

**Quota Share
Reinsurance Contract
Effective: August 1, 2015**



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**Quota Share
Reinsurance Contract
Effective: August 1, 2015**

entered into by and between

[REDACTED]
(hereinafter referred to as the "Company")

and

**The Subscribing Reinsurer(s) Executing the
Interests and Liabilities Agreement(s)
Attached to and Forming Part of This Contract**
(hereinafter referred to individually as the "Subscribing Reinsurer"
and collectively as the "Reinsurer")

Article 1 - Business Covered

- A. By this Contract the Company cedes to the Reinsurer and the Reinsurer hereby accepts, assumes liability for, and reinsures the Company's 100% share in the interests and liabilities arising out of directly or indirectly, in whole or in part or in connection with the Aggregate Excess of Loss Credit Insurance Policy (policy number [REDACTED]), effective August 1, 2015 (hereinafter referred to as the "Policy") issued to Federal National Mortgage Association (hereinafter referred to as the "Insured"). This reinsurance is a 100% cession of all of the Company's liability under the Policy. The reinsurance shall inure to the benefit of the Insured, subject to and in accordance with the terms, provisions, conditions and stipulations of the Policy and the provisions of this Contract. As set forth in this Contract, the Insured shall have the right to bring an action against the Reinsurer to recover the loss sustained by the Insured for which the Reinsurer is liable hereunder.
- B. A copy of the Policy and the Required Collateral Percentage matrix are attached to, form part of, and are incorporated into this Contract as Exhibit A and Schedule 1, respectively. The Assumption of Liability Endorsement and the Reinsurance Trust Agreement are attached to each Subscribing Reinsurer's Interests and Liabilities Agreement, and form part of and are incorporated into this Contract as Exhibit B and Exhibit C, respectively, for each Subscribing Reinsurer.
- C. Nothing herein shall be construed as prejudicing the rights of the Insured under the Policy in any manner.
- D. The Reinsurer's liability shall attach simultaneously with that of the Company under the Policy, and all cessions to the Reinsurer by virtue of this Contract shall be subject in all respects to the same risks, terms, conditions, interpretations, assessments, waivers, modifications, alterations and cancellations as in the Policy of the Company to which the cessions relate, the true intent of this Contract being that the Reinsurer shall, in every case to which this Contract applies, follow the fortunes of the Company under the Policy.

E. The Reinsurer acknowledges that:

1. Except as expressly permitted by the Policy, the obligation of the Company to make payment under the Policy is unconditional, irrevocable and non-cancellable by the Company for any reason; and
2. Except as to those rights expressly retained in the Policy, the Company has waived, and agreed not to assert, any and all rights (whether by counterclaim, set-off or otherwise) and defenses (including any defense of fraud or any defense based on misrepresentation, breach of warranty, or non-disclosure of information by any person) whether acquired by subrogation, assignment or otherwise to the extent such rights and defenses may be available to the Company to avoid payment of its obligations under the Policy in accordance with the express provisions of the Policy.

F. If and to the extent there is any conflict between this Contract and the Policy, the Policy shall govern and control, unless (and only to the extent) a particular portion of this Contract expressly states that it controls in the event of a conflict with the Policy.

G. A Subscribing Reinsurer shall provide the Company and the Insured with written notice at least thirty (30) days in advance of the date upon which the aggregate of all amounts retroceded to one or more unaffiliated entities in the aggregate exceeds more than fifty percent (50.0%) of the liabilities assumed by such Subscribing Reinsurer under this Contract.

Article 2 - Term

A. This Contract shall become effective on August 1, 2015, with respect to the Company's liability arising out of directly or indirectly, in whole or in part or in connection with the Policy, and shall remain in force until the Policy is terminated or expires and all payments required under the Policy have been made in full. The Policy shall not be amended without the prior written consent of all Subscribing Reinsurers.

B. Notwithstanding the expiration or termination of this Contract for any reason, the provisions of this Contract shall continue to apply indefinitely to all obligations and liabilities of the parties incurred hereunder until all such obligations and liabilities are fully performed and discharged.

C. In the event that the Insured fails to make payment of Monthly Premium (as that term is defined in the Policy), a Subscribing Reinsurer may cancel its participation in this Contract by providing written notice to the Company and the Insured that the Subscribing Reinsurer's participation in this Contract shall be cancelled effective the final day of the month following the month in which the Insured receives such written notice, unless the Insured has paid such Monthly Premium prior to the aforesaid cancellation effective date.

Article 3 - Special Termination

A. Notwithstanding the provisions of the Term Article, the Company, at the request of the Insured, will terminate a Subscribing Reinsurer's percentage share in this Contract at any

time by giving written notice (which shall be effective upon receipt) to the Subscribing Reinsurer in the event any of the following circumstances occur (each of the following, a "Termination Permitting Event"):

1. Either the Subscribing Reinsurer's or the Subscribing Reinsurer's group or holding company's policyholders' surplus (or its equivalent under the Subscribing Reinsurer's or the Subscribing Reinsurer's group or holding company's accounting system), on the effective date of this Contract, has been reduced by 25.0% or more of the amount of surplus (or the applicable equivalent) 12 months prior to that date; or
2. Either the Subscribing Reinsurer's or the Subscribing Reinsurer's group or holding company's policyholders' surplus (or its equivalent under the Subscribing Reinsurer's or the Subscribing Reinsurer's group or holding company's accounting system), at any time during the term of this Contract, has been reduced by 25.0% or more of the amount of surplus (or the applicable equivalent) at the date of the Subscribing Reinsurer's or the Subscribing Reinsurer's group or holding company's most recent financial statement filed with regulatory authorities and available to the public as of the effective date of this Contract; or
3. With respect to a Subscribing Reinsurer that is assigned an insurer financial strength rating ("Rating") of ■ or above by both A.M. Best and Standard & Poor's as of the effective date of this Contract, such Subscribing Reinsurer's Rating is downgraded below ■ by A.M. Best or Standard & Poor's or such Subscribing Reinsurer no longer maintains Ratings with both A. M. Best and Standard & Poor's; or
4. The Subscribing Reinsurer has become, or has announced its intention to become, merged with, acquired by or controlled by any other entity or individual(s) not controlling the Subscribing Reinsurer's operations previously; or
5. A State Insurance Department or other legal authority has ordered the Subscribing Reinsurer to cease writing business; or
6. The Subscribing Reinsurer has become insolvent or has been placed into liquidation, receivership, supervision or administration (whether voluntary or involuntary), or proceedings have been instituted against the Subscribing Reinsurer for the appointment of a receiver, liquidator, rehabilitator, supervisor, administrator, conservator or trustee in bankruptcy, or other agent known by whatever name, to take possession of its assets or control of its operations; or
7. The Subscribing Reinsurer has become involved in a scheme of arrangement or similar proceeding (whether voluntary or involuntary) which enables the Subscribing Reinsurer to settle its claims liabilities, including but not limited to any estimated or undetermined claims liabilities under this Contract, on an accelerated basis; or
8. The Subscribing Reinsurer has reinsured its entire liability under this Contract with an unaffiliated entity or entities without the Company's prior written consent; or
9. The Subscribing Reinsurer has ceased assuming new or renewal treaty reinsurance business; or

10. The Subscribing Reinsurer has hired an unaffiliated runoff claims manager that is compensated on a contingent basis or is otherwise provided with financial incentives based on the quantum of claims paid; or
 11. The Subscribing Reinsurer has failed to file annual, audited financial statements, prepared by an independent certified public accountant, with its insurance commissioner on or before June 30 for the year ended December 31 immediately preceding; or
 12. The Subscribing Reinsurer has failed to comply with this Contract (and has failed to effectuate a cure for such noncompliance within twenty (20) business days of being notified to do so by the Company or the Insured) or has failed to comply with the funding requirements set forth in the Trust Account Creation and Funding Provisions Article.
- B. The Subscribing Reinsurer will provide quarterly, audited financial statements, prepared by an independent certified public account and will also notify the Company if a Termination Permitting Event has occurred within five (5) calendar days of such occurrence.
- C. Notwithstanding the termination of this Contract for any reason, the provisions of this Contract shall continue to apply indefinitely to all obligations and liabilities of the parties incurred hereunder prior to such termination until all such obligations and liabilities are fully performed and discharged. Without limiting the generality of the foregoing, notwithstanding the termination of this Contract for any reason or for no reason, the provisions of this Contract shall continue to apply indefinitely to all obligations and liabilities of the Subscribing Reinsurer for Losses (as defined in the Policy) on Covered Loans (as defined in the Policy) that Default (as defined in the Policy) on or prior to the date of termination of this Contract.
- D. Any termination of this Contract pursuant to this Article or otherwise is in addition to and not in lieu of any other rights, remedies or causes of action which the Company or the Insured may have under this Contract, under any other agreement or pursuant to applicable law.

Article 4 - Territory

The territorial scope of this Contract is the same as in the Policy.

Article 5 - Exclusions

This Contract shall follow the coverage, terms and exclusions contained in the Policy.

Article 6 - Retention and Limit

The Company shall cede to the Reinsurer and the Reinsurer agrees to accept 100% of the Company's liability arising out of directly or indirectly, in whole or in part or in connection with the Policy.

Article 7 - Loss Settlements

- A. All loss settlements made by the Company within the terms and conditions of the Policy and of this Contract shall be binding upon the Reinsurer, and the Reinsurer agrees to pay or allow, as the case may be, its proportion of each such settlement in accordance with the Reports and Remittances Article.
- B. As between the Company and the Reinsurer, the Company shall be the sole judge as to:
 - 1. What constitutes a claim or loss covered under the Policy;
 - 2. The Company's liability thereunder;
 - 3. The amount or amounts the Company shall pay thereunder.

The Reinsurer shall be bound by the judgment of the Company as to the obligation(s) and liability(ies) of the Company under the Policy subject to the terms and conditions of this Contract.

Article 8 - Original Conditions

- A. All reinsurance under this Contract shall be subject to the same rates, terms, conditions, waivers and interpretations and to the same modifications and alterations as the Policy, subject to the terms and conditions of this Contract, and the Reinsurer shall be credited with its exact proportion of the Insured's premiums due to the Company under the Policy.
- B. Nothing herein shall in any manner create any obligation or establish any right against the Reinsurer in favor of third parties or any persons not parties to this Contract except as provided with respect to the Insured in this Contract or in the Assumption of Liability Endorsement.
- C. In the event of a Quota Share Reduction, as that term is defined under the Policy, each Subscribing Reinsurer's participation percentage in this Contract shall be increased in the proportion that 100% bears to the total Subscribing Reinsurer's participation after the Quota Share Reduction. For the avoidance of doubt, such participation percentage increase is necessary to account for the reduction provisions of the Reduction Under Quota Share Contract Article of the Policy. If applicable, the Remaining Aggregate Retention, as that term is defined under the Policy, would likewise be adjusted. Any termination of a Subscribing Reinsurer's participation in this Contract shall not require the consent of any other Subscribing Reinsurer. As respects each Subscribing Reinsurer still participating on this Contract following the Reinsurer Reduction Date, as that term is defined under the Policy, in no event shall its share of the aggregate limit following the Reinsurer Reduction Date be greater than its share of the aggregate limit prior to the Reinsurer Reduction Date.

As an example, where the aggregate limit is \$300,000,000 with each of three Subscribing Reinsurers retaining a 33.33% share (\$100,000,000 each), and one Subscribing Reinsurer's share is terminated, then the resulting aggregate limit becomes \$200,000,000 with each of the two remaining Subscribing Reinsurers retaining a 50.00% share (i.e.,

33.33% x 100%/66.67%). As respects each of the two remaining Subscribing Reinsurers, its share of the aggregate limit shall remain at \$100,000,000.

Article 9 - Ceding Commission

The Reinsurer shall allow the Company a ceding commission of [REDACTED] (or a proportionate share of such amount in the event of a Quota Share Reduction) per annum, to be taken as a deduction from the first monthly premium payment to the Reinsurer at the commencement of this Contract and at each annual anniversary thereof, to cover the Company's operational costs directly allocable to writing the business subject hereto.

Article 10 - Reports and Remittances

- A. The Company shall provide to the Reinsurer a monthly report no later than thirty (30) calendar days following the end of each month. Said report shall provide a summary of the gross ceded premium and paid losses for the month that just ended (and in the aggregate during the term of this Contract).
- B. The Company shall also provide the Reinsurer with the Monthly Servicing Report (as that term is defined in the Policy) no later than forty-five (45) calendar days following the end of each month.
- C. The premium due the Reinsurer shall be remitted by the Company as promptly as possible; provided, however, in no event later than five (5) business days after the Company receives the premium under the Policy.
- D. Should payment become due from the Reinsurer hereunder, the Company shall give the Reinsurer notice of its intention to make payment on a certain date, and the Reinsurer agrees to remit such payment within ten (10) business days upon receipt of the completed Notice of Claim form(s) as required from the Insured under the terms of the Policy. The Company authorizes that such payment by the Reinsurer shall be made directly to the Insured through [REDACTED].

Article 11 - Late Payments

- A. The provisions of this Article shall not be implemented unless specifically invoked, in writing, by one of the parties to this Contract or, in the event the Assumption of Liability Endorsement is triggered, by the Insured. However, any Subscribing Reinsurer that has its share terminated in accordance with the provisions of the Special Termination Article shall not be allowed to implement the provisions of this Article against the Company or, in the event the Assumption of Liability Endorsement is triggered, the Insured.
- B. In the event any premium, loss or other payment due either party is not received by the other party by the payment due date, the party to whom payment is due may, by notifying the debtor party in writing, require the debtor party to pay, and the debtor party shall pay, any and all costs and expenses, including reasonable attorneys' fees, incurred in connection with the collection or enforcement of any payment obligations of the debtor

party, except those costs and expenses the parties are required to share equally pursuant to the Arbitration Article, plus an interest charge on the amount past due calculated for each such payment on the last business day of each month as follows:

1. The number of full days which have expired since the due date or the last monthly calculation, whichever the lesser; times
2. 1/365th of the sum of 10.0% and the U.S. prime rate as quoted in *The Wall Street Journal* on the first business day of the month for which the calculation is made; times
3. The amount past due, including accrued interest.

Interest shall accumulate until payment of the original amount due plus interest charges have been received by the party to whom payment is due.

- C. If the interest rate provided under this Article exceeds the maximum interest rate allowed by any applicable law or is held unenforceable by an arbitrator or a court of competent jurisdiction, such interest rate shall be modified to the highest rate permitted by the applicable law, and all remaining provisions of this Article and Contract shall remain in full force and effect without being impaired or invalidated in any way.
- D. The establishment of the due date shall, for purposes of this Article, be determined as follows:
1. As respects any routine payment, adjustment or return due either party, the due date shall be as provided for in the applicable section of this Contract. In the event a due date is not specifically stated for a given payment, it shall be deemed due fifteen (15) business days after the date of transmittal by the party to whom payment is due of the initial billing for each such payment.
 2. As respects any payment, adjustment or return due either party not otherwise provided for in subparagraph 1 of this paragraph, the due date shall be deemed as fifteen (15) business days following transmittal of written notification that the provisions of this Article have been invoked.

For purposes of interest calculations only, amounts due hereunder shall be deemed paid upon receipt by the party to whom payment is due.

- E. Nothing herein shall be construed as limiting or prohibiting a Subscribing Reinsurer from contesting the validity of any claim, or from participating in the defense of any claim or suit, or prohibiting either party from contesting the validity of any payment or from initiating any arbitration or other proceeding in accordance with the provisions of this Contract. If the debtor party prevails in an arbitration or other proceeding, then any interest charges due hereunder on the amount in dispute shall be null and void. If the debtor party loses in such proceeding, then the interest charge on the amount determined to be due hereunder shall be calculated in accordance with the provisions set forth above unless otherwise determined by such proceedings. If a debtor party advances payment of any amount it is contesting, and proves to be correct in its contestation, either in whole or in part, the other party shall reimburse the debtor party for any such excess payment made plus interest on the excess amount calculated in accordance with this Article.

- F. Interest charges arising out of the application of this Article that are \$100 or less from any party shall be waived unless there is a pattern of late payments consisting of three or more items over the course of any 12-month period.

Article 12 - Offset

The Company and the Reinsurer shall have the right to offset any balance or amounts due from one party to the other under the terms of this Contract. The party asserting the right of offset may exercise such right any time, whether the balances due are on account of premiums or losses or otherwise; provided, however, that nothing in this Article shall apply to any amounts due to the Insured under this Contract and any Exhibits hereto (including the Policy), as to which amounts there shall be no right to offset.

Article 13 - Access to Records

- A. By giving the Company ten (10) days of prior notice, the Reinsurer or its designated representatives shall have access at any reasonable time to all records of the Company which pertain in any way to the Policy and such books of the Company to which access is required in order to review paid losses for which claims are asserted under this Contract. At the Reinsurer's request, the Company will authorize the Reinsurer to inspect the records of the Insured and shall take those steps reasonably necessary to secure such access for the Reinsurer. However, a Subscribing Reinsurer or its designated representatives shall not have any right of access to the records of the Company if it is not current in all undisputed payments due the Company. "Undisputed" as used herein shall mean any amount that the Subscribing Reinsurer has not contested in writing to the Company specifying the reason(s) why the payments are disputed.
- B. Upon notice from the Company or the Insured, the Reinsurer shall provide any information requested concerning (1) any disputed claim payments or (2) other amounts owed to the Company or the Insured under this Contract.
- C. The failure of the Company to comply with paragraph A of this Article shall not relieve the Reinsurer of its obligation to pay claims or to make any payment due under this Contract.

Article 14 - Confidentiality

- A. The Reinsurer hereby acknowledges that the documents, information and data provided to it by the Company, whether directly or through an authorized agent, in connection with the placement and execution of this Contract, including all information obtained through any audits and any claims information between the Company and the Reinsurer, and any submission or other materials relating to any renewal (hereinafter referred to as "Confidential Information") may be proprietary and confidential to the Company.

- B. Absent the written consent of the Company, the Reinsurer shall not disclose any Confidential Information to any third parties, except:**
- 1. When required by retrocessionaires subject to the business ceded to this Contract;**
 - 2. When required by regulators performing an audit of the Reinsurer's records and/or financial condition;**
 - 3. When required by external auditors performing an audit of the Reinsurer's records in the normal course of business;**
 - 4. When required by outside legal counsel provided the legal counsel is representing the Reinsurer in connection with a claim/legal issue regarding this Contract;**
 - 5. The Reinsurer may store Confidential Information about this Contract in its group-wide IT systems and is entitled to make Confidential Information available to all companies and units of the Reinsurer for administration, risk management and accounting purposes.**
- C. The Reinsurer shall be responsible for any breach of this provision by any third-party representatives of the Reinsurer. The Company requires that any third-party representatives of the Reinsurer agree, in writing, to be bound by this Confidentiality Article or by a separate written confidentiality agreement, containing terms no less stringent than those set forth in this Article.**
- D. Notwithstanding the above, in the event that the Reinsurer is required by court order, other legal process or any regulatory authority to release or disclose any or all of the Confidential Information, the Reinsurer agrees to provide the Company with written notice of same at least ten (10) days prior to such release or disclosure, to the extent legally permissible, and to use reasonable efforts to assist the Company, at the Company's expense in maintaining the confidentiality provided for in this Article. However, notwithstanding anything to the contrary in this Article, in no event shall this Article require the Reinsurer to not comply with the order of any court of law or administrative court, the order of any arbitration and/or dispute resolution panel, the order of any governmental regulator, and/or any other law, regulation or order.**
- E. Any disclosure of Non-Public Personally Identifiable Information shall comply with all state and federal statutes and regulations governing the disclosure of Non-Public Personally Identifiable Information. "Non-Public Personally Identifiable Information" shall be defined as this term or a similar term is defined in any applicable state, provincial, territory, or federal law. Disclosing or using this information for any purpose not authorized by applicable law is expressly forbidden without the prior consent of the Company.**
- F. The parties agree that any information subject to privilege, including the attorney-client privilege or attorney work product doctrine (collectively "Privilege") shall not be disclosed to the Reinsurer until, in the Company's opinion, such Privilege is deemed to be waived or otherwise compromised by virtue of its disclosure pursuant to this Contract. For any privileged information, the Company shall endeavor to undertake steps as reasonably necessary to provide the Reinsurer with the information it reasonably requires to indemnify the Company without causing a loss of such Privilege. Furthermore, the Reinsurer shall not**

assert that any Privilege otherwise applicable to the Confidential Information has been waived or otherwise compromised by virtue of its disclosure pursuant to this Contract.

- G. The provisions of this Article shall extend to the directors, officers, and employees of the Reinsurer and its affiliates, and shall be binding upon their successors and assigns.
- H. Nothing in this Article or any portion thereof shall impose any confidentiality restrictions on the Insured or otherwise be applicable to the Insured.

Article 15 - Errors and Omissions (BRMA 14F)

Inadvertent delays, errors or omissions made in connection with this Contract or any transaction hereunder shall not relieve either party from any liability which would have attached had such delay, error or omission not occurred, provided always that such error or omission is rectified as soon as possible after discovery.

Article 16 - Currency

- A. Whenever the word "Dollars" or the "\$" sign appears in this Contract, it shall be construed to mean United States Dollars, and all transactions under this Contract shall be in United States Dollars.
- B. Amounts paid or received by the Company in any other currency shall be converted to United States Dollars at the rate of exchange at the date such transaction is entered on the books of the Company.

Article 17 - Taxes

In consideration of the terms under which this Contract is issued, the Company shall not claim a deduction in respect of the premium hereon when making tax returns, other than income or profits tax returns, to any state or territory of the United States of America or the District of Columbia.

Article 18 - Federal Excise Tax

- A. The Reinsurer has agreed to allow for the purpose of paying the Federal Excise Tax the applicable percentage of the premium payable hereon (as imposed under Section 4371 of the Internal Revenue Code) to the extent such premium is subject to the Federal Excise Tax.
- B. In the event of any return of premium becoming due hereunder the Reinsurer shall deduct the applicable percentage from the return premium payable hereon and the Company or its agent should take steps to recover the tax from the United States Government.

Article 19 - Foreign Account Tax Compliance Act

- A. To the extent the Reinsurer is subject to the deduction and withholding of premium payable hereon as set forth in the Foreign Account Tax Compliance Act (Sections 1471-1474 of the Internal Revenue Code), the Reinsurer shall pay or allow such deduction and withholding from the premium payable under this Contract.
- B. In the event of any return of premium becoming due hereunder, the Reinsurer shall not deduct any percentage from the return premium payable hereon. To the extent the Company or its agent recovers such premium deductions and withholdings on the return premium from the United States Government, the Company or its agent shall reimburse the Reinsurer for such amounts.

Article 20 - Trust Account Creation and Funding Provisions

- A. A Reinsurance Trust Agreement ("**Trust Agreement**") shall be entered into by each Subscribing Reinsurer in the form attached as Exhibit C to the Subscribing Reinsurer's Interests and Liabilities Agreement. Each Subscribing Reinsurer at all times shall maintain on deposit in the Trust Account established under the Trust Agreement Assets (as that term is defined in the Trust Agreement) which have a fair market value equal to the trust funding obligation then applicable to that Subscribing Reinsurer in accordance with the calculations required or authorized under this Article (each, a "**Trust Funding Obligation**").
- B. The initial Trust Funding Obligation to be deposited by a Subscribing Reinsurer into the Trust Account (such amount, the "**Original Trust Funding Obligation**") shall be the amount calculated by multiplying (1) that Subscribing Reinsurer's percent share of the Limit of Liability (as defined in the Policy) by (2) the required collateral percentage identified on Schedule 1 based on the lower of that Subscribing Reinsurer's A.M. Best or Standard and Poor's Rating (such percentage, the "**Required Collateral Percentage**"); provided, however, that any Subscribing Reinsurer that does not have a Rating of A- or higher with both A.M. Best and Standard & Poor's as of the effective date of this Contract shall at all times be subject to the TPE Triggered Trust Funding Obligation (as defined below) set forth in paragraph F of this Article.
- C. Each Subscribing Reinsurer shall notify the Company of any downgrade in that Subscribing Reinsurer's rating by A.M. Best or by Standard & Poor's within five (5) calendar days of the date on which the Subscribing Reinsurer is first informed of such downgrade (the "**Downgrade Notice Date**"). If such downgrade results in a change to the Required Collateral Percentage, including a Termination Permitting Event under subparagraph A(3) of the Special Termination Article, and no other Termination Permitting Event has occurred, then within five (5) calendar days of the Downgrade Notice Date, the Subscribing Reinsurer shall deposit into the Trust Account the difference between the fair market value of the Assets then on deposit in the Trust Account and that Subscribing Reinsurer's Revised Trust Funding Obligation (as defined below) calculated as of the Downgrade Notice Date. The term "**Revised Trust Funding Obligation**" means the amount calculated by multiplying (1) that Subscribing Reinsurer's percent share of the Remaining Limit of Liability (as defined in the Policy) as of the date of such calculation by (2) the Required Collateral Percentage as of the date of such calculation.

- D. A Subscribing Reinsurer may notify the Company that the Subscribing Reinsurer's rating has been upgraded by A.M. Best or by Standard & Poor's (such notice, an "Upgrade Notice"). If such upgrade results in a change to the Required Collateral Percentage, and no Termination Permitting Event other than a Termination Permitting Event under subparagraph A(3) of the Special Termination Article has occurred, then on or after the thirtieth (30th) calendar day following the date on which the Company receives such Upgrade Notice, the Subscribing Reinsurer may request the Beneficiary (as that term is defined in the Trust Agreement) to issue a Withdrawal Notice (as that term is defined in the Trust Agreement) to the Trustee directing the Trustee to withdraw from the Trust Account and pay directly to the requesting Subscribing Reinsurer that specific dollar amount by which the fair market value of the Assets then on deposit in the Trust Account exceeds that Subscribing Reinsurer's Revised Trust Fund Obligation as calculated as of the date of the Upgrade Notice.
- E. In the event that, at any time, the Company determines that the fair market value of all Assets then on deposit in the Trust Account of a Subscribing Reinsurer is less than 100% of that Subscribing Reinsurer's Trust Funding Obligation (such difference, an "Asset Deficit"), the Company may (but is not required) to send a written notification (the "Asset Deficit Notice") to that Subscribing Reinsurer, with a copy to Insured and to the Trustee, (1) notifying the Subscribing Reinsurer of the existence and the amount of the Asset Deficit and (2) instructing the Subscribing Reinsurer to transfer to the Trustee for deposit into the Trust Account Assets with a fair market value equal to the Asset Deficit. The Subscribing Reinsurer shall have five (5) calendar days (the "Asset Deficit Cure Period") from the date on which the Asset Deficit Notice is sent to transfer the aforesaid Assets to the Trustee for deposit into the Trust Account. If the Subscribing Reinsurer has not transferred such Assets to the Trustee for deposit into the Trust Account within the Asset Deficit Cure Period, the Company may thereafter issue a written instruction to the Trustee directing the Trustee to transfer from the Income Portfolio (as that term is defined in the Trust Agreement) to the Trust Account such Assets as are necessary to fully satisfy the Asset Deficit (the "Transfer Amount"). If the Assets in the Income Portfolio are less than the Transfer Amount, the Company may also direct the Trustee to deposit all amounts otherwise required to be deposited into the Income Portfolio to the Trust Account until the full amount of the Transfer Amount has been deposited into the Trust Account.
- F. Except with respect to a Termination Permitting Event under subparagraph A(3) of the Special Termination Article, if, with respect to a Subscribing Reinsurer, a Termination Permitting Event occurs (such occurrence, a "TPE Funding Trigger"), then, regardless of whether this Contract is terminated as a result thereof, the Company or the Insured may issue a written notice (the "TPE Funding Notice") directing such Subscribing Reinsurer to deposit the TPE Funding Amount (as that term is defined below) into the Trust Account. The Subscribing Reinsurer shall deposit the TPE Funding Amount (as that term is defined below) into the Trust Account within five (5) business days of the Subscribing Reinsurer's receipt of the TPE Funding Notice. The term "TPE Funding Amount" means that specific dollar amount by which the fair market value of the Assets then on deposit in the Trust Account is less than [REDACTED] (%) of that Subscribing Reinsurer's percent share of the Remaining Limit of Liability (as that phrase is defined in the Policy). Thereafter, any and all premiums payable under this Contract to that Subscribing Reinsurer shall be paid by the Company, in full and without deduction, to the Trust Account until such time as the aggregate amount deposited into the Trust Account by that Subscribing Reinsurer (directly or by the payment of premium otherwise payable to that Subscribing Reinsurer into the

Trust Account) is equal to 100% of that Subscribing Reinsurer's percent share of the Remaining Limit of Liability (as that phrase is defined in the Policy). The aggregate of all amounts that must be deposited and retained in the Trust Account pursuant to this paragraph F of this Article with respect to a Subscribing Reinsurer following a TPE Funding Trigger that has occurred with respect to that Subscribing Reinsurer shall hereinafter be referred to the "TPE Triggered Trust Funding Obligation."

G. If no TPE Funding Trigger has occurred:

1. A Subscribing Reinsurer may request that the Beneficiary (as that term is defined in the Trust Agreement) issue a Withdrawal Notice (as that term is defined in the Trust Agreement) to the Trustee directing the Trustee to (i) withdraw from the Trust Account and (ii) pay directly to the requesting Subscribing Reinsurer that specific dollar amount (as determined by the Beneficiary) by which the fair market value of the Assets deposited into the Trust Account by that Subscribing Reinsurer exceeds 102% of the then existing Trust Funding Obligation; and
2. Subject to the deduction of the Trustee's compensation and expenses in accordance with the Trust Agreement, a Subscribing Reinsurer may withdraw funds deposited in the Income Portfolio (as that term is defined in the Trust Agreement) if the fair market value of the Assets deposited into the Trust Account by that Subscribing Reinsurer exceeds 100% of the then existing Trust Funding Obligation.

H. If a TPE Funding Trigger has occurred with respect to a Subscribing Reinsurer:

1. That Subscribing Reinsurer may request that the Beneficiary (as that term is defined in the Trust Agreement) issue a Withdrawal Notice (as that term is defined in the Trust Agreement) to the Trustee directing the Trustee to withdraw from the Trust Account and pay directly to the requesting Subscribing Reinsurer only that specific dollar amount (as determined by the Beneficiary) by which the fair market value of the Assets deposited into the Trust Account by that Subscribing Reinsurer (directly or by the payment of premium otherwise payable to that Subscribing Reinsurer into the Trust Account) exceeds 102% of that Subscribing Reinsurer's Remaining Limit of Liability (as defined in the Policy); and
 2. That Subscribing Reinsurer may not withdraw any funds from the Income Portfolio (as that term is defined in the Trust Agreement) that that Subscribing Reinsurer otherwise would be entitled to withdraw under the terms of the Trust Agreement unless the fair market value of the Assets deposited into the Trust Account by that Subscribing Reinsurer (directly or by the payment of premium otherwise payable to that Subscribing Reinsurer into the Trust Account) exceeds 100% of that Subscribing Reinsurer's percent share of the Remaining Limit of Liability (as defined in the Policy).
- I. All Assets delivered to the Trustee for deposit to the Trust Account shall consist only of Eligible Investments (as that term is defined in the Trust Agreement). In addition, a Subscribing Reinsurer shall not provide any Asset to the Trustee that is not in such form that the Company (as the Beneficiary of the Trust) or the Trustee upon direction by the Company (as Beneficiary of the Trust) may negotiate any such Asset without the consent or signature of the Subscribing Reinsurer or any other person or entity. The Subscribing Reinsurer shall provide such documents as are necessary to authorize such transfer at the

time the Asset is deposited to the Trust Account or if requested thereafter by the Trustee or the Company.

- J. Each Subscribing Reinsurer must timely and fully comply with the requirements of this Article and must fully fund the Trust Account as set forth herein, even in the event of a dispute concerning the same or any other aspects of this Contract. The existence of a dispute as to the obligations of a Subscribing Reinsurer under the Trust Agreement or under this Contract shall not constitute a basis for failing to fund the Trust Account in accordance with the terms of this Article. In the event of an actual breach of the provisions of this Article by that Subscribing Reinsurer, the Company and/or the Insured may elect equitable relief in the form of specific performance by that Subscribing Reinsurer requiring the immediate funding of the Trust Account in accordance with this Article.
- K. The requirements of this Article apply in addition to and not in lieu of any and all other rights, remedies or causes of action which the Company or the Insured may have under this Contract, under any other agreement, or that otherwise may accrue to the Company or the Insured at law or in equity.

Article 21 - Insolvency

- A. The provisions of the Alternate Payee Article of this Contract are intended to take precedence over this Article. This Article shall apply to the extent the Reinsurer has any liability to the Company, or its liquidator, receiver or statutory successor, after the application and operation of the Alternate Payee Article of this Contract.
- B. Where this Article applies, it shall apply severally to each reinsured company referenced within the definition of "Company" in this Contract.
- C. Where two or more Subscribing Reinsurers are liable with respect to the same claim and a majority in interest elects to interpose defense to such claim, the expense shall be apportioned in accordance with the terms of this Contract as though such expense had been incurred by the Company.
- D. In the event of the insolvency of the Company, the reinsurance under this Contract shall be payable by the Reinsurer on the basis of the Company's liability under the Policy without diminution because of the insolvency of the Company or because the liquidator, receiver, conservator or statutory successor of the Company has failed to pay all or a portion of any claim. The reinsurance will be payable directly to the Company or to its liquidator, receiver, conservator or statutory successor, except (1) where this Contract or any Exhibit specifically provides for another payee of such reinsurance in the event of the insolvency of the Company or (2) where the Reinsurer with the consent of the Insured has assumed such policy obligations of the Company as direct obligations of the Reinsurer to the payee under the Policy and in substitution for the obligations of the Company to such payee.
- E. The liquidator, receiver, conservator or statutory successor of the Company shall give written notice to the Reinsurer of the pendency of a claim against the Company within a reasonable time after such claim is filed in the delinquency proceeding and during the pendency of such claim, the Reinsurer may investigate such claim and interpose, at its own expense, in the proceeding where such claim is to be adjudicated, any defense or defenses

available under this Contract that it may deem available to the Company or its liquidator, receiver, conservator or statutory successor. The expense thus incurred by the Reinsurer shall be chargeable, subject to the approval of the Court, against the Company as part of the expense of conservation, rehabilitation or liquidation to the extent of a pro rata share of the benefit which may accrue to the Company solely as a result of the defense undertaken by the Reinsurer.

Article 22 - Alternate Payee

- A. Pursuant to the provisions of the Assumption of Liability Endorsement, the Reinsurer has agreed that, in lieu of payment to the Company or its receiver, rehabilitator, liquidator, conservator, or other statutory successor, it shall pay valid claims under the Policy directly to the Insured, at the Insured's request, if a Cut Through Triggering Event (as that term is defined in the Assumption of Liability Endorsement) occurs.
- B. In such an event, the following shall apply:
 - 1. Upon notice from the Insured, the Reinsurer will make payment directly to the Insured in lieu of payment to the Company, or its liquidator, receiver or statutory successor; and
 - 2. The Reinsurer shall be credited with an amount equal to such payment and shall be relieved of its corresponding responsibility and liability to the Company, or its liquidator, receiver or statutory successor under the Insolvency Article of this Contract for the amount of such payment for any sum or sums owed or owing under this Contract.
- C. In the event the foregoing provisions apply, all the other provisions of this Contract (except for any which would require a payment from or credit from the Insured on obligations of, or incurred by, the Company) shall apply to the Insured in the same manner as if the Insured were substituted for the Company as the reinsured party hereunder (however in no event shall the Insured be obligated to make any payments to the Reinsurer or to provide any credits or set-offs to the Reinsurer on obligations of, or incurred by, the Company).
- D. In no event shall the Reinsurer be subject to duplicate liability to the Company, its liquidator, receiver, or statutory successor. For the avoidance of doubt, in respect of the payment made by the Reinsurer to the Insured, the Reinsurer shall be fully and finally released and discharged from any corresponding liability to the Company for such payment to the Insured, including without limitation to the Company's receiver, rehabilitator, liquidator, conservator, or other statutory successor or any other entity or person claiming by or through or under this Contract including without limitation the Insured.
- E. This Article shall control in the event of any conflict with any other provision of this Contract, notwithstanding anything to the contrary in this Contract.

Article 23 - Arbitration

- A. As a condition precedent to any right of action hereunder, any irreconcilable dispute or difference of opinion, including formation and validity, and also including, but not limited to, any allegation of fraud, intentional misrepresentation, unintentional misrepresentation, or any other issue whatsoever, arising out of the interpretation, performance or breach of this Contract or any other agreements referenced herein including those referenced in paragraph A of the Miscellaneous Provisions Article shall be submitted to arbitration. One arbiter shall be chosen by the Company, the other by the Reinsurer, and an umpire shall be chosen by the two arbiters before they enter upon arbitration, all of whom shall be disinterested active or former officials or experienced individuals who have operated in, or been involved in, business placed in the United States insurance or reinsurance industry for at least 10 years. In the event that either party should fail to choose an arbiter within 30 days following a written request by the other party to do so, the requesting party may choose two arbiters who shall in turn choose an umpire before entering upon arbitration. If the two arbiters fail to agree upon the selection of an umpire within 30 days following their appointment, the two arbiters shall request the American Arbitration Association to appoint the umpire. If the American Arbitration Association fails to appoint the umpire within 30 days after it has been requested to do so, either party may request a justice of a Court of general jurisdiction of the state in which the arbitration is to be held to appoint the umpire.
- B. Each party shall present its case to the arbiters within 30 days following the date of appointment of the umpire. The arbiters shall consider this Contract as an honorable engagement rather than merely as a legal obligation and they are relieved of all judicial formalities and may abstain from following the strict rules of law. The decision of the arbiters shall be final and binding on both parties; but failing to agree, they shall call in the umpire and the decision of the majority shall be final and binding upon both parties. Judgment upon the final decision of the arbiters may be entered in any court of competent jurisdiction. The arbiters may award costs and expenses, including reasonable attorneys' fees and other expenses.
- C. If more than one Subscribing Reinsurer is involved in the same dispute, all such Subscribing Reinsurers shall, at the option of the Company, constitute and act as one party for purposes of this Article and communications shall be made by the Company to each of the Subscribing Reinsurers constituting one party, provided, however, that nothing herein shall impair the rights of such Subscribing Reinsurers to assert several, rather than joint, defenses or claims, nor be construed as changing the liability of the Subscribing Reinsurers participating under the terms of this Contract from several to joint.
- D. Each party shall bear the expense of its own arbiter, and shall jointly and equally bear with the other the expense of the umpire and of the arbitration. In the event that the two arbiters are chosen by one party, as above provided, the expense of the arbiters, the umpire and the arbitration shall be equally divided between the two parties.
- E. Any arbitration proceedings shall take place at a location mutually agreed upon by the parties to this Contract, but notwithstanding the location of the arbitration, all proceedings pursuant hereto shall be governed by the law of [REDACTED], not including its choice of law provisos, except that the internal laws of the [REDACTED] shall apply to the regulation of the Company.

Article 24 - Service of Suit

(This Article shall apply if a Subscribing Reinsurer is not domiciled in the United States of America, and/or is not authorized in any state, territory or district of the United States where authorization is required by insurance regulatory authorities)

- A. This Article shall not be read to conflict with or override the obligations of the parties to arbitrate their disputes as provided for in the Arbitration Article, if applicable. This Article is intended (1) as an aid to compelling arbitration or enforcing such arbitration or arbitral award, not as an alternative to the Arbitration Article for resolving disputes arising out of this Contract; and (2) as an aid to enforcing those rights of action set forth in paragraph H of the Miscellaneous Provisions Article of this Contract.
- B. In the event the Subscribing Reinsurer fails to perform its obligations hereunder, the Subscribing Reinsurer, at the request of the Company or the Insured, shall submit to the jurisdiction of a court of competent jurisdiction within the United States. Except as otherwise required by law, it is agreed that any and all proceedings, actions, claims, or causes of action initiated in connection with, arising under or related to this Contract shall be brought in the United States District Court for [REDACTED], which shall have sole and exclusive jurisdiction over all such matters. Each of the parties hereto waives any objection based on *forum non conveniens* and waives any objection to venue of any action instituted hereunder. If the U.S. Court shall not have subject matter or diversity jurisdiction, any suits and proceedings shall lie in the Courts of [REDACTED]. The Subscribing Reinsurer shall comply with all requirements necessary to give said Court jurisdiction and, in any suit instituted against any of the Subscribing Reinsurers upon this Contract, shall abide by the final decision of such Court or of any Appellate Court in the event of an appeal.
- C. Further, pursuant to any statute of any state, territory or district of the United States which makes provision therefor, the Subscribing Reinsurer hereby designates the attorney named in its Interests and Liabilities Agreement, or if no party is named therein or such party is not an attorney as required to grant credit for reinsurance under the laws of the [REDACTED] [REDACTED] for the reinsurance contemplated hereby, the Superintendent, Commissioner or Director of Insurance or other officer specified for that purpose in the statute, or his or her successor or successors in office, as its true and lawful attorney upon whom may be served any lawful process in any action, suit or proceeding instituted by or on behalf of the Company or any beneficiary hereunder arising out of this Contract.

Article 25 - Governing Law

This Contract shall be exclusively governed by, and construed in accordance with, the internal laws of [REDACTED], not including its choice of law provisos, except that the internal laws of [REDACTED] shall apply to the regulation of the Company.

Article 26 - Sanctions

Neither the Company nor any Subscribing Reinsurer shall be liable for premium or loss under this Contract if it would result in a violation of any mandatory sanction, prohibition or restriction under United Nations resolutions or the trade or economic sanctions, laws or regulations of the European Union, United Kingdom or United States of America that are applicable to either party.

Article 27 - Non-Waiver

The failure of the Company or the Insured to insist on compliance with this Contract or to exercise any right, remedy or option hereunder shall not: (1) constitute a waiver of any rights contained in this Contract, (2) prevent the Company or the Insured from thereafter demanding full and complete compliance, (3) prevent the Company or the Insured from exercising such remedy in the future, nor (4) affect the validity of this Contract or any part thereof.

Article 28 - Miscellaneous Provisions

- A. This Contract, the Policy, the Assumption of Liability Endorsement, the Reinsurance Trust Agreement, and any other agreements referenced herein, constitute the entire agreement between the parties with respect to the business reinsured hereunder. There are no understandings between the parties in connection with entering into this Contract other than as expressed in this Contract.
- B. Any change to or modification of this Contract shall be null and void unless made by an addendum to this Contract specifying the effective date thereof and signed by both parties and approved by the Insured.
- C. The relationship of the Company and the Reinsurer to each other and to the Insured concerning the matters covered by this Contract or in any endorsement shall be in accordance with the principles of utmost good faith and fair dealing.
- D. This Contract incorporates, as if set forth in full herein, representations and warranties "a" through "j" contained in the Representations and Warranties of the Insurer Article of the Policy. Each Subscribing Reinsurer hereby makes the representations and warranties "b", "c", "e", "f", "g", "i" and "j" contained in the Representations and Warranties of the Insurer Article of the Policy to the Company and the Insured in the same manner as the Company does to the Insured in the Policy. With respect to representations and warranties "a" and "h", each Subscribing Reinsurer makes such representations to the Company and the Insured except that "a" shall be made regarding its place of domicile and "h" shall be made regarding the relevant regulator in its place of domicile.
- E. The Reinsurer represents and warrants to the Company and the Insured that it has sufficient knowledge and experience in financial, business and other relevant matters to be capable of evaluating the risks and merits of entering into and performing this Contract. The Reinsurer has conducted its own independent review and analysis of the underwriting risk assumed under this Contract and represents and warrants that it had such information as it deemed necessary and sufficient to enter into this Contract. In entering into this Contract, the Reinsurer is not relying on any representation as to any past or present fact or

circumstance, or on any representation, prediction or estimation as to any future fact or circumstance, whatsoever made by or on behalf of the Company or the Insured.

Prior to the Reinsurer's execution and delivery of this Contract, the Reinsurer has (1) been given the opportunity to ask questions of, and receive answers from, the Company concerning the terms and conditions of this Contract and the subject matter of this Contract and (2) been given the opportunity to request and review such additional information necessary to evaluate the risks and merits of entering into and performing this Contract and to verify the accuracy of or to supplement the information provided to the Reinsurer to the extent that the Company possesses such information.

F. The Reinsurer also represents and warrants to the Company as follows:

1. The Reinsurer has the full corporate power, authority and legal right to enter into this Contract and to consummate the transactions contemplated hereby. This Contract constitutes the legal, valid and binding obligation of the Reinsurer, enforceable against the Reinsurer in accordance with its terms. The execution, delivery and performance by the Reinsurer of this Contract and the consummation by the Reinsurer of the transactions contemplated hereby shall not contravene or violate any provision of, or result in the termination or acceleration of, or entitle any party to accelerate any obligation or indebtedness under, or result in an adverse claim against the Reinsurer pursuant to any license, permit, agreement, instrument, law, order, judgment or decree to which the Reinsurer is a party or by which the Reinsurer is bound.
2. The Reinsurer shall maintain at all times the minimum capital and surplus required by applicable law.

G. The Reinsurer hereby knowingly and voluntarily waives any and all defenses to payment under this Contract that are based on misrepresentation and/or nondisclosure as to the subject matter of this Contract at or prior to the Reinsurer's execution and delivery of this Contract, and agrees not to seek rescission of this Contract because of any actual or alleged misrepresentation and/or non-disclosure as to the subject matter of this Contract at or prior to the Reinsurer's execution and delivery of this Contract.

H. In the event of an actual breach of those obligations set forth in the Trust Account Creation and Funding Provisions Article, the Company and/or the Insured may elect specific performance.

I. Except as expressly set forth herein, no right or remedy set forth in this Contract is exclusive of any other right or remedy but shall be in addition to every other right or remedy given under this Contract or existing now or hereafter in law or equity.

J. Each Subscribing Reinsurer shall take such reasonable steps as may be required for the Company to receive full credit for the reinsurance on the Company's statutory financial statements.

K. In the event that any of the parties hereto identifies material non-compliance with the obligations or representations under the Policy or the Contract, the parties shall first attempt to resolve any resulting dispute through monetary remuneration of damages, exclusion of eligible loans, or some other type of remedy. In the event that the parties are not able to

Exhibit A

Aggregate Excess of Loss Credit Insurance Policy

[REDACTED]

SCHEDULE 1

REQUIRED COLLATERAL PERCENTAGE

S&P	Best	Collateral
AA- and higher	A+ and higher	20%
A+ through A-	A through A-	25%
Below A- or unrated	Below A- or unrated	50% plus Premium Capture

The term "Premium Capture" means that all premium payable under this Contract to the Subscribing Reinsurer by the Company shall be paid by the Company, in full and without deduction, to the Trust Account until such time as the aggregate amount deposited into the Trust Account by that Subscribing Reinsurer (directly or by the payment of premium otherwise payable to that Subscribing Reinsurer into the Trust Account) is equal to 100% of that Subscribing Reinsurer's Remaining Limit of Liability (as that phrase is defined in the Policy).

Interests and Liabilities Agreement

attached to and forming part of the

Quota Share Reinsurance Contract Effective: August 1, 2015

entered into by and between

[REDACTED]

and

[REDACTED]

(hereinafter referred to as the "Subscribing Reinsurer")

The Subscribing Reinsurer hereby accepts a [REDACTED] share in the interests and liabilities of the Reinsurer as set forth in the attached Contract captioned above. Unless otherwise specified herein, all capitalized defined terms used herein have the same meanings ascribed to such terms in the Contract.

This Agreement shall become effective on August 1, 2015, and shall remain in force until the Policy is terminated or expires and all payments required under the Policy or the attached Contract have been made in full, unless earlier terminated in accordance with the provisions of the attached Contract.

The Subscribing Reinsurer's share in the attached Contract shall be separate and apart from the shares of any other reinsurer, and shall not be joint with the shares of any other reinsurer, it being understood that the Subscribing Reinsurer shall in no event participate in the interests and liabilities of any other reinsurer.

As respects the Subscribing Reinsurer's share in the attached Contract, the following Article shall be added to and made part of the Contract:

"Article 31 - Notices and Contract Execution

- A. All notices, requests, demands and other communications hereunder must be in writing (including electronic mail) and shall be deemed to have been duly given (i) when received if delivered by hand against written receipt, (ii) when received if sent by electronic mail between 8:00 a.m. and 6:00 p.m. on a Business Day (or the first Business Day immediately following the day on which the electronic mail is sent if such day is not a Business Day), provided such transmission is confirmed by the e-mail system of the sender, (iii) five (5) days after being mailed if mailed by prepaid, first class certified mail, return receipt requested, or (iv) if sent by overnight courier,

two (2) days after delivery to a recognized major overnight courier service, fees prepaid.

In each case other than electronic mail, notices shall be addressed as follows:

If to the Company:



If to the *Subscribing Reinsurer*:



If to the Insured:

Federal National Mortgage Association, also known as Fannie Mae,
a government-sponsored enterprise chartered by the U.S. Congress
3900 Wisconsin Avenue, NW
Washington, DC 20016-2892

- B. The use of any of the following shall constitute a valid execution of this Contract or any amendments thereto:
1. Paper documents with an original ink signature; and/or
 2. Facsimile or electronic copies of paper documents showing an original ink signature.
- C. This Contract may be executed in one or more counterparts, each of which, when duly executed, shall be deemed an original."

In Witness Whereof, the parties hereto by their respective duly authorized representatives have executed this Agreement as of the dates specified below:

This [REDACTED] day of [REDACTED] in the year [REDACTED].
[REDACTED]

Name: [REDACTED]

Title: [REDACTED]

This [REDACTED] day of [REDACTED] in the year [REDACTED].
[REDACTED]

Name: [REDACTED]

Title: [REDACTED]

Exhibit B

Assumption of Liability Endorsement

Effective August 1, 2015, this endorsement (the "Endorsement") forms a part of the Quota Share Reinsurance Contract with an Effective Date of August 1, 2015 (the "Contract") to which it is attached between the Company (as defined in the Contract) and the Subscribing Reinsurer (as defined in the Interests and Liabilities Agreement attached to and forming part of the Contract). Unless otherwise specified herein, all capitalized defined terms used in this Endorsement have the same meanings ascribed to such terms in the Contract.

For value received, the Company and the Subscribing Reinsurer agree and stipulate that in the event the Insured informs the Subscribing Reinsurer in writing that the Insured has determined that (i) the Company becomes insolvent, (ii) the Company is not in material compliance with the Policy, (iii) the Company is not in material compliance with the Contract, (iv) the Company has failed to recover in a timely manner from any reinsurer under the Contract, (v) the Company has not timely paid in full any payment due to the Insured, (vi) the Company is subject to a liquidation or rehabilitation order or procedure or any similar order or procedure or (vii) amounts payable by the Subscribing Reinsurer under the Contract are subject to attachment, garnishment or other remedies of a creditor of the Company other than the Insured, (individually and collectively, a "Cut Through Triggering Event"), the Subscribing Reinsurer shall remain liable for 100% of its share of the loss payable by the Company under the attached Contract, and the Subscribing Reinsurer shall make payment thereof directly to the Insured, subject to the other applicable terms of the Contract. The parties hereto acknowledge and agree that the Insured shall be entitled, as an express third-party beneficiary, to enforce against the Subscribing Reinsurer its obligations to make payment directly to the Insured in the circumstances described in this Endorsement to the same extent as if such Insured were a party to the Contract.

The parties agree that in the event that the Insured notifies the Subscribing Reinsurer of a Cut Through Triggering Event, subparagraph E(2) of Article 1 - Business Covered - of the Contract shall continue to apply.

The Company and the Subscribing Reinsurer covenant and agree that the provisions of this Endorsement take precedence over any conflicting provisions or portions of the Contract and over any conflicting provisions in any other reinsurance agreement, contract or arrangement between them.

In no event shall the Subscribing Reinsurer be subject to duplicate liability to the Company, its liquidator, receiver, or statutory successor. For the avoidance of doubt, in respect of the payment made by the Subscribing Reinsurer to the Insured, the Subscribing Reinsurer shall be fully and finally released and discharged from any corresponding liability to the Company for such payment to the Insured, including without limitation to the Company's receiver, rehabilitator, liquidator, conservator, or other statutory successor or any other entity or person claiming by or through or under this Contract including without limitation the Insured.

In Witness Whereof, the parties hereto and the Insured have executed this Endorsement to be effective as of the date set forth above.

[Redacted]

[Redacted]

[Redacted]

[Redacted]

(Official Title)
Company

(Official Title)
Subscribing Reinsurer

Federal National Mortgage Association

[Redacted]

[Redacted]

(Official Title)
Insured

Exhibit C

Reinsurance Trust Agreement