

other organization performing advisory, coordination or other like functions among insurance departments, insurance commissioners and similar Governmental Authorities of the various

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

**“Net Cash Proceeds”** means, with respect to any issuance or sale of Capital Stock of the Borrower or any Subsidiary or Indebtedness, the cash proceeds of such issuance or sale net of attorneys’ fees, accountants’ fees, underwriters’ or placement agents’ fees, listing fees, discounts or commissions and brokerage, consultant and other fees, charges and expenses actually Incurred in connection with such issuance or sale and net of taxes paid or payable as a result of such issuance or sale (after taking into account any available tax credit or deductions and any tax sharing arrangements).

**“Non-Consenting Lender”** means a Lender that does not consent to an amendment or waiver pursuant to Section 10.01 that requires the consent of all or all affected Lenders in order to become effective and as to which Lenders holding more than 50% of the Revolving Loans and Revolving Commitments have consented.

**“Non-Defaulting Lender”** means, at any time, each Lender that is not a Defaulting Lender at such time.

**“Obligations”** means all advances to, and debts, liabilities and obligations of, any Credit Party arising under any Loan Document with respect to the Revolving Loans, whether direct or indirect (including those acquired by assumption), absolute or contingent, due or to become due, now existing or hereafter arising and including interest and fees that accrue after the commencement by or against any Credit Party of any proceeding under any Debtor Relief Laws naming such Person as the debtor in such proceeding, regardless of whether such interest and fees are allowed claims in such proceeding. Without limiting the generality of the foregoing, the Obligations of the Credit Parties under the Loan Documents include the obligation to pay principal, interest, charges, expenses, fees, Attorney Costs, indemnities and other amounts payable by any Credit Party under any Loan Document.

**“OFAC”** has the meaning set forth in the definition of “Economic Sanctions Law”.

**“OM Purchase Agreement”** means the First Amended and Restated Stock Purchase Agreement, dated February 17, 2011, between OM Group (UK) Limited and Parent (as successor to Harbinger F&G, LLC).

**“Other Connection Taxes”** means, with respect to any recipient, Taxes imposed as a result of a 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 Loan Document, or sold or assigned an interest in the Revolving Loans, Revolving Commitments or Loan Document at the Borrower’s request pursuant to Section 3.07).

**“Other Taxes”** means any present or future stamp, court or documentary, recording, filing or similar Taxes or sales Taxes, charges or similar levies that arise from any payment made under this Agreement or any other Loan Document or from the execution, delivery, performance, enforcement or registration of, or otherwise with respect to, this Agreement or any other Loan Document, except any such Taxes that are Other Connection Taxes imposed with respect to an assignment (other than an assignment made pursuant to Section 3.07).

**“Parent”** means Fidelity & Guaranty Life, a Delaware corporation.

**“Participant”** has the meaning specified in Section 10.07(d).

**“Participant Register”** has the meaning specified in Section 10.07(d).

**“Patriot Act”** has the meaning specified in Section 10.17.

**“PBGC”** means the Pension Benefit Guaranty Corporation or any Governmental Authority succeeding to any of its principal functions under ERISA.

**“Pension Plan”** means a pension plan (as defined in Section 3(2) of ERISA) subject to Title IV of ERISA that Parent, any of its Subsidiaries or any ERISA Affiliate sponsors or maintains, or to which it makes, is making or is obligated to make contributions, or in the case of a multiple employer plan (as described

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in Section 4064(a) of ERISA) has made contributions at any time during the immediately preceding five plan years.

**“Permitted Holder”** means (a) Harbinger Group Inc., (b) any Affiliate or Related Party of Harbinger Group Inc. (other than another portfolio company thereof (which means a company actively engaged in providing goods and services to unaffiliated customers) or a company controlled by a “portfolio company”), and (c) any Person both the Capital Stock and the Voting Stock of which (or in the case of a trust, the beneficial interests in which) are owned 50% or more by Persons specified in clauses (a) and (b) or any group in which the Persons specified in clauses (a) and (b)

own more than a majority of the voting power of the Voting Stock held by such group, and any Person that is a member of any such group.

**“Permitted Investment”** means an Investment by the Borrower or any Subsidiary in:

- (a) the Borrower or a Subsidiary, including through the purchase of Capital Stock of a Subsidiary;
- (b) any Investment by the Borrower or any of its Subsidiaries in a Person that is engaged in any business that is the same as or related, ancillary or complementary to any of the businesses of the Borrower and its Subsidiaries on the Closing Date and any reasonable extension or evolution of any of the foregoing if as a result of such Investment:
  - (i) such Person becomes a Subsidiary; or
  - (ii) such Person, in one transaction or a series of related transactions, is merged or consolidated with or into, or transfers or conveys all or substantially all of its assets to, or is liquidated into, the Borrower or a Subsidiary,and, in each case, any Investment held by such Person; *provided* that such Investment was not acquired by such Person in contemplation of such acquisition, merger, consolidation or transfer;
- (c) cash and Cash Equivalents or Investments that constituted Cash Equivalents at the time made;
- (d) receivables owing to the Borrower or any Subsidiary created or acquired in the ordinary course of business and payable or dischargeable in accordance with customary trade terms; *provided, however*, that such trade terms may include such concessionary trade terms as the Borrower or any such Subsidiary deems reasonable under the circumstances;
- (e) commission, relocation, entertainment, payroll, travel and similar advances to cover matters that are expected at the time of such advances ultimately to be treated as expenses for accounting purposes and that are made in the ordinary course of business;
- (f) loans or advances to, or guarantees of third party loans to, employees, officers or directors of the Borrower or any Subsidiary in the ordinary course of business in an aggregate amount outstanding at any time not in excess of \$2.0 million with respect to all loans or advances or guarantees made since the Closing Date (without giving effect to the forgiveness of any such loan) or to fund such Person’s purchase of Capital Stock of the Borrower or any direct or indirect parent of the Borrower;
- (g) any Investment acquired by the Borrower or any of its Subsidiaries:
  - (i) in exchange for any other Investment or accounts receivable held by the Borrower or any such Subsidiary in connection with or as a result of a judgment, bankruptcy, workout, reorganization or recapitalization of the issuer of such other Investment or accounts receivable;
  - (ii) as a result of a foreclosure by the Borrower or any of its Subsidiaries with respect to any secured Investment or other transfer of title with respect to any secured Investment in default; or
  - (iii) in the form of notes payable, or stock or other securities issued by account debtors to the Borrower or any Subsidiary pursuant to negotiated agreements with respect to the settlement of such account debtor’s accounts, and other Investments arising in connection with the compromise, settlement or collection of accounts receivable, in each case in the ordinary course of business;
- (h) Investments made as a result of the receipt of non-cash consideration from a Disposition that was made pursuant to and in compliance with Section 7.03 hereof or any other disposition of assets not constituting a Disposition;

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(i) Investments in existence on the Closing Date and Investments committed to be made as of the Closing Date, and any extension, modification or renewal of any such Investments, or Investments purchased or received in exchange for such Investments, existing on the Closing Date, but only to the extent not involving additional advances, contributions or other Investments of cash or other assets or other increases thereof (other than (x) as contemplated by the terms of such Investment as in effect on the Closing Date, (y) as permitted under this definition or Section 7.07 hereof or (z) pursuant to the terms of such Investment as in effect on the Closing Date, as a result of the accrual or accretion of interest or original issue discount or the issuance of pay-in-kind securities);

(j) any Person to the extent such Investments consist of Hedging Obligations, which transactions or obligations are Incurred in compliance with Section 7.01 hereof;

(k) guarantees of Indebtedness issued in accordance with Section 7.01 hereof and guarantees to suppliers, licensors or the providers of operating leases (other than guarantees of Indebtedness) in the ordinary course of business;

(l) Investments made in connection with the funding of contributions under any non-qualified retirement plan or similar employee compensation plan, including, without limitation, split-dollar insurance policies, in an amount not to exceed the amount of compensation expense recognized by the Borrower and its Subsidiaries in connection with such plans;

(m) Investments received in settlement of debts created in the ordinary course of business and owing to the Borrower or any Subsidiary or in satisfaction of judgments or pursuant to any plan of reorganization or similar arrangement upon the bankruptcy or insolvency of a debtor;

(n) any Person to the extent such Investments consist of prepaid expenses, negotiable instruments held for collection and lease, utility, unemployment insurance, workers' compensation, performance and other similar deposits made in the ordinary course of business by the Borrower or any Subsidiary;

(o) prepayments and other credits to suppliers made in the ordinary course of business;

(p) endorsements of negotiable instruments and documents in the ordinary course of business;

(q) loans or advances or similar transactions with customers, distributors, clients, developers, suppliers or purchasers of goods or services in the ordinary course of business;

(r) Insurance Investments by any Insurance Subsidiary (including by any Subsidiary of such Insurance Subsidiary that is not itself an Insurance Subsidiary);

(s) Investments by the Borrower that constitute Investments that would be permitted to be made by an Insurance Subsidiary pursuant to clause (r) of this definition of "Permitted Investments";

(t) Investments of the type described in clause (v) of the proviso in the definition of "Indebtedness" in connection with Statutory Reserve Financings; and

(u) Investments by the Borrower or any of its Subsidiaries, together with all other Investments pursuant to this clause (u), in an aggregate amount at the time of such Investment not to exceed \$35.0 million outstanding at any one time (with the Fair Market Value of such Investment being measured at the time made and without giving effect to subsequent changes in value).

**"Permitted Swap Obligations"** means all obligations (contingent or otherwise) of the Borrower or any Subsidiary thereof existing or arising under Interest Rate Agreements, Currency Agreements or other Swap Contracts; *provided* that such obligations are (or were) entered into by such Person in the ordinary course of business for the purpose of fixing, managing or hedging interest rate or currency exposure of the Borrower or any Subsidiary and not for speculative purposes.

**"Permitted Transactions"** means (a) mortgage-backed security transactions in which an investor sells mortgage collateral, such as securities issued by the Government National Mortgage Association and the Federal Home Loan Mortgage Corporation, for delivery in the current month while simultaneously contracting to repurchase "substantially the same" (as determined by the Public Securities Association and GAAP) collateral for a later settlement, (b) transactions in which an investor lends cash to a primary dealer and the primary dealer collateralizes the borrowing of the cash with certain securities, (c) transactions in

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which an investor lends securities to a primary dealer and the primary dealer collateralizes the borrowing of the securities with cash collateral, (d) transactions in which an investor makes loans of securities to a broker-dealer under an agreement requiring such loans to be continuously secured by cash collateral or United States government securities, (e) transactions structured as, and submitted to the NAIC Security Valuation Office for approval as, Replication (Synthetic Asset) Transactions (RSAT) (*provided* that, to the extent that such approval is not granted in respect of any such transaction, such transaction shall cease to constitute a Permitted Transaction 30 days following the date of such rejection, denial or non-approval) and (f) transactions in which a federal home loan mortgage bank (a "FHLMB") makes loans to an Insurance Subsidiary, that are sufficiently secured by appropriate assets of such Insurance Subsidiary consisting of government agency mortgage-backed securities in accordance with the rules, regulations and guidelines of such FHLMB for its loan programs.

**"Person"** means an individual, partnership, corporation, limited liability company, business trust, joint stock company, trust, unincorporated association, joint venture or Governmental Authority or other entity of whatever nature.

**"Plan"** means an employee benefit plan (as defined in Section 3(3) of ERISA) subject to ERISA that any Credit Party, any of their Subsidiaries, or any member of the Controlled Group sponsors or maintains or to which any Credit Party, any of their Subsidiaries, or any member of the Controlled Group makes, is making or is obligated to make, contributions.

**"Portfolio Interest Exemption"** has the meaning specified in Section 3.01(e)(C)(iii).

**"Preferred Stock"** means, as applied to the Capital Stock of any corporation, Capital Stock of any class or classes (however designated) that is preferred as to the payment of dividends, or as to the distribution of assets upon any voluntary or involuntary liquidation or dissolution of such Person, over shares of Capital Stock of any other class of such Person.

**"Prepayment Notice"** means a written notice made pursuant to Section 2.05(e) substantially in the form of Exhibit G.

**“Primary Policies”** means any insurance or reinsurance policies issued by a Credit Party or any Insurance Subsidiary.

**“Pro Rata Share”** means, at any time, with respect to all payments, computations and other matters relating to the Revolving Commitment or Revolving Loans of any Lender, the percentage obtained by dividing (a) the Revolving Exposure of that Lender at such time by (b) the aggregate Revolving Exposure of all Lenders at such time.

**“Quarterly Statement”** means the quarterly statutory financial statement of any Insurance Subsidiary required to be filed with the applicable Department or, if no specific form is so required, in the form of financial statements permitted by such Department to be used for filing quarterly statutory financial statements and shall contain the type of financial information permitted by such Department to be disclosed therein, together with all exhibits or schedules filed therewith.

**“Rating”** means, at any time, the rating issued by S&P and Moody’s and then in effect with respect to the Index Debt.

**“Rating Agencies”** means S&P and Moody’s.

**“Rating Decline Event”** means that each of the Ratings immediately following a Disposition becoming known publicly is more than one level or category lower than such Rating immediately prior to such Disposition becoming known publicly.

**“RBCCM”** means RBC Capital Markets RBC Capital Markets is a brand name for the capital markets businesses of Royal Bank of Canada and its affiliates..

**“Reference Date”** means March 27, 2013.

**“Refinance”** means, in respect of any Indebtedness, to refinance, extend, renew, refund, replace, repay, prepay, purchase, redeem, defease or retire, or to issue other Indebtedness in exchange or replacement for or to consolidate, such Indebtedness. **“Refinanced”** and **“Refinancing”** shall have correlative meanings.

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**“Refinancing Indebtedness”** means any Indebtedness that Refinances any other Indebtedness, including any successive Refinancings, so long as:

(a) such Indebtedness is in an aggregate principal amount (or if Incurred with original issue discount, an aggregate issue price) not in excess of the sum of:

(1) the aggregate principal amount (or if Incurred with original issue discount, the aggregate accreted value) then outstanding of the Indebtedness being Refinanced, and

(2) an amount necessary to pay any fees and expenses, including accrued and unpaid interest, premiums, transaction costs and defeasance costs, related to such Refinancing,

(b) the Average Life of such Indebtedness is equal to or greater than the Average Life of the Indebtedness being Refinanced (or, if the Average Life of such refinancing Indebtedness is less than the Average Life of the Indebtedness being refinanced, then such refinancing Indebtedness shall have a maturity date no earlier than the Commitment Termination Date),

(c) the Stated Maturity of such Indebtedness is no earlier than the Stated Maturity of the Indebtedness being Refinanced (or, if earlier, the Commitment Termination Date), and

(d) if the Indebtedness being Refinanced was subordinated to the Obligations, the new Indebtedness shall be subordinated to the Obligations at least to the same extent as such Indebtedness being Refinanced;

*provided, however,* that Refinancing Indebtedness shall not include Indebtedness of a Subsidiary of the Borrower that is not a Subsidiary Guarantor that Refinances Indebtedness of the Borrower or a Subsidiary Guarantor.

**“Register”** has the meaning specified in Section 10.07(c).

**“Reinsurance Agreements”** means any agreement, contract, treaty, certificate or other arrangement by which any Insurance Subsidiary agrees to transfer or cede to another insurer, or has transferred or ceded to it by another insurer, all or part of the liability assumed or assets held under one or more insurance, annuity, reinsurance or retrocession policy, agreement, contract, treaty, certificate or similar arrangement. Reinsurance Agreements shall include, but not be limited to, any agreement, contract, treaty, certificate or other arrangement that is treated as such by the applicable Department.

**“Related Parties”** means, with respect to any Person, such Person’s Affiliates and the partners, members, controlling persons, directors, officers, employees, agents, advisors and successors of such Person and of such Person’s Affiliates.

**“Release”** means any release, spill, emission, discharge, deposit, disposal, leaking, pumping, pouring, dumping, emptying, injection, migration or leaching into or through the Environment.

**“Reportable Event”** means any of the events set forth in Section 4043(c) of ERISA or the regulations thereunder, other than any such event for which the 30-day notice requirement under ERISA has been waived in

regulations issued by the PBGC.

**“Required Lenders”** means, as of any date of determination, one or more Lenders having or holding Revolving Exposure and representing more than 50% of the aggregate Revolving Exposure of all Revolving Lenders; *provided* that the aggregate amount of Revolving Exposure shall be determined with respect to any Defaulting Lender by disregarding the Revolving Exposure of such Defaulting Lender.

**“Requirement of Law”** means, as to any Person, any law (statutory or common), treaty, rule or regulation or determination of an arbitrator or of a Governmental Authority and orders of, and all applicable restrictions imposed by, all Governmental Authorities, in each case applicable to or legally binding upon the Person or any of its property or to which the Person or any of its property is subject.

**“Responsible Officer”** means the chief executive officer, president, chief financial officer, treasurer or assistant treasurer, secretary, assistant secretary or other officer of similar stature or responsibility, of a Credit Party. Any document delivered under any Loan Document that is signed by a Responsible Officer of a Credit Party shall be conclusively presumed to have been authorized by all necessary corporate, partnership and/or other action on the part of such Credit Party and such Responsible Officer shall be

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conclusively presumed to have acted on behalf of such Credit Party. Unless otherwise specified, “Responsible Officer” means a Responsible Officer of the Borrower.

**“Restricted Investment”** means any Investment other than a Permitted Investment.

**“Restricted Payment”** has the meaning set forth in Section 7.07.

**“Revolving Commitment”** means the commitment of a Lender to make or otherwise fund any Revolving Loan hereunder, and “Revolving Commitments” means such commitments of all Lenders in the aggregate. The amount of each Lender’s Revolving Commitment is set forth on Appendix A or in the applicable Assignment and Assumption, subject to any adjustment or reduction pursuant to the terms and conditions hereof. The aggregate amount of the Revolving Commitments as of the Closing Date is \$150,000,000.

**“Revolving Commitment Period”** means the period from the Closing Date to but excluding the Commitment Termination Date.

**“Revolving Exposure”** means, with respect to any Lender as of any date of determination, the aggregate outstanding principal amount of the Revolving Loans of that Lender.

**“Revolving Lender”** means a Lender having a Revolving Commitment.

**“Revolving Loan”** means a Revolving Loan made by a Lender to the Borrower pursuant to Section 2.01(a).

**“Revolving Loan Note”** means a promissory note in substantially the form of Exhibit B, as it may be amended, restated, supplemented or otherwise modified from time to time.

**“S&P”** means Standard & Poor’s Ratings Services, a Standard & Poor’s Financial Services LLC business, together with any Person succeeding thereto by merger, consolidation or acquisition of all or substantially all of its assets, including substantially all of its business of rating securities.

**“SAP”** means, with respect to any Insurance Subsidiary, the statutory accounting practices prescribed or permitted by the applicable Department in the jurisdiction of such Insurance Subsidiary for the preparation of Annual Statements and other financial reports by insurance companies of the same type as such Insurance Subsidiary that are applicable to the circumstances as of the date of filing of such statement or report.

**“SEC”** means the Securities and Exchange Commission or any Governmental Authority succeeding to any of its principal functions.

**“Securities Act”** means the Securities Act of 1933 and the regulations promulgated thereunder.

**“Single Employer Pension Plan”** means a pension plan (as defined in Section 3(2) of ERISA) subject to Title IV of ERISA, other than a Multiemployer Plan, that Parent, any of its Subsidiaries or any ERISA Affiliate sponsors or maintains, or to which Parent, any of its Subsidiaries or any ERISA Affiliate makes or is obligated to make contributions or could reasonably be expected to have liability, including any liability by reason of having been a substantial employer within the meaning of Section 4063 of ERISA at any time during the preceding five years or by reason of being deemed to be a contributing sponsor under Section 4069 of ERISA.

**“Special Purpose Subsidiary”** means any Subsidiary of the Borrower formed to issue Surplus Debentures or Notes or other obligations in connection with a Statutory Reserve Financing or enter into Reinsurance Agreements in connection with a Statutory Reserve Financing or enter into ancillary obligations in respect of the foregoing.

**“Stated Maturity”** means, with respect to any security, the date specified in the agreement governing or certificate relating to such security as the fixed date on which the final payment of principal of such security is due and

payable, including pursuant to any mandatory redemption provision, but shall not include any contingent obligations to repay, redeem or repurchase any such principal prior to the date originally scheduled for the payment thereof.

**“Statutory Reserve Financing”** means a transaction or series of transactions entered into primarily for the purpose of financing a portion of the statutory reserves required to be held by an Insurance

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Subsidiary, where the proceeds or funding obligations provided by the financing counterparty or counterparties in such transaction or transactions are not expected, as of the date such transaction or transactions are entered into, to be used or applied to pay insurance or reinsurance claims reasonably projected to be payable as of the date such transaction or transactions are entered into.

**“Subordinated Obligation”** means any Indebtedness of the Borrower (whether outstanding on the Closing Date or thereafter Incurred) that is subordinated or junior in right of payment to the Revolving Loans pursuant to its terms. No Indebtedness of the Borrower shall be deemed to be subordinated or junior in right of payment to any other Indebtedness of the Borrower solely by virtue of Liens, guarantees, maturity or payments or structural subordination.

**“Subsidiary”** of a Person means any corporation, partnership, limited liability company, limited liability partnership, joint venture, trust, association or other unincorporated organization of which or in which such Person and such Person’s Subsidiaries own directly or indirectly more than 50% of (a) the combined voting power of all classes of stock having general voting power under ordinary circumstances to elect a majority of the board of directors, if it is a corporation, (b) the voting or managing interests (which shall mean the general partner in the case of a partnership), if it is a partnership, joint venture or similar entity, (c) the beneficial interest, if it is a trust, association or other unincorporated organization or (d) the membership interest, if it is a limited liability company. Unless otherwise specified, **“Subsidiary”** means a Subsidiary of Parent.

**“Subsidiary Guarantor”** means Fidelity & Guaranty Life Business Services, Inc. and each other subsidiary of the Borrower that shall, at any time on or after the date thereof, become a Guarantor pursuant to the terms hereof or the Guarantee Agreement.

**“Surplus Debentures or Notes”** means, as to any Insurance Subsidiary, debt securities or notes of such Insurance Subsidiary issued to any of its Affiliates the proceeds of which are permitted to be included, in whole or in part, as Capital and Surplus of such Insurance Subsidiary as approved and permitted by the applicable Department and are of a type generally described in the insurance industry as a “surplus note”.

**“Swap Contract”** means any agreement relating to any transaction (whether or not arising under a master agreement) that is a rate swap, basis swap, forward rate transaction, commodity swap, commodity option, equity or equity index swap or option, bond, note or bill option, interest rate option, futures contract, forward foreign exchange transaction, cap, collar or floor transaction, currency swap, cross-currency rate swap, swaption, currency option, credit derivative transaction or any other similar transaction (including any option to enter into any of the foregoing) or any combination of the foregoing, and any master agreement relating to or governing any or all of the foregoing.

**“Swap Termination Value”** means, in respect of any one or more Swap Contracts, after taking into account the effect of any legally enforceable netting agreement relating to such Swap Contracts, for any date of determination, the maximum aggregate amount that the applicable Person would be required to pay if such Swap Contracts were terminated on such date of determination.

**“Syndication Agent”** means Credit Suisse and its successors and assigns in such capacity.

**“Taxes”** means all present or future taxes, levies, imposts, duties, deductions, withholdings (including backup withholding), assessments, fees or other charges imposed by any Governmental Authority, including any interest, additions to tax or penalties applicable thereto.

**“Tax Status Certificate”** has the meaning specified in Section 3.01(e)(C)(iii).

**“Total Capitalization”** means, with respect to any Person, without duplication, (a) the amount described in clause (a) of the definition of “Debt to Total Capitalization Ratio” plus (b) the Total Shareholders’ Equity of such Person.

**“Total Shareholders’ Equity”** means as to any Person the total common and preferred shareholders’ equity of such Person as determined in accordance with GAAP (calculated excluding (a) accumulated other comprehensive income (or loss) (which includes unrealized gains (losses) on securities as determined in accordance with FASB ASC 320 (Investments-Debt and Equity Securities)) and (b) any

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charges taken to write off any goodwill included on such Person's balance sheet on the Closing Date to the extent such charges are required by FASB ASC 320 (Investments- Debt and Equity Securities) and ASC 350 (Intangibles-Goodwill and Others).

**"Total Utilization of Revolving Commitments"** means, as at any date of determination, the aggregate principal amount of all outstanding Revolving Loans at such date.

**"Trade Payables"** means, with respect to any Person, any accounts payable to trade creditors created, assumed or Guaranteed by such Person arising in the ordinary course of business in connection with the acquisition of goods or services.

**"Transactions"** means the (a) execution, delivery and performance by each Credit Party of the Loan Documents to which it is to be a party, (b) borrowing of the Revolving Loans hereunder and (c) payment of fees and expenses incurred in connection with the foregoing.

**"Unfunded Pension Liability"** means the excess of a Pension Plan's benefit liabilities under Section 4001(a)(16) of ERISA over the current value of that Pension Plan's assets, determined in accordance with the assumptions used for funding the Pension Plan pursuant to Section 430 of the Code for the applicable plan year.

**"Uniform Commercial Code"** means the Uniform Commercial Code as in effect from time to time in the State of New York.

**"United States"** and **"U.S."** each means the United States of America.

**"Voting Stock"** of any Person means Capital Stock of such Person entitling the holders thereof (whether at all times or only so long as no senior class of stock or other relevant equity interest has voting power by reason of any contingency) to vote in the election of the board of directors or similar governing body of such Person.

**"Wholly-Owned Subsidiary"** means a Subsidiary all of the Capital Stock of which (other than directors' qualifying shares or local ownership shares) is owned by the Borrower or another Wholly-Owned Subsidiary.

Section . *Other Interpretive Provisions*

(a) The meanings of defined terms are equally applicable to the singular and plural forms of the defined terms.

(b) The words **"hereof," "herein," "hereunder"** and similar words refer to this Agreement as a whole and not to any particular provision of this Agreement; and subsection, Section, Schedule and Exhibit references are to this Agreement unless otherwise specified.

(c) (i) The term **"documents"** includes any and all instruments, documents, agreements, certificates, indentures, notices and other writings, however evidenced.

(i) The term **"including"** is not limiting and means "including without limitation".

(ii) In the computation of periods 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 the word **"through"** means "to and including".

(iii) The term **"will"** shall be construed to have the same meaning and effect as the word **"shall"**.

(d) Unless otherwise expressly provided herein or the context requires otherwise, (i) references to agreements (including this Agreement) and other contractual instruments shall be deemed to include all subsequent amendments and other modifications thereto, but only to the extent such amendments and other modifications are not prohibited by the terms of any Loan Document, (ii) references to any statute or regulation are to be construed as including all statutory and regulatory provisions consolidating, amending, replacing, supplementing or interpreting the statute or regulation, (iii) any reference herein to a Person shall be construed to include such Person's permitted successors and assigns, (iv) the word **"property"** shall be construed to

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refer to any and all tangible and intangible assets and properties, including cash, securities, accounts and contract rights and (v) any reference to any IRS form shall be construed to include any successor form.

(e) The captions and headings of this Agreement are for convenience of reference only and shall not affect the interpretation of this Agreement.

(f) This Agreement and other Loan Documents may use several different limitations, tests or measurements to regulate the same or similar matters. All such limitations, tests and measurements are cumulative and shall each be performed in accordance with their terms.

(g) This Agreement and the other Loan Documents are the result of negotiations among, and have been reviewed by counsel to, the Administrative Agent, the Borrower and the other parties, and are the products of all parties.

Accordingly, they shall not be construed against the Lenders or the Administrative Agent merely because of the Administrative Agent's or Lenders' involvement in their preparation.

Section . *Classification of Loans.*

For purposes of this Agreement, Revolving Loans may be classified and referred to by Interest Type (*e.g.*, a "Eurodollar Rate Loan").

Section . *Accounting Principles.*

(a) Unless the context otherwise clearly requires, all accounting terms not expressly defined herein shall be construed, and all financial computations required under this Agreement shall be made, in accordance with GAAP as in effect from time to time, consistently applied. Notwithstanding the foregoing, (i) for purposes of determining compliance with any covenant (including the computation of any financial covenant) contained herein, the effect of any election under FASB ASC 825 to value any Indebtedness or financial liabilities of Parent and its Subsidiaries at "fair value" shall be disregarded and (ii) the Fixed Charge Coverage Ratio shall be computed in conformity with GAAP as defined in the FGL Indenture.

(b) References herein to particular columns, lines or sections of any Person's Annual Statement shall be deemed, where appropriate, to be references to the corresponding column, line or section of such Person's Quarterly Statement, or if no such corresponding column, line or section exists or if any report form changes, then to the corresponding item referenced thereby. In the event the columns, lines or sections of the Annual Statement or Quarterly Statement referenced herein are changed or renumbered from the columns, lines and sections applicable to the 2013 Annual Statement, or the June 30, 2014 Quarterly Statement, all such references shall be deemed references to such column, line or section as so renumbered or changed.

(c) If, at any time after the date of this Agreement, any material change is made to GAAP, or any Credit Party's accounting practices that would affect in any material respect the determination of compliance with the covenants set forth in this Agreement and the Borrower notifies the Administrative Agent that the Borrower wishes to amend any covenant or any related definition contained in this Agreement to eliminate the effect of such change (or if the Administrative Agent notifies the Borrower that the Required Lenders wish to amend any covenant or any related definition for such purpose), then the Borrower and the Administrative Agent shall negotiate in good faith to amend such provisions to restore the Credit Parties and the Lenders to the position they occupied before the implementation of such material change in GAAP or accounting practices; *provided* that until such notice is withdrawn or such covenant shall have been amended in accordance herewith, compliance with the applicable covenants shall be determined on the basis of GAAP or the applicable Credit Party's accounting practices as in effect and applied immediately before such change shall have become effective.

ARTICLE 3

ARTICLE 4

The Credits

Section . *Revolving Loans.*

(a) Revolving Commitments. During the Revolving Commitment Period, subject to the terms and conditions hereof, each Lender with a Revolving Commitment severally agrees to make Revolving Loans to the Borrower in an aggregate amount up to but not exceeding its Revolving

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Commitment. Amounts borrowed pursuant to this Section 2.01(a) may be repaid and reborrowed during the Revolving Commitment Period. Each Revolving Commitment shall expire on the Commitment Termination Date and all Revolving Loans and all other amounts owed hereunder with respect to the Revolving Loans and the Revolving Commitments shall be paid in full no later than such date.

(b) Borrowing Mechanics for Revolving Loans.

(i) Revolving Loans (x) that are Eurodollar Rate Loans will be made in an aggregate minimum amount of \$1,000,000 and integral multiples of \$1,000,000 in excess of that amount and (y) that are Base Rate Loans will be made in an aggregate minimum amount of \$500,000 and integral multiples of \$100,000 in excess of that amount.

(ii) Whenever the Borrower desires that Lenders make Revolving Loans, the Borrower shall deliver to the Administrative Agent a fully executed and delivered Loan Notice no later than 10:00 a.m. (New York City time) at least three Business Days in advance of the proposed Borrowing Date in the case of a Eurodollar Rate Loan, and no later than 12:00 p.m. (New York City time) on the Business Day prior to the proposed Borrowing Date in the case of a Revolving Loan that is a Base Rate Loan; *provided* that, if such Borrowing Date is the Closing Date, such Loan Notice may be delivered within such period shorter than three Business Days as may be agreed by the Administrative Agent with respect to Eurodollar Rate Loans. Except as



otherwise provided herein, a Loan Notice for a Revolving Loan that is a Eurodollar Rate Loan shall be irrevocable.

(iii) Notice of receipt of each Loan Notice in respect of Revolving Loans, together with the amount of each Lender's Pro Rata Share thereof, if any, together with the applicable interest rate, shall be provided by the Administrative Agent to each applicable Lender by facsimile or other electronic communication with reasonable promptness, but (*provided* that the Administrative Agent shall have received such notice by 10:00 a.m. (New York City time)) not later than 3:00 p.m. (New York City time) on the same day as the Administrative Agent's receipt of such Loan Notice from the Borrower.

(iv) Each Lender shall make the amount of its Revolving Loan available to the Administrative Agent not later than 12:00 p.m. (New York City time) on the applicable Borrowing Date by wire transfer of same day funds in Dollars, at the Administrative Agent's Office. Except as provided herein, upon satisfaction or waiver of the conditions precedent specified herein, the Administrative Agent shall make the proceeds of such Revolving Loans available to the Borrower on the applicable Borrowing Date by causing an amount of same day funds in Dollars equal to the proceeds of all such Revolving Loans received by the Administrative Agent from Lenders to be credited to the account of the Borrower at the Administrative Agent's Office or such other account as may be designated in writing to the Administrative Agent by the Borrower.

Section . *Pro Rata Shares.*

All Revolving Loans shall be made by Lenders simultaneously and proportionately to their respective Pro Rata Shares, it being understood that no Lender shall be responsible for any default by any other Lender in such other Lender's obligation to make a Revolving Loan requested hereunder nor shall any Revolving Commitment of any Lender be increased or decreased as a result of a default by any other Lender in such other Lender's obligation to make a Revolving Loan requested hereunder.

Section . *Conversion and Continuation of Revolving Loans.*

(a) Each conversion of Revolving Loans from one Interest Type to the other, and each continuation of Eurodollar Rate Loans shall be made upon the Borrower's irrevocable written notice to the Administrative Agent in the form of a Conversion/Continuation Notice, appropriately completed and signed by a Responsible Officer of the Borrower. Each such Conversion/Continuation Notice must be received by the Administrative Agent not later than 12:00 p.m. (New York City time) three Business Days prior to the requested date of any conversion to or continuation of Eurodollar Rate

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Loans or of any conversion of Eurodollar Rate Loans to Base Rate Loans. The Administrative Agent shall determine the interest rate that shall apply to any converted or continued Eurodollar Rate Loans pursuant to Section 2.06(c).

(b) Each Conversion/Continuation Notice shall specify (i) whether the Borrower is requesting a conversion of Revolving Loans from one Interest Type to the other, or a continuation of Eurodollar Rate Loans, (ii) the requested date of the conversion or continuation, as the case may be (which shall be a Business Day), (iii) the principal amount of Revolving Loans to be converted or continued, (iv) the Interest Type of Revolving Loans to which existing Revolving Loans are to be converted, and (v) if applicable, the duration of the Interest Period with respect thereto (each such Interest Period shall comply with the provisions of the definition of "Interest Period").

(c) Notwithstanding any contrary provision hereof, if an Event of Default has occurred and is continuing, unless the Required Lenders otherwise consent, each Revolving Loan will be converted into a Base Rate Loan at the end of the Interest Period applicable thereto.

Section . *Notes; Loan Accounts.*

(a) Each Revolving Loan made by each Lender shall be evidenced by one or more loan accounts or records maintained by such Lender and by the Administrative Agent in the ordinary course of business. The loan accounts or records maintained by the Administrative Agent and each Lender shall be conclusive evidence of the amount of the Revolving Loans made by the Lenders to the Borrower and the interest and payments thereon absent manifest error. Any failure so to record or any error in doing so shall not, however, limit or otherwise affect the obligations of the Borrower hereunder to pay any amount owing with respect to the Revolving Loans. In the event of any conflict between the accounts and records maintained by any Lender and the accounts and records of the Administrative Agent in respect of such matters, the accounts and records of the Administrative Agent shall control in the absence of manifest error.

(b) Upon the request of any Lender made through the Administrative Agent, instead of or in addition to loan accounts, the Revolving Loans made by such Lender may be evidenced by a Revolving Loan Note. Each Lender

shall endorse on the schedules annexed to its Revolving Loan Note the date, amount and maturity of each Revolving Loan deemed made by it and the amount of each payment of principal made by the Borrower with respect thereto. Each such Lender is irrevocably authorized by the Borrower to endorse its Revolving Loan Note and each Lender's record shall be conclusive absent manifest error; *provided* that the failure of a Lender to make, or an error in making, a notation thereon with respect to the Revolving Loan shall not limit or otherwise affect the obligations of the Borrower hereunder or under any such Revolving Loan Note to such Lender.

Section . *Prepayments.*

(a) *Optional Prepayments.* The Borrower will have the right at any time to prepay any Credit Extension, without premium or penalty in whole or in part, in minimum amounts of (x) with respect to Eurodollar Rate Loans, \$1,000,000 or any multiple of \$1,000,000 in excess thereof and (y) with respect to Base Rate Loans \$500,000 or any multiple of \$100,000 in excess thereof, in each case subject to the provisions of this Section 2.05; *provided* that notwithstanding the foregoing, any Revolving Loan may be prepaid in its entirety.

(b) *Voluntary Commitment Reductions.*

(i) The Borrower may, upon not less than three Business Days' prior written or telephonic notice to the Administrative Agent, at any time and from time to time terminate in whole or permanently reduce in part, without premium or penalty, the Revolving Commitments in an amount up to the amount by which the Revolving Commitments exceed the Total Utilization of Revolving Commitments at the time of such proposed termination or reduction; *provided* that any such partial reduction of the Revolving Commitments shall be in an aggregate minimum amount of (x) with respect to Eurodollar Rate Loans, \$1,000,000 and integral multiples of \$1,000,000 in excess of that

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amount and (y) with respect to Base Rate Loans, \$500,000 and integral multiples of \$100,000 in excess of that amount.

(ii) The Borrower's notice to the Administrative Agent shall designate the date (which shall be a Business Day) of such termination or reduction and the amount of any partial reduction. Any such notice may state that such notice is conditioned upon the occurrence or non-occurrence of any event specified therein (including the effectiveness of other credit facilities), in which case such notice may be revoked by the Borrower (by written notice to the Administrative Agent on or prior to the specified effective date) if such condition is not satisfied.

(iii) Each reduction of the Revolving Commitments shall be made ratably among the Lenders in accordance with their respective Revolving Commitments.

(c) *Mandatory Prepayments.* The Borrower shall from time to time prepay the Revolving Loans to the extent necessary so that the Total Utilization of Revolving Commitments does not at any time exceed the Revolving Commitments then in effect. The outstanding principal balance of the Revolving Loans together with all other amounts owed hereunder with respect thereto, shall, in any event, be paid in full no later than the Commitment Termination Date.

(d) *Application of Prepayments.* Any prepayment of the Revolving Loans will be applied to prepay the Revolving Loans to the full extent thereof without any permanent reduction of the Revolving Commitments.

(e) *Notice of Prepayments.* The Borrower shall notify the Administrative Agent in the form of a Prepayment Notice of any prepayment of any Credit Extension hereunder not later than 12:00 p.m. (New York City time) one Business Day before the date of prepayment. Each such Prepayment Notice shall be irrevocable, shall specify the prepayment date and the principal amount of each Credit Extension or portion thereof to be prepaid and may state that such notice is conditioned upon the occurrence or non-occurrence of any event specified therein (including the effectiveness of other credit facilities), in which case such notice may be revoked by the Borrower (by written notice to the Administrative Agent on or prior to the specified effective date) if such condition is not satisfied.

(f) *Application of Prepayments of Revolving Loans to Base Rate Loans and Eurodollar Rate Loans.* Any prepayment of Revolving Loans shall be applied first to Base Rate Loans to the full extent thereof before application to Eurodollar Rate Loans, in each case in a manner which minimizes the amount of any payments required to be made by the Borrower pursuant to Section 3.04.

Section . *Interest.*

(a) Except as otherwise set forth herein, Revolving Loans shall bear interest on the unpaid principal amount thereof from the date made through repayment (whether by acceleration or otherwise) thereof as follows:

- (i) if a Base Rate Loan, at the Base Rate *plus* the Applicable Margin; or
- (ii) if a Eurodollar Rate Loan, at the Eurodollar Rate *plus* the Applicable Margin.

(b) The basis for determining the rate of interest with respect to any Revolving Loan, and the Interest Period with respect to any Eurodollar Rate Loan, shall be selected by the Borrower and notified to the Administrative