Date, the Administrative Agent shall make all payments in respect of [the][each] Assigned Interest (including payments of principal, interest, fees and other amounts) to [the][the relevant] Assignor for amounts that have accrued to but excluding the Effective Date and to [the][the relevant] Assignee for amounts that have accrued from and after the Effective Date. Notwithstanding the foregoing, the Administrative Agent shall make all payments of interest, fees or other amounts paid or payable in kind from and after the Effective Date to [the][the relevant] Assignee.

3. General Provisions. This Assignment and Assumption shall be binding upon, and inure to the benefit of, the parties hereto and their respective successors and assigns. This Assignment and Assumption may be executed in any number of counterparts, which together shall constitute one instrument. Delivery of an executed counterpart of a signature page of this Assignment and Assumption by telecopy shall be effective as delivery of a manually executed counterpart of this Assignment and Assumption. This Assignment and Assumption shall be governed by, and construed in accordance with, the law of the State of New York.

EXHIBIT H

FORM OF POWER OF ATTORNEY

[Kudu Investment Management, LLC] [Kudu Investment Holdings, LLC]
[Kudu Investment US, LLC]

[Date]

This Power of Attorney is executed and delivered by [Kudu Investment Management, LLC (“Holdings”)] [Kudu Investment Holdings, LLC, a Delaware limited liability company (“Kudu”) and Kudu Investment US, LLC, a Delaware limited liability company (“Kudu US”, and collectively with Kudu, the “Co-Borrowers”)], under the Loan and Servicing Agreement, dated as of March 23, 2021 (as the same may be amended, restated, or otherwise modified from time to time, the “Loan and Servicing Agreement”), among [Holdings] [the Co-Borrowers], [Kudu Investment Management, LLC (“Holdings”)] [Kudu Investment Holdings, LLC, a Delaware limited liability company (“Kudu”) and Kudu Investment US, LLC, a Delaware limited liability company (“Kudu US”, and collectively with Kudu, the “Co-Borrowers”)], KFO Holdings, Ltd., a limited liability company incorporated in England and Wales under number 11786202 (“KFO Holdings”), KWCP Holdings UK, Ltd., a limited liability company incorporated in England and Wales under number 11860833 (“KWCP Holdings”, and collectively with KFO Holdings, the “UK Guarantors”, and collectively with the Co-Borrowers, the “Loan Parties”), the Lenders from time to time party thereto, Alter Domus (US) LLC, as Administrative Agent, and ~~Massachusetts Mutual Life Insurance Company~~ Barings Finance LLC, as the Servicer. Capitalized terms used herein and not otherwise defined have the meanings set forth for such terms in the Loan and Servicing Agreement.

No person to whom this Power of Attorney is presented, as authority for _____ (“Attorney”) to take any action or actions contemplated hereby, shall inquire into or seek confirmation from [the Co-Borrowers] [Holdings] as to the authority of Attorney to take any action described below, or as to the existence of or fulfillment of any condition to this Power of Attorney, which is intended to grant to Attorney unconditionally the authority to take and perform the actions contemplated herein, and [the Co-Borrowers] [Holdings] irrevocably waives any right to commence any suit or action, in law or equity, against any person or entity that acts in reliance upon or acknowledges the authority granted under this Power of Attorney, except in the case of gross negligence, willful misconduct or fraud as determined by a court of competent jurisdiction by final and nonappealable judgement. The power of attorney granted hereby is coupled with an interest and may not be revoked or canceled by [any Co-Borrower] [Holdings] until the Facility Termination Date.

[With effect after the occurrence and during the continuance of an Event of Default, the Co-Borrowers, hereby irrevocably constitute and appoint Attorney (and all officers, employees or agents designated by Attorney), solely in connection with the enforcement of the rights and remedies of the Administrative Agent, the Lenders and the other Secured Parties under the Loan and Servicing Agreement and the other Transaction Documents, with full power of substitution, as its true and lawful attorney-in-fact with full irrevocable power and authority in

the Co-Borrowers' place and stead and at the Co-Borrowers' expense and in the Co-Borrowers' name or in Attorney's own name, from time to time in Attorney's discretion, to take any and all appropriate action and to execute and deliver any and all documents and instruments that may be necessary or desirable to accomplish the purposes of the foregoing, and, without limiting the generality of the foregoing, hereby grant to Attorney, for the purposes of the foregoing, the power and right, on its behalf, without notice to or assent by it, to do the following, each in accordance with the Loan and Servicing Agreement and the other Transaction Documents: (a) open mail for the Co-Borrowers, and ask, demand, collect, give acquittances and receipts for, take possession of, or endorse and receive payment of, any checks, drafts, notes, acceptances, or other instruments for the payment of moneys due in respect of the Collateral, and sign and endorse any invoices, freight or express bills, bills of lading, storage or warehouse receipts, drafts against debtors, assignments, verifications, and notices in respect of the Collateral; (b) effect any repairs to any of the Co-Borrowers' assets, or continue or obtain any insurance and pay all or any part of the premiums therefor and costs thereof, and make, settle and adjust all claims under such policies of insurance, and make all determinations and decisions with respect to such policies; (c) to the extent related to the Collateral and the transactions contemplated by the Transaction Documents, pay or discharge any taxes, Liens, or other encumbrances levied or placed on or threatened against the Co-Borrowers or the Co-Borrowers' property; (d) to the extent related to the Collateral and the transactions contemplated by the Transaction Documents, defend any suit, action or proceeding brought against the Co-Borrowers if the Co-Borrowers do not defend such suit, action or proceeding or if Attorney reasonably believes that it is not pursuing such defense in a manner that will maximize the recovery to Attorney, and settle, compromise or adjust any suit, action, or proceeding described above and, in connection therewith, give such discharges or releases as Attorney may deem appropriate; (e) file or prosecute any claim, litigation, suit or proceeding in any court of competent jurisdiction or before any arbitrator, or take any other action otherwise deemed appropriate by Attorney for the purpose of collecting any and all such moneys due in respect of the Collateral to the Co-Borrowers whenever payable and to enforce any other right in respect of the Co-Borrowers' property; (f) sell, transfer, pledge, make any agreement with respect to, or otherwise deal with, any of the Co-Borrowers' property constituting Collateral, and execute, in connection with such sale or action, any endorsements, assignments or other instruments of conveyance or transfer in connection therewith; (g) to give any necessary receipts or acquittance for amounts collected or received under the Loan and Servicing Agreement; (h) to make all necessary transfers of the Collateral in connection with any such sale or other disposition made pursuant to the Loan and Servicing Agreement; (i) to execute and deliver for value all necessary or appropriate bills of sale, assignments and other instruments in connection with any such sale or other disposition of the Collateral, the Co-Borrowers hereby ratifying and confirming all that such Attorney (or any substitute) shall lawfully do or cause to be done hereunder and pursuant hereto; (j) to send such notification forms as the Attorney deems appropriate to give notice to Obligor of the Secured Parties' interest in the Collateral Portfolio; (k) to sign any agreements, orders or other documents in connection with or pursuant to any Transaction Document; and (l) to cause the certified public accountants then engaged by the Co-Borrowers to prepare and deliver to the Attorney at any time and from time to time, promptly upon Attorney's request, any reports required to be prepared by or on behalf of the Co-Borrowers under the Transaction Documents, all as though Attorney were the absolute owner of the Co-Borrowers' property for all purposes, and to do, at Attorney's option and the Co-Borrowers' expense, at any time or from time to time, all acts and

other things that Attorney reasonably deems necessary to perfect, preserve or realize upon the Collateral and the Liens of the Administrative Agent, for the benefit of the Secured Parties, thereon (including without limitation the execution and filing of UCC financing statements and continuation statements), all as fully and effectively as the Co-Borrowers might do. The Co-Borrowers hereby ratify, to the extent permitted by law, all that said attorneys shall lawfully do or cause to be done by virtue hereof.]⁶

[With effect after the occurrence and during the continuance of an Event of Default, Holdings, hereby irrevocably constitutes and appoints Attorney (and all officers, employees or agents designated by Attorney), solely in connection with the enforcement of the rights and remedies of the Administrative Agent, the Lenders and the other Secured Parties under the Loan and Servicing Agreement and the other Transaction Document, with full power of substitution, as its true and lawful attorney-in-fact with full irrevocable power and authority in Holdings' place and stead and at Holdings' expense and in Holdings' name or in Attorney's own name, from time to time in Attorney's discretion, to take any and all appropriate action and to execute and deliver any and all documents and instruments that may be necessary or desirable to accomplish the purposes of the Loan and Servicing Agreement and the other Transaction Documents, and, without limiting the generality of the foregoing, hereby grants to Attorney the power and right, on its behalf, without notice to or assent by it, to do the following, each in accordance with the Loan and Servicing Agreement and the other Transaction Documents: (a) to make all necessary transfers of the Pledged Equity in connection with any such sale or other disposition made pursuant to the Loan and Servicing Agreement; (b) to execute and deliver for value all necessary or appropriate bills of sale, assignments and other instruments in connection with any such sale or other disposition of the Pledged Equity, Holdings hereby ratifying and confirming all that such Attorney (or any substitute) shall lawfully do or cause to be done hereunder and pursuant hereto; and (c) to sign any agreements, orders or other documents in connection with or pursuant to any Transaction Document to the extent related to the Pledged Equity, all as though Attorney were the absolute owner of the Pledged Equity for all purposes, and to do, at Attorney's option and Borrower's expense, at any time or from time to time, all acts and other things that Attorney reasonably deems necessary to perfect, preserve or realize upon the Pledged Equity and the Liens of the Administrative Agent, for the benefit of the Secured Parties, thereon (including without limitation the execution and filing of UCC financing statements and continuation statements), all as fully and effectively as Holdings might do. Holdings hereby ratifies, to the extent permitted by law, all that said attorneys shall lawfully do or cause to be done by virtue hereof.]⁷

The undersigned has executed this Power of Attorney as of the date first written above.

⁶ To be included in Borrower's Power of Attorney.

⁷ To be included in Holdings' Power of Attorney.

| [Kudu Investment Management, LLC,

By: _____
Name:
Title:]

[Kudu Investment Holdings, LLC,

By: _____
Name:
Title:

Kudu Investment US, LLC,

By: _____
Name:
Title:]

**PRINCIPAL EXECUTIVE OFFICER CERTIFICATION PURSUANT TO RULE 13a-14(a)
OF THE SECURITIES EXCHANGE ACT OF 1934**

I, G. Manning Rountree, Chief Executive Officer of White Mountains Insurance Group, Ltd., certify that:

1. I have reviewed this Quarterly Report on Form 10-Q for the quarter ending June 30, 2024 of White Mountains Insurance Group, Ltd.;
2. Based on my knowledge, this quarterly report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and we have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting;
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

August 7, 2024

By:

/s/ G. Manning Rountree
Chief Executive Officer
(Principal Executive Officer)

**PRINCIPAL FINANCIAL OFFICER CERTIFICATION PURSUANT TO RULE 13a-14(a)
OF THE SECURITIES EXCHANGE ACT OF 1934**

I, Liam P. Caffrey, President & Chief Financial Officer of White Mountains Insurance Group, Ltd., certify that:

1. I have reviewed this Quarterly Report on Form 10-Q for the quarter ending June 30, 2024 of White Mountains Insurance Group, Ltd.;
2. Based on my knowledge, this quarterly report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and we have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting;
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

August 7, 2024

By:

/s/ Liam P. Caffrey
President & Chief Financial Officer
(Principal Financial Officer)

**PRINCIPAL EXECUTIVE OFFICER
CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report on Form 10-Q of White Mountains Insurance Group, Ltd. (the "Company"), for the quarter ending June 30, 2024 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, G. Manning Rountree, Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. §1350, as adopted pursuant to §906 of the Sarbanes-Oxley Act of 2002, that to my knowledge:

- The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and,
- The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company as of and for the periods presented in the Report.

/s/ G. Manning Rountree

Chief Executive Officer
(Principal Executive Officer)

August 7, 2024

**PRINCIPAL FINANCIAL OFFICER
CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report on Form 10-Q of White Mountains Insurance Group, Ltd. (the "Company"), for the quarter ending June 30, 2024 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Liam P. Caffrey, President & Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. §1350, as adopted pursuant to §906 of the Sarbanes-Oxley Act of 2002, that to my knowledge:

- The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and,
- The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company as of and for the periods presented in the Report.

/s/ Liam P. Caffrey

President & Chief Financial Officer
(Principal Financial Officer)

August 7, 2024