



\$45,000,000,000
Athene Global Funding
Global Debt Issuance Program
Senior Secured Medium-Term Notes

Athene Global Funding (the “**Issuer**”), a statutory trust organized in series under the Statutory Trust Act (the “**Trust Act**”) of the State of Delaware, may from time to time have outstanding at any one time up to \$45,000,000,000 (or its equivalent in foreign or composite currencies) of its senior secured medium-term notes (the “**Notes**”), disregarding, for any Notes denominated in a currency other than U.S. dollars, any change in exchange rates since the original issuance thereof, pursuant to a global debt issuance program (the “**Program**”) described in this Offering Memorandum. The Notes will be offered in separate series (each, a “**Series**” or “**Series of Notes**”), each of which may be comprised of one or more tranches (each, a “**Tranche**”). The specific terms of the Notes of any Series will be set forth in one or more applicable pricing supplements to this Offering Memorandum (each, a “**Pricing Supplement**”) prepared in connection with the issuance of each Tranche of Notes of such Series. The Issuer will use the net proceeds from the sale of each Series of Notes to purchase one or more funding agreements (each, a “**Funding Agreement**” and, together, the “**Funding Agreements**”) from Athene Annuity and Life Company, an Iowa domiciled insurance company (the “**Company**”). The Company is an indirect, wholly owned subsidiary of Athene Holding Ltd., a Delaware domiciled holding corporation (“**AHL**” and together with its subsidiaries, “**Athene**”), which also wholly owns Athene Life Re Ltd. (“**ALRe**”), a Bermuda domiciled reinsurance company, and Athene Annuity Re Ltd. (“**AARE**”), a Bermuda domiciled reinsurance company. The exclusive purposes of the Issuer are, and the Issuer shall have the power and authority, to (i) issue and sell the Notes and the Series Beneficial Interests (as defined herein), (ii) use the net proceeds from the sale of each Series of Notes and the related Series Beneficial Interest to acquire one or more Funding Agreements from the Company, (iii) pay amounts due in respect of the Notes and the Series Beneficial Interests, (iv) pledge, collaterally assign and grant a security interest in the Series Collateral (as defined herein) to the Indenture Trustee (as defined herein), (v) enter into certain agreements in connection with the Program and take such other actions as the Administrative Trustee (as defined herein) has the power and authority to take pursuant to the Declaration of Trust (as defined herein) and (vi) engage in those other activities necessary, advisable or incidental thereto. The Issuer is organized in series, as permitted by Sections 3804(a) and 3806(b)(2) of the Trust Act. In connection with the issuance of each Series of Notes, the Issuer will create a separate series of beneficial interests in a segregated pool of assets of the Issuer (each, a “**Series of the Issuer**”). The applicable Series of Notes and the related liabilities, obligations and expenses incurred, contracted for or otherwise existing with respect to such Series of the Issuer will be enforceable only against the assets of such Series of the Issuer and not against the assets of the Issuer generally or the assets of any other Series of the Issuer. The individual Series of the Issuer are not separate legal entities.

The Notes of each Series will:

- rank equally among themselves and will rank equal in seniority to the Notes of each other Series;
- be secured by one or more Funding Agreements; and
- bear interest at a fixed or floating rate payable on such dates as set forth in the applicable Pricing Supplement, or bear no interest at all.

In addition, the Notes of each Series:

- are *not* insurance contracts, insurance policies or funding agreements;
- are *not* obligations of the Company, and will not be obligations of, or guaranteed by, any other person, including, but not limited to Athene USA Corporation, an Iowa domiciled corporation and wholly owned subsidiary of AHL (“**AUSA**”, formerly known as Aviva USA Corporation), ALRe or AHL, any of their respective subsidiaries or affiliates or any other insurance company; and
- will *not* benefit from any insurance guaranty fund coverage or any similar protection.

See “**Risk Factors**” beginning on page 10 for a discussion of certain insurance regulatory issues and other factors that should be considered in evaluating an investment in the Notes.

This Offering Memorandum constitutes a base listing particulars and has been approved by the Irish Stock Exchange plc trading as Euronext Dublin (“**Euronext Dublin**”). Application has been made to Euronext Dublin for the Notes issued during the period of 12 months from the date of this Offering Memorandum to be admitted to its official list (the “**Official List**”) and trading on its Global Exchange Market (the “**GEM**”). Such approval relates only to the Notes of any Series, which are to be admitted to trading on the GEM. The GEM is not a regulated market for the purposes of Directive 2014/65/EU, as amended (“**MiFID II**”) or Regulation (EU) No. 600/2014 as it forms part of domestic law in the United Kingdom (“**UK MiFIR**”).

THE NOTES HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE “**SECURITIES ACT**”), OR ANY STATE OR FOREIGN SECURITIES LAWS AND, UNLESS SO REGISTERED, MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED EXCEPT PURSUANT TO AN EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND APPLICABLE STATE OR FOREIGN SECURITIES LAWS. ACCORDINGLY, THE NOTES WILL BE OFFERED AND SOLD (A) IN THE UNITED STATES, ONLY TO “**QUALIFIED INSTITUTIONAL BUYERS**” (AS DEFINED IN RULE 144A UNDER THE SECURITIES ACT) AND (B) IN “**OFFSHORE TRANSACTIONS**” TO PERSONS OTHER THAN “**U.S. PERSONS**” (EACH AS DEFINED IN REGULATION S UNDER THE SECURITIES ACT). SEE “**PURCHASE AND TRANSFER RESTRICTIONS**.”

Arranger

Deutsche Bank Securities

Purchasing Agents

U.S. Purchasing Agents

Deutsche Bank Securities

Apollo Global Securities	Barclays	BNP PARIBAS
BMO Capital Markets	BofA Securities	Citigroup
Goldman Sachs & Co. LLC	J.P. Morgan	Morgan Stanley
RBC Capital Markets	SMBC Nikko	SOCIÉTÉ GÉNÉRALE
Wells Fargo Securities		

European Purchasing Agents

Deutsche Bank

Barclays	BofA Securities	BNP PARIBAS
BMO Capital Markets	Citigroup	Goldman Sachs International
J.P. Morgan	Morgan Stanley	RBC Capital Markets
Société Générale	Wells Fargo Securities	
Corporate & Investment Banking		

The date of this Offering Memorandum is May 18, 2026

The Notes will be offered from time to time by the Issuer to or through the Purchasing Agents (as defined herein) acting as principals or agents. The Purchasing Agents, individually or in a syndicate, may purchase the Notes, as principal from the Issuer for resale to investors and other purchasers at varying prices relating to prevailing market prices at the time of resale as determined by the Purchasing Agents or, if so specified in the applicable Pricing Supplement, for resale at a fixed offering price. In the alternative, the Issuer may agree with a Purchasing Agent that such Purchasing Agent will utilize its reasonable efforts on an agency basis on the Issuer's behalf to solicit offers to purchase Notes at 100% of the principal amount thereof or as specified in the applicable Pricing Supplement. The price and amount of Notes to be issued under the Program will be determined by the Issuer and each relevant Purchasing Agent at the time of issue in accordance with prevailing market conditions. In addition, the Issuer may from time to time issue a Series of Notes in accordance with Regulation S directly to a holder, not to or through a Purchasing Agent, the price and amount of the Notes to be determined by the Issuer at the time of issue in accordance with prevailing market conditions (a "**Direct Issuance**").

The Issuer, through each applicable Series of the Issuer formed prior to November 13, 2020, holds certain funding agreements issued by Athene Annuity and Life Assurance Company (the "**AADE Funding Agreements**"), and through each applicable Series of the Issuer formed after November 13, 2020, holds and may in the future hold Funding Agreements issued by the Company. Following the Merger (as defined below), the Company has replaced Athene Annuity and Life Assurance Company ("**AADE**") as the Funding Agreement Provider (as defined in the Notes) and assumed AADE's obligations as Funding Agreement Provider of the Notes pursuant to the terms of the Indenture (as defined below). Although each Series of the Issuer is not a separate legal entity, the Trust Act provides that if the Issuer complies with all applicable statutory requirements, the debts, liabilities, obligations and expenses incurred, contracted for or otherwise existing with respect to a particular Series of the Issuer will be enforceable only against the assets of such Series of the Issuer and not against the assets of the Issuer generally or the assets of any other Series of the Issuer. The applicable Series of Notes and the corresponding Series Collateral (as defined herein) related thereto will constitute debt, liabilities, obligations and expenses incurred, contracted for or otherwise existing with respect only to the applicable Series of the Issuer. See "Description of the Issuer."

The Issuer is not a subsidiary or an affiliate of the Company, AHL, ALRe or AUSA or any of their respective subsidiaries or affiliates. The obligations of the Issuer evidenced by the Notes will not be obligations of, and will not be guaranteed by, any other person, including, but not limited to, the Company, AHL, ALRe or AUSA or any of their respective subsidiaries or affiliates. The obligations of the Company under the Funding Agreements issued by the Company will not be obligations of, and will not be guaranteed by, any other person including, but not limited to, AHL, ALRe, AUSA, or any of their subsidiaries or affiliates (other than the Company). Similarly, the obligations of AADE under the AADE Funding Agreements are not obligations of, and not guaranteed by, any other person other than the Company, as successor to AADE. The Series Collateral (as defined herein) for each Series is the sole source of distributions for the Notes of such Series. Under the Purchase Agreement (as defined herein), each Purchasing Agent has made, or will make, certain representations, warranties and covenants to the Issuer and the Company, including certain representations, warranties and covenants regarding the distribution of the Notes. See "Plan of Distribution." No representation or warranty is made or implied by any Purchasing Agent or any of their respective affiliates to any purchasers of Notes and none of the Purchasing Agents nor any of their respective affiliates makes any representation or warranty, or accepts any responsibility to any purchasers of Notes, as to the accuracy or completeness of the information contained in this Offering Memorandum.

Neither the delivery of this Offering Memorandum or any applicable Pricing Supplement nor the offering, sale or delivery of any Note shall create, in any circumstances, any implication that (i) the information contained in this Offering Memorandum is true subsequent to the date hereof or subsequent to the date upon which this Offering Memorandum has been most recently amended or supplemented, (ii) there have been no adverse changes in the financial situation of the Issuer or the Company subsequent to the date hereof or subsequent to the date upon which this Offering Memorandum has been most recently amended or supplemented or (iii) any other information supplied in connection with the Notes is correct at any time subsequent to the date on which it is supplied, or, if different, the date indicated in the document containing such information.

This Offering Memorandum may only be used for the purposes for which it has been prepared and should be read and construed in accordance with any amendment or supplement hereto and, in relation to any Series of Notes, should be read and construed in accordance with the applicable Pricing Supplement. Any statement contained in this Offering Memorandum shall be deemed to be modified or superseded for the purpose of this Offering Memorandum

to the extent that a statement contained in any subsequent amendments or supplements is inconsistent with, modifies or supersedes such statement.

Each of the Issuer and the Company has confirmed to the Purchasing Agents that this Offering Memorandum (read and construed in accordance with any amendment or supplement hereto and, in relation to any Series of Notes, read and construed in accordance with the applicable Pricing Supplement) does not and, at the issue date for a particular Tranche of Notes will not, contain any untrue statement of a material fact or fail to state any material fact necessary in order to make statements herein, in light of the circumstances under which they were made, not misleading. Such confirmation by each of the Issuer and the Company is limited to the extent any untrue statements or omissions of material fact or alleged untrue statements or omissions were made in reliance upon and in conformity with any written information furnished by any of the Purchasing Agents to either of the Issuer or the Company expressly for use in this Offering Memorandum (read and construed in accordance with any amendment or supplement hereto and, in relation to any Series of Notes, read and construed in accordance with the applicable Pricing Supplement).

The offering of the Notes is being made in reliance upon an exemption from registration under the Securities Act for an offer and sale of securities that does not involve a public offering. Each purchaser of Notes in making its purchase will be deemed to have made certain acknowledgments, representations and agreements as set forth under “Purchase and Transfer Restrictions.” The Notes have not been and will not be registered under the Securities Act or any state or foreign securities laws and, unless so registered, may not be offered or sold except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable state or foreign securities laws.

The Notes may not be transferred to, or acquired or held by, or acquired with “plan assets” of, any Plan or other Plan Asset Entity or any Non-ERISA Plan (each as defined under “ERISA and Other Benefit Plan Considerations”) or any entity the assets of which are treated as including the assets of a Non-ERISA Plan, unless the purchase, holding and disposition of the Notes by or on behalf of such plan or entity (i) in the case of a Plan or Plan Asset Entity, is exempt from the prohibited transaction provisions of Section 406 of ERISA (as defined under “ERISA and Other Benefit Plan Considerations”) and Section 4975 of the United States Internal Revenue Code of 1986, as amended (the “Code”) under United States Department of Labor (“DOL”) Prohibited Transaction Class Exemption (“PTCE”) 96-23, PTCE 95-60, PTCE 91-38, PTCE 90-1, PTCE 84-14, the Service Provider Exemption (as defined under “ERISA and Other Benefit Plan Considerations”) or another applicable exemption or (ii) in the case of a Non-ERISA Plan or entity the assets of which are treated as including the assets of a Non-ERISA Plan, will not violate any Similar Laws (as defined under “ERISA and Other Benefit Plan Considerations”). See “ERISA and Other Benefit Plan Considerations” and “Purchase and Transfer Restrictions.”

Because the primary assets of each Series of the Issuer formed prior to November 13, 2020, consist of one or more AADE Funding Agreements, and the primary assets of each Series of the Issuer formed after November 13, 2020, consist and will consist of one or more Funding Agreements issued by the Company, there is a risk that the transfer of the Notes could subject the parties to such transfer to regulation under the insurance laws of jurisdictions implicated by the transfer. Among other things, it is likely that if the Notes were to be deemed to be contracts of insurance, the ability of a holder to sell the Notes in secondary market transactions or otherwise would be substantially impaired and, to the extent any such sales could be effected, the proceeds realized from any such sales would be materially and adversely affected. See “Risk Factors—Risks Relating to the Notes and the Issuer—*The Notes could be deemed to be contracts of insurance or participations in the Funding Agreements which could subject Noteholders to certain regulatory requirements and reduce the marketability and market value of the Notes.*”

None of the Purchasing Agents will be under any obligation to make a market in the Notes and, to the extent that such market making is commenced by any of the Purchasing Agents, it may be discontinued at any time. The Notes are subject to substantial restrictions on transfer as set forth under “Purchase and Transfer Restrictions.” Given the restrictions on and risks related to transfer, there is no assurance that a secondary market will develop or, if it does develop, that it will provide holders of the Notes with adequate liquidity or that such liquidity will be sustained. Prospective investors should proceed on the assumption that they may have to bear the economic risk of an investment in the Notes until the Stated Maturity Date (as defined herein) of such Notes.

In connection with any Series of Notes, the Purchasing Agent or Purchasing Agents (if any) named as the stabilizing manager(s) (the “**Stabilizing Manager(s)**”) (or persons acting on behalf of any Stabilizing Manager) in the applicable Pricing Supplement may over-allot Notes or effect transactions with a view to supporting the market price of the Notes at a level higher than that which might otherwise prevail. However, such stabilization may not necessarily occur. Any stabilization action may begin on or after the date on which adequate public disclosure of the terms of the offer of the relevant Series of Notes is made and, if begun, may cease at any time. Any such stabilizing shall be conducted in compliance with all relevant laws, guidelines and regulations. For a description of these potential activities, see “Plan of Distribution.”

The Issuer and the Company accept responsibility for the information contained in this Offering Memorandum and confirm, having taken all reasonable care to ensure such is the case, that the information contained in this Offering Memorandum, including any supplement hereto is, to the best of their knowledge and belief, in accordance with the facts and contains no omission likely to affect the import of such information, having taken all reasonable care to ensure that such is the case.

No person is authorized by the Issuer or the Company in connection with the offering made hereby to give any written information or to make any representation other than as contained in this Offering Memorandum (read and construed in accordance with any amendment or supplement hereto and, in relation to any Series of Notes, read and construed in accordance with the applicable Pricing Supplement) and, if given or made, such written information or representation must not be relied upon as having been authorized by any of the Issuer, the Company, the Arranger (as set forth on the cover of this Offering Memorandum) or any of the Purchasing Agents.

Neither this Offering Memorandum nor any applicable Pricing Supplement constitutes an offer or an invitation to subscribe for or purchase any Notes in any jurisdiction in which it is unlawful to make such an offer or an invitation to subscribe and should not be considered as a recommendation by any of the Issuer, the Company, the Arranger or any of the Purchasing Agents that any recipient of this Offering Memorandum or any applicable Pricing Supplement should subscribe for or purchase any Notes. Each recipient of this Offering Memorandum, read as a whole with any amendment or supplement and, in relation to any Series of Notes, the applicable Pricing Supplement, shall be taken to have made its own investigation and appraisal of the condition (financial and otherwise) of the Issuer and the Company.

In making an investment decision investors must rely on their own examination of the Issuer, including the merits and risks involved. The Notes have not been approved or recommended by the United States Securities and Exchange Commission (the “**SEC**”) or any other federal, state or foreign securities commission or securities regulatory authority or any insurance or other regulatory body. Furthermore, the foregoing authorities have not reviewed this document nor confirmed or determined the adequacy or accuracy of this document. Any representation to the contrary may be a criminal offense.

CERTAIN TAX CONSIDERATIONS

This Offering Memorandum contains general information regarding certain U.S. federal income tax consequences of the purchase, ownership and disposition of Notes, but does not purport to be a complete overview of the United States tax law and practice currently applicable. The discussion of U.S. federal income tax consequences herein is for general information only and does not address all aspects of U.S. federal income taxation that may be relevant to beneficial owners in light of their particular circumstances, including beneficial owners that do not acquire their Notes upon original issuance (except as specifically disclosed herein). Prospective investors should consult with their own professional advisors. See “Certain Tax Considerations.”

PRESENTATION OF FINANCIAL INFORMATION

Unless otherwise specified herein, the financial information of the Company contained in this Offering Memorandum is based on the Company’s audited statutory-basis financial statements, which include the statutory-basis statements of admitted assets, liabilities and capital and surplus as of December 31, 2025 and 2024 and the

related statutory-basis statements of operations, changes in capital and surplus and cash flows for each of the three years in the period ended December 31, 2025 (including any notes thereto, the “**Audited Statutory-Basis Financial Statements**”) and the unaudited quarterly statutory basis financial statements of the Company for the three months ended March 31, 2026.

The Audited Statutory-Basis Financial Statements for the Company have been prepared in conformity with the statutory accounting practices (“**SAP**”) prescribed or permitted by the Insurance Division, Department of Commerce, of the State Iowa (the “**IID**”). SAP, as prescribed by the IID or, with respect to any other U.S. entity for which statutory-basis financial information is provided herein, SAP as prescribed or permitted by such entity’s relevant governing law and regulations (together or individually, as applicable, “**U.S. SAP**”), differs from accounting principles generally accepted in the United States of America (the “**United States**” or the “**U.S.**”) (“**U.S. GAAP**”) and such differences are presumed to be material. See “Summary of Principal Differences Between U.S. GAAP and U.S. SAP” for a summary of significant differences between U.S. SAP and U.S. GAAP.

The independent auditor of the Company is Deloitte & Touche LLP (“**Deloitte**”), independent accountants qualified to practice in the United States of America with an address at 699 Walnut Street, Suite 1800, Des Moines, Iowa 50309. The independent auditor of the Company with respect to the Audited Statutory-Basis Financial Statements is Deloitte.

DOCUMENTS AVAILABLE

For so long as the Program remains in effect or any Notes shall be outstanding, upon request, the Issuer or any Paying Agent will provide to each person to whom a copy of this Offering Memorandum has been delivered without charge, electronic copies of the following documents; *provided, however*, with respect to (iii) below only to the extent such documents have been provided to the Issuer by the Company:

- (i) this Offering Memorandum;
- (ii) the Indenture, each Series Indenture, the Declaration of Trust, each Series Trust Supplement and the Certificate of Trust (all as defined herein);
- (iii) all statutory-basis annual and quarterly statements of the Company, including for the years ended December 31, 2025, 2024 and 2023;
- (iv) any amendments and supplements to this Offering Memorandum that remain in effect at the time of the offering of the Series of Notes and which have not been modified or superseded by any other amendment, supplement or document;
- (v) all reports, letters and other documents, historical financial information, valuations and statements prepared by any expert at the Issuer’s request any part of which is included or referred to in this Offering Memorandum;
- (vi) a copy of each Funding Agreement relating to any Series of Notes listed on any securities exchange (*provided, that*, with respect to the offering of any Series of Notes not listed on any securities exchange, a copy of each Funding Agreement relating to such Series of Notes will be available for inspection and can be obtained free of charge by a holder of any Notes of such Series);
- (vii) all amendments and supplements to this Offering Memorandum and each Pricing Supplement relating to any Series of Notes listed on any securities exchange prepared by the Issuer from time to time (*provided, that*, with respect to the offering of any Series of Notes not listed on any securities exchange, a copy of each Pricing Supplement relating to such Series of Notes will be available for inspection and can be obtained free of charge by a holder of any Notes of such Series); and
- (viii) the Articles of Incorporation of the Company.

Copies of such documents may also be inspected during normal business hours at the office of the Issuer located at Athene Global Funding, c/o Wilmington Trust, National Association, Rodney Square North, 1100 North Market Street, Wilmington, Delaware 19890. In addition, copies of such documents will be available in physical format free of charge from the relevant Paying Agent(s) with respect to any Notes not listed on any securities exchange.

This Offering Memorandum and any Pricing Supplement related to the issuance of any Series of Notes listed on Euronext Dublin, as the case may be, will be published on the website of Euronext Dublin at <https://live.euronext.com>.

The Issuer extends to each investor the opportunity, prior to the consummation of the sale of any Notes by a Series of the Issuer, to ask questions of, and receive answers from, the Issuer and the Company concerning the Issuer, any Series of the Issuer, the Notes, the Series Collateral (as defined herein), the Company, AHL, ALRe, AUSA and the terms and conditions of the Program, and to obtain any further information it may consider necessary in making an informed investment decision or in order to verify the information set forth herein, to the extent the Issuer possesses the same or can acquire such information without unreasonable effort or expense.

The Issuer is not subject to the reporting requirements of the United States Securities Exchange Act of 1934, as amended (the “**Exchange Act**”). The Issuer has agreed that, at any time while the Notes are outstanding, it will furnish the holders of Notes and prospective purchasers designated by such holders, upon request, the information required to be delivered pursuant to Rule 144A(d)(4) under the Securities Act.

Requests for available information may be made by contacting the relevant offices of the Paying Agent. Delaware law does not require the Issuer, either generally or with respect to any Series of the Issuer, to prepare financial statements. Although the Issuer has commenced operations, it has not prepared financial statements as of the date of this Offering Memorandum, and it is not anticipated that any such financial statements will be prepared with respect to the Issuer generally or with respect to any Series of the Issuer. Copies of the financial statements of the Issuer generally and with respect to any Series of the Issuer, if and when prepared, will be made available free of charge from the Issuer at its office located at Athene Global Funding, c/o Wilmington Trust, National Association, Rodney Square North, 1100 North Market Street, Wilmington, Delaware 19890.

FOR ARKANSAS RESIDENTS ONLY

The Notes may not be purchased by, offered, resold, pledged or otherwise transferred to an insurer domiciled in the State of Arkansas, a health maintenance organization, farmers’ mutual aid association or other Arkansas domestic company regulated by the Arkansas insurance department.

FOR INDIANA RESIDENTS ONLY

The Indiana Insurance Department has stated that Indiana domestic insurers should contact the Indiana Insurance Department before purchasing the Notes.

FOR NORTH CAROLINA RESIDENTS ONLY

The Notes have not been approved or disapproved by the Commissioner of Insurance for the State of North Carolina, nor has the Commissioner of Insurance ruled upon the accuracy or adequacy of this Offering Memorandum. The investor in North Carolina understands that the Issuer is not licensed in North Carolina pursuant to Chapter 58 of the North Carolina General Statutes, nor could the Issuer meet the basic admission requirements imposed by such chapter at the present time.

NOTICE TO PROSPECTIVE INVESTORS IN THE UNITED KINGDOM

The communication of this Offering Memorandum, any related Pricing Supplement and any other documents or materials relating to the issue of the Notes offered hereby is not being made, and this Offering Memorandum, any related Pricing Supplement and such other documents and/or materials have not been approved, by an authorized person for the purposes of Section 21 of the United Kingdom's Financial Services and Markets Act 2000, as amended (the "FSMA"). Accordingly, this Offering Memorandum, any related Pricing Supplement and such other documents and/or materials are not being distributed to, and must not be passed on to, the general public in the United Kingdom. This Offering Memorandum, any related Pricing Supplement and such other documents and/or materials are for distribution only to persons who (i) have professional experience in matters relating to investments and who fall within the definition of investment professionals (as defined in Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the "**Financial Promotion Order**")), (ii) fall within Article 49(2)(a) to (d) of the Financial Promotion Order, (iii) are outside the United Kingdom, or (iv) are any other persons to whom it may otherwise lawfully be communicated or distributed under the Financial Promotion Order (all such persons together being referred to as "**relevant persons**"). This Offering Memorandum, any related Pricing Supplement and any other documents or materials relating to the issue of the Notes offered hereby are directed only at relevant persons and must not be acted on or relied on by persons who are not relevant persons. Any investment or investment activity to which this Offering Memorandum, any related Pricing Supplement and any such other documents and/or materials relate will be engaged in only with relevant persons. Any person in the United Kingdom that is not a relevant person should not act or rely on this Offering Memorandum, any related Pricing Supplement or any other documents and/or materials relating to the issue of the Notes offered hereby or any of their contents.

PROHIBITION OF SALES TO UNITED KINGDOM RETAIL INVESTORS – The Notes are not intended to be offered, sold, distributed or otherwise made available to and should not be offered, sold, distributed or otherwise made available to any retail investor in the United Kingdom. For these purposes, a "**retail investor**" means a person who is not a professional client, as defined in point (8) of Article 2(1) of UK MiFIR. Consequently, no disclosure document required by the FCA Product Disclosure Sourcebook ("**DISC**") for offering, selling or distributing the Notes or otherwise making them available to retail investors in the United Kingdom has been prepared and therefore offering, selling or distributing the Notes or otherwise making them available to any retail investor in the United Kingdom may be unlawful under DISC and the Consumer Composite Investments (Designated Activities) Regulations 2024.

This Offering Memorandum has been prepared on the basis that any offer of the securities in the United Kingdom will be made in accordance with one of the exceptions specified in Schedule 1 to the Public Offers and Admissions to Trading Regulations 2024. This Offering Memorandum is not a prospectus for the purpose of the FCA's Prospectus Rules: Admissions to Trading on a Regulated Market sourcebook.

UK MiFIR product governance / target market – The Pricing Supplement in respect of any Notes may include a legend entitled "UK MiFIR Product Governance/target market" which will outline the target market assessment in respect of the Notes and which channels for distribution of the Notes are appropriate. Any person subsequently offering, selling or recommending the Notes (a "**UK distributor**") should take into consideration the target market assessment; however, a UK distributor subject to the FCA Handbook Product Intervention and Product Governance Sourcebook (the "**UK MiFIR Product Governance Rules**") is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the target market assessment) and determining appropriate distribution channels. A determination will be made in relation to each issue of Notes about whether, for the purpose of the UK MiFIR Product Governance Rules, any Purchasing Agent subscribing for any Notes is a manufacturer in respect of such Notes, but otherwise neither the Arranger nor the Purchasing Agents nor any of their respective affiliates will be a manufacturer for the purpose of the UK MiFIR Product Governance Rules.

NOTICE TO PROSPECTIVE INVESTORS IN THE EUROPEAN ECONOMIC AREA

Neither this Offering Memorandum nor any related Pricing Supplement is a prospectus for the purposes of Regulation (EU) 2017/1129, as amended (the "**Prospectus Regulation**").

PROHIBITION OF SALES TO EUROPEAN ECONOMIC AREA RETAIL INVESTORS – The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area (the “**EEA**”). For these purposes, a “**retail investor**” means a person who is one (or both) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU, as amended (“**MiFID II**”); or (ii) a customer within the meaning of Directive (EU) 2016/97, as amended (the “**Insurance Distribution Directive**”), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II. Consequently, no key information document required by Regulation (EU) No 1286/2014, as amended (the “**PRIIPs Regulation**”) for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

MiFID II product governance / target market – The Pricing Supplement in respect of any Notes may include a legend entitled “MiFID II Product Governance / target market” which will outline the target market assessment in respect of the Notes and which channels for distribution of the Notes are appropriate. Any person subsequently offering, selling or recommending the Notes (an “**EU distributor**”) should take into consideration the target market assessment; however, an EU distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the target market assessment) and determining appropriate distribution channels. A determination will be made in relation to each issue of Notes about whether, for the purpose of the MiFID Product Governance rules under EU Delegated Directive 2017/593, as amended (the “**MiFID Product Governance Rules**”), any Purchasing Agent subscribing for any Notes is a manufacturer in respect of such Notes, but otherwise neither the Arranger nor the Purchasing Agents nor any of their respective affiliates will be a manufacturer for the purpose of the MiFID Product Governance Rules.

NOTICE TO INVESTORS IN CANADA

The Notes may be sold only to purchasers purchasing, or deemed to be purchasing, as principal that are accredited investors, as defined in National Instrument 45-106 Prospectus Exemptions or subsection 73.3(1) of the Securities Act (Ontario), and are permitted clients, as defined in National Instrument 31-103 Registration Requirements, Exemptions and Ongoing Registrant Obligations. Any resale of the Notes must be made in accordance with an exemption from, or in a transaction not subject to, the prospectus requirements of applicable securities laws. Securities legislation in certain provinces or territories of Canada may provide a purchaser with remedies for rescission or damages if this Offering Memorandum (including any amendment hereto) contains a misrepresentation, provided that the remedies for rescission or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser’s province or territory. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser’s province or territory for particulars of these rights or consult with a legal advisor. Pursuant to section 3A.3 of National Instrument 33-105 Underwriting Conflicts (“**NI 33-105**”), the Purchasing Agents are not required to comply with the disclosure requirements of NI 33-105 regarding underwriter conflicts of interest in connection with this offering.

FOR SINGAPORE RESIDENTS ONLY

The Notes may not be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore other than (i) to an institutional investor as defined in Section 4A of the Securities and Futures Act 2001 of Singapore, as modified or amended from time to time (the “**SFA**”) pursuant to Section 274 of the SFA (ii) or other relevant person (as defined in Section 275(2) of the SFA) and pursuant to Section 275(1) of the SFA, or to any person pursuant to an offer referred to in Section 275(1A) of the SFA, and in accordance with the conditions specified in Section 275 of the SFA and (where applicable) Regulation 3 of the Securities and Futures (Classes of Investors) Regulations 2018 or (iii) otherwise pursuant to, and in accordance with, the conditions of any other applicable exemption or provision of the SFA.

FORWARD-LOOKING STATEMENTS

This Offering Memorandum contains forward looking statements. Those statements appear in a number of places including, but not limited to, under the headings “Description of the Company” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations of the Company.” Such statements include statements regarding the belief or current expectations of the management of the Company concerning its respective future financial condition and results of operations, including its respective expected operating and non-operating relationships, ability to meet debt service obligations and financing plans, product sales, distribution channels, retention of business, investment yields and spreads, investment portfolio and ability to manage asset-liability cash flows. Prospective investors are cautioned that any such forward looking statements are not guarantees of future performance and involve risks and uncertainties, and that actual results may differ materially from those in the forward looking statements as a result of various factors. The accompanying information contained in this Offering Memorandum, including without limitation the information set forth under the heading “Risk Factors,” identifies important factors that could cause such differences.

Neither the Issuer nor the Company intends, or is under any obligation, to update any forward-looking statement included in this Offering Memorandum.

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OVERVIEW OF THE PROGRAM

The following is a brief overview only and should be read in conjunction with the rest of this Offering Memorandum, any amendments or supplements hereto, and, in relation to any Series of Notes, in conjunction with each applicable Pricing Supplement.

Issuer	Athene Global Funding, a statutory trust organized in series under the laws of the State of Delaware, which may from time to time have outstanding at any one time up to \$45,000,000,000 (or its equivalent in foreign or composite currencies) in principal amount of the Notes, disregarding, for any Notes denominated in a currency other than U.S. dollars, any change in exchange rates since the original issuance thereof.
Issuer Legal Entity Identifier (LEI).....	549300LM1QSI4MSIL320.
Series of the Issuer.....	The Issuer is organized in series, as permitted by Sections 3804(a) and 3806(b)(2) of the Trust Act. In connection with the issuance of each Series of Notes, the Issuer will create a separate Series of the Issuer. The applicable Series of Notes and the related liabilities, obligations and expenses incurred, contracted for or otherwise existing with respect to such Series of the Issuer will be enforceable only against the assets of such Series of the Issuer and not against the assets of the Issuer generally or the assets of any other Series of the Issuer. The individual Series of the Issuer are not separate legal entities. See “Description of the Issuer—The Issuer is Organized in Series.”
Assets	The primary assets of each Series of the Issuer formed after the date of this Offering Memorandum will be the Funding Agreements issued by the Company as specified in the Pricing Supplement for the applicable Series of Notes. Since the Company will be the sole obligor under the applicable Funding Agreement (or Funding Agreements) issued to a Series of the Issuer formed after the date of this Offering Memorandum, the ability of the Issuer to meet its obligations, and the ability of the investors to receive payments from the Issuer, with respect to a particular Series of Notes, will be principally dependent upon the Company’s ability to perform its obligations under each applicable Funding Agreement securing the Notes of the relevant Series. Despite this, investors will have no direct contractual rights against the Company under any such Funding Agreement. In connection with the offering and sale of a Series of Notes, the Issuer will pledge, collaterally assign and grant a security interest in the applicable Series Collateral (as defined herein) to the Indenture Trustee (as defined herein). Accordingly, recourse to the Company under each such Funding Agreement and other components of the applicable Series Collateral will be enforceable only by the Indenture Trustee as a secured party on behalf of holders of such Series of Notes and each other person on whose behalf the Indenture Trustee is or will be holding the applicable Series Collateral. The Issuer is not affiliated with the Company. See “Description of the Issuer—No Affiliation.”
Series Collateral.....	The obligations of the Issuer under each Series of Notes will be secured by a first priority perfected security interest in favor of the Indenture Trustee in the “ Series Collateral ” which will consist of (i) each Series

Funding Agreement, (ii) all proceeds in respect of each Series Funding Agreement, (iii) all books and records (including, without limitation, computer programs, printouts and other computer materials and files) of the Issuer pertaining to the foregoing and (iv) all benefits, rights, privileges and options of the Issuer pertaining to the foregoing.

Purchasing Agents..... Deutsche Bank Securities Inc., Deutsche Bank AG, London Branch, Apollo Global Securities, LLC, Barclays Capital Inc., Barclays Bank PLC, Bank of Montreal, London Branch, BMO Capital Markets Corp., BMO Nesbitt Burns Inc., BNP PARIBAS, BNP Paribas Securities Corp., BofA Securities, Inc., Citigroup Global Markets Inc., Citigroup Global Markets Limited, Goldman Sachs & Co. LLC, Goldman Sachs International, J.P. Morgan Securities LLC, J.P. Morgan Securities plc, Merrill Lynch Canada Inc., Merrill Lynch International, Morgan Stanley & Co. LLC, Morgan Stanley & Co. International plc, RBC Capital Markets, LLC, RBC Dominion Securities Inc., RBC Europe Limited, SG Americas Securities, LLC, Société Générale, SMBC Nikko Securities America, Inc., Wells Fargo Securities, LLC and Wells Fargo Securities International Limited (the “**Purchasing Agents**”).

Administrative Trustee Pursuant to the Declaration of Trust (as defined herein), Wilmington Trust, National Association will be the sole administrative trustee of the Issuer generally and with respect to each Series of the Issuer (the “**Administrative Trustee**”). The Administrative Trustee has not participated in the preparation of this Offering Memorandum and will not be obligated in any way to make any payments under or in respect of the Notes. The Administrative Trustee is not affiliated with the Company, AHL, ALRe, AUSA, the Series Beneficial Owner (as defined herein), the Indenture Trustee, the Calculation Agent (as defined herein) or any of their respective affiliates.

Series Beneficial Owner GSS Holdings II, Inc., a Delaware corporation (the “**Series Beneficial Owner**”) will be designated as the sole beneficial owner of the beneficial interest in each Series of the Issuer (each, a “**Series Beneficial Interest**”). The Series Beneficial Owner is not affiliated with the Company, AHL, ALRe, AUSA, the Administrative Trustee, the Indenture Trustee, the Calculation Agent or any of their respective affiliates.

Funding Agreement Provider..... The Company.

Funding Agreements Funding agreements are unsecured obligations of insurance companies. The obligations of the Company under any Funding Agreement will not be guaranteed by any person or entity. The holders or beneficial owners of the Notes (the “**Noteholders**”) will have no direct right of action against the Company or its affiliates for any payments on the Funding Agreements.

Under Sections 507C.42 and 508.31A of the Iowa Insurance Code (the “**Iowa Code**”), which governs the Company, in the event of an insolvency of an Iowa insurance company, the claims of holders of funding agreements for payments of principal and interest rank *pari passu* with the claims of policyholders and in a superior position to general creditors. These claims are subordinate only to the costs and expenses of administration incurred. If the Funding Agreement or

Pricing Supplement so provides, the Company may be required to pay Additional Amounts (as defined herein) in connection with certain tax events. See “Description of the Notes—Withholding Tax and Payments of Additional Amounts.” Such payments may not rank equally with either life insurance policy and annuity claims or funding agreement claims, but would rank at least *pari passu* with the claims of the Company’s general creditors. See “Description of Certain Terms and Conditions of the Funding Agreements.”

Each Series of Notes issued after the date of this Offering Memorandum will be secured by all of the Funding Agreements issued by the Company in respect of the Tranches of Notes comprising such Series of Notes.

Notes Up to \$45,000,000,000 (or the equivalent in foreign or composite currencies) in principal amount of Notes may be outstanding at any time in multiple series, disregarding, for any Notes denominated in a currency other than U.S. dollars, any change in exchange rates since the original issuance thereof. Subject to U.S. federal income tax law, each Series of Notes may be comprised of one or more Tranches issued on different issue dates. The Issuer may only issue a Tranche of Notes if the Company has issued or will simultaneously issue one or more Funding Agreements or supplemental Funding Agreements to the Issuer, which will constitute an asset of the applicable Series of the Issuer and will become a part of the applicable Series Collateral. The Notes of a Series will all be subject to identical terms, except that the issue date, the issue price, the amount and date of the first payment of interest and the denomination size may be different in respect of different Tranches. The Notes of each Tranche will all be subject to identical terms in all respects.

Indenture and Series Indenture Each Series of Notes will be issued under, subject to and entitled to the benefits of the indenture, dated as of June 15, 2015, among the Issuer and the Indenture Trustee, Paying Agent, Calculation Agent and the Registrar (as amended or modified from time to time, the “**Indenture**”) and a separate series indenture to be entered into between the Issuer and the Indenture Trustee in connection with each issuance of Notes under the Program (each, a “**Series Indenture**”) by and between the Issuer and the Indenture Trustee. Each Series Indenture will incorporate the Indenture, which shall provide the terms that govern each separate Series Indenture thereunder, unless any such Series Indenture specifies otherwise. Any Tranche of Notes issued under a Series Indenture will constitute a single Series with any other Tranche(s) of Notes designated by the Issuer as being part of such Series; *provided, that*, any such additional Tranche of Notes must constitute a “qualified reopening” of the previously issued Tranche of Notes for United States federal income tax purposes.

Indenture Trustee..... Citibank, N.A., unless otherwise specified in the applicable Pricing Supplement.

Paying Agent, Registrar, Custodian and Transfer Agent..... The Indenture Trustee, the European Paying Agent or as specified in the applicable Pricing Supplement.

European Paying Agent Citibank, N.A., London Branch.

Calculation Agent The Indenture Trustee or as specified in the applicable Pricing Supplement.

**Additional Transfer Agents,
Paying Agents and Listing
Agents**

As specified from time to time in the applicable Pricing Supplement.

Financial Strength Ratings

The Company is rated by A.M. Best Company, Inc. (“**A.M. Best**”), Fitch Ratings (“**Fitch**”), S&P Global Ratings, acting through Standard & Poor’s Financial Services LLC (“**S&P**”) and Moody’s Investors Service, Inc. (“**Moody’s**”).

Financial Strength Ratings of the Company:

- (i) A.M. Best: A+ (Stable)
- (ii) Fitch: A+ (Stable)
- (iii) S&P: A+ (Stable)
- (iv) Moody’s: A1 (Stable)

The foregoing ratings reflect the indicated rating agencies’ opinions of the Company’s financial strength, capacity to honor its financial commitments, operating performance and ability to meet its obligations to policyholders, as applicable, and are not evaluations directed toward the protection of investors.

Currency

The Notes will be issued in the currency specified in the applicable Pricing Supplement.

Maturities

As indicated in the applicable Pricing Supplement, or such other minimum or maximum maturity that may be allowed or required from time to time by the relevant central bank or equivalent body (however designated) or any laws or regulations applicable to the Issuer or the currency in which the relevant Notes are denominated. See “Description of the Notes—General—Maturities.”

Issue Price

Notes may be issued at an issue price which is equal to, less than or more than their principal amount.

**Form of Notes and
Clearance**

The Notes may be offered and sold in the United States only, outside the United States only, or in and outside the United States simultaneously as part of a global offering. Depending on where the relevant Notes are offered and in what currency the Notes are issued, the Notes will clear through one or more of The Depository Trust Company (“**DTC**”), Euroclear Bank SA/NV (“**Euroclear**”) and/or Clearstream Banking S.A. (“**Clearstream, Luxembourg**”) or such other clearing corporation (each, a “**Clearing Corporation**”) as may be specified in the applicable Pricing Supplement.

Notes sold pursuant to an offering made in the United States only will be issued in accordance with Rule 144A under the Securities Act and will clear through DTC. Unless otherwise provided in the applicable Pricing Supplement, such Notes will initially be represented by one or more DTC Global Notes (as defined herein) deposited with a custodian for, and registered in the name of a nominee of, DTC, or as specified in the applicable Pricing Supplement. Notes represented by DTC Global Notes will trade in DTC’s Same-Day Funds Settlement System

and secondary market trading activity in such Notes will therefore settle in same-day funds.

Except as described under “Description of the Notes—Global Clearance and Settlement,” Notes sold outside of the United States in accordance with Regulation S under the Securities Act will initially be represented by one or more Temporary Global Registered Notes (as defined herein). Beneficial interests in a Temporary Global Registered Note will be exchanged for one or more Permanent Global Registered Notes (as defined herein) following the expiration of a period that commences upon the completion of the distribution of the Notes of the applicable Tranche, as determined and certified by the applicable Purchasing Agent (if any), and continues for 40 consecutive days (the “**Distribution Compliance Period**”).

Pricing Options The Issuer may issue Notes that bear interest as fixed-rate Notes (“**Fixed Rate Notes**”) or floating-rate Notes (“**Floating Rate Notes**”). Such Notes will bear interest payable as set forth in the applicable Pricing Supplement. The Issuer may also issue Discount Notes or Amortizing Notes (each as defined herein) or any other form of Notes, in each case, as specified in the applicable Pricing Supplement. Additional terms for any such Notes may be specified in a supplement to this Offering Memorandum.

Payments The Issuer will be obligated to make payments of principal of, any premium and interest on, and Additional Amounts (as defined herein), if any, with respect to, any Notes in the currency in which such Notes are denominated. Unless the context otherwise permits or requires, in this Offering Memorandum: (i) “**principal**,” with respect to Discount Notes, means such amounts as shall be due and payable as specified in the terms of the applicable Discount Notes; and (ii) “**interest**” with respect to a Discount Note which by its terms bears interest only after maturity, means interest payable after maturity. Any such amounts to be paid by the Issuer in respect of DTC Global Notes denominated other than in U.S. dollars will be converted into U.S. dollars for payment to the holders thereof as described under “Description of the Notes—Payments” or paid as specified in the applicable Pricing Supplement. Payments of principal of, any premium and interest on, and Additional Amounts, if any, with respect to, any other Global Registered Notes will be made in the currency in which such Notes are denominated or as specified in the applicable Pricing Supplement.

Denominations of Notes Notes may be denominated in any currency or currencies, subject to compliance with all applicable legal and/or regulatory requirements. Payments in respect of Notes may be made in and/or linked to any currency or currencies other than the currency in which such Notes are denominated, subject to applicable law.

The Notes of a Series will be issued, with respect to U.S. dollar denominated Notes, in minimum denominations of \$2,000 and integral multiples of \$1,000 in excess thereof, or as specified in the applicable Pricing Supplement. Any Notes admitted to the Official List and trading on the GEM or offered in any Member State of the EEA or the United Kingdom will be issued in minimum denominations of €100,000 (or the equivalent thereof in another currency at the time of issue) and integral multiples of €1,000 (or equivalent in another currency) in excess thereof. Any Notes in respect of which the issue

proceeds are received by the Issuer in the United Kingdom or the activity of issuing such Notes is carried on from an establishment maintained by the Issuer in the United Kingdom and which have a maturity of less than one year must (a) (i) have a minimum denomination and redemption value of £100,000 (or if the Notes are denominated in a currency other than pounds sterling, as specified in the applicable Pricing Supplement, at least the equivalent thereof in such currency using the spot rates as of the date of issue) and (ii) be issued only to persons (x) whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of their businesses or (y) who it is reasonable to expect will acquire, hold, manage or dispose of investments (as principal or agent) for the purposes of their businesses; or (b) be issued in other circumstances that do not constitute a contravention of Section 19 of the FSMA by the Issuer. Subject thereto, the Notes will be issued in such denominations as set forth in the applicable Pricing Supplement, subject to compliance with all applicable legal and/or regulatory and/or requirements of the relevant central bank or equivalent body.

Redenomination..... The applicable Pricing Supplement may provide for certain Notes to be redenominated in Euro. The terms of such redenomination will be set forth in the applicable Pricing Supplement. See “Description of the Notes—Payments—Redenomination.”

Status of the Notes The Notes of a Series will be direct, unconditional, secured and unsubordinated non-recourse obligations incurred by the Issuer with respect to the assets of the relevant Series of the Issuer and will rank equally among themselves without any preference. The Notes of each Series will be secured primarily by one or more Funding Agreements issued by the Company to the Issuer.

Listing..... Application will be made to Euronext Dublin to list certain Series of the Notes issued pursuant to the Program on the Official List and admit such Notes to trading on the GEM. If the applicable Pricing Supplement indicates that Notes of a Series will be listed on a securities exchange or admitted to trading on any other market (other than a regulated market for the purposes of MiFID II or a UK regulated market for the purposes of UK MiFIR), the Issuer shall use reasonable efforts to obtain and maintain approval for the listing of such Series of Notes on such securities exchange or market until such time as none of the Notes of such Series are outstanding; *provided, however*, that if the Issuer cannot reasonably effect or can no longer reasonably maintain such listing, the Issuer shall use its reasonable best efforts to procure and maintain the listing of or quotation for the applicable Series of Notes on such other stock exchange(s) or market(s) or by such other competent authority as the Issuer may decide with the prior approval of the relevant Purchasing Agent(s).

If European or national legislation is adopted and is implemented or takes effect in Ireland in a manner that would require the Issuer to publish or produce its financial statements, or that would otherwise impose requirements on the Issuer or the Funding Agreement Provider that such entity in good faith determines are not reasonable, the Issuer or the Funding Agreement Provider may de-list any Notes admitted to trading on the GEM. The Issuer will use its reasonable best efforts to

obtain an alternative admission to listing, trading and/or quotation for the Notes by another listing authority, exchange and/or system, within or outside the EEA, as it may decide. If such an alternative admission is not available the Issuer, or, in the opinion of the Issuer, cannot reasonably be effected or maintained, an alternative admission may not be obtained. Prior notice of any delisting and/or alternative admission will be given by the Issuer to the relevant Purchasing Agents. Notice of any de-listing and/or alternative admission will be given as described in the “Description of the Notes.”

Taxation Prospective purchasers of the Notes must carefully consider the tax consequences of the ownership and disposition of the Notes set forth under “Certain Tax Considerations,” and any tax discussions that may be included in the applicable Pricing Supplement.

Withholding Tax and Payments of Additional Amounts All payments in respect of the Notes will be made without any withholding or deduction for, or on account of, any present or future taxes, duties, levies, assessments or other governmental charges of whatever nature imposed or levied by or on behalf of any governmental authority in the United States having power to tax, unless such withholding or deduction is required by law. Unless otherwise specified in the applicable Note (including on the face of any security certificate representing one or more Notes, each in a form not inconsistent with the provisions of the Indenture (each a “**Note Certificate**”)) or related Pricing Supplement, the Issuer will not pay any Additional Amounts (as defined herein) to the holder of such Note in the event that any withholding or deduction is so required by law and the imposition of a requirement to make any such withholding or deduction will not give rise to an Event of Default under such Note or any obligation to redeem such Note and the Noteholder will be deemed for all purposes to have received cash in an amount equal to the portion of such withholding or deduction that is attributable to such Noteholder’s interest in such Note as equitably determined by the Issuer. See “Description of the Notes—Withholding Tax and Payments of Additional Amounts.”

All amounts due in respect of the applicable Funding Agreement will be made without any withholding or deduction for, or on account of, any present or future taxes, duties, levies, assessments or other governmental charges of whatever nature imposed or levied by or on behalf of any governmental authority in the United States having the power to tax, unless such withholding or deduction is required by law. Unless otherwise specified in the applicable Funding Agreement (including any annexes thereto), the Company will not pay any Additional Amounts to the Issuer in the event that any withholding or deduction is so required by law, regulation or official interpretation thereof, and the imposition of a requirement to make any such withholding or deduction will not give rise to an Event of Default under the applicable Funding Agreement or any obligation to redeem the applicable Funding Agreement and the Issuer will be deemed for all purposes to have received cash in an amount equal to the portion of such withholding or deduction that is attributable to the Issuer’s interest in such Funding Agreement as equitably determined by the Company. If any such withholding or deduction is required, or if any such withholding or deduction is required under any Notes, to the extent the Company is required to pay Additional Amounts as specified

in the applicable Funding Agreement, then the Company will, as applicable, pay such Additional Amounts so that the net amount received by the Issuer or the holder of such Notes (after any such withholding or deduction under the applicable Funding Agreement or any such Notes) will equal the amount that would have been received under the applicable Funding Agreement or any such Notes had no such deduction or withholding been required. See “Description of Certain Terms and Conditions of the Funding Agreements—Payments of Additional Amounts.”

Tax Event; Tax

Redemption

Pursuant to the terms of each Funding Agreement, the Company has certain rights to redeem a relevant Funding Agreement upon the occurrence of a “Tax Event” (as defined herein) with respect to such Funding Agreement. If the Company redeems such Funding Agreement upon the occurrence of a Tax Event, the Issuer shall redeem all of the Notes of the related Series in accordance with the terms of such Funding Agreement and the Indenture in the same manner described under “Description of the Notes—Redemption, Repayment and Repurchase of Notes—Optional Redemption.” See also “Description of the Notes—Tax Redemption.”

Use of Proceeds

The Issuer will use the proceeds from the sale of each Series of Notes issued under the Program, net of certain expenses, underwriting discounts and commissions or similar applicable compensation, to purchase one or more Funding Agreements from the Company. The proceeds from the issuance of each Funding Agreement will be used by the Company to purchase investment assets in accordance with the Company’s investment policies. See “Use of Proceeds.”

Purchase and Transfer

Restrictions

The Notes have not been, and will not be, registered under the Securities Act and may not be offered, sold, pledged or otherwise transferred except as described under “Purchase and Transfer Restrictions.” The Notes will be offered and sold (a) in the United States only to “qualified institutional buyers” (as defined in Rule 144A under the Securities Act) and (b) in “offshore transactions” to persons other than “U.S. persons” (each as defined in Regulation S under the Securities Act).

In addition, because substantially all of the assets of each Series of the Issuer formed after the date of this Offering Memorandum will consist of Funding Agreements issued by the Company, there is a risk that the transfer of the Notes could subject the parties to the transfer to regulation under the insurance laws of the jurisdictions implicated by the transfer. Among other things, it is likely that if the Notes were to be deemed to be contracts of insurance, the ability of a holder to sell the Notes in secondary market transactions or otherwise would be substantially impaired and, to the extent any such sales could be effected, the proceeds realized from any such sales would be materially and adversely affected. See “Risk Factors—Risks Relating to the Notes and the Issuer—*The Notes could be deemed to be contracts of insurance or participations in the Funding Agreements which could subject Noteholders to certain regulatory requirements and reduce the marketability and market value of the Notes.*”

Certain additional restrictions will apply to sales made in the United Kingdom, the EEA, Australia, Japan, The Netherlands, The Federal

	Republic of Germany, The Republic of France, Switzerland, Singapore, and Canada, and other restrictions may apply in connection with a particular issuance of Notes. See “Plan of Distribution.”
ERISA and Other Benefit Plan Considerations	Prospective purchasers of the Notes must carefully consider the restrictions on purchases set forth under “Purchase and Transfer Restrictions” and “ERISA and Other Benefit Plan Considerations.”
Absence of Market for the Notes	Each new series of Notes has no established trading market. Although application will be made for certain Series of the Notes to be admitted to the Official List and trading on the GEM, Notes may be listed on any other market (other than a regulated market for the purposes of MiFID II or a UK regulated market for the purposes of UK MiFIR) or securities exchange or not listed on any market or securities exchange. No Purchasing Agent will be under any obligation to make a market in the Notes and, to the extent that such market making is commenced by such Purchasing Agent, it may be discontinued at any time. In addition, the ability of the Purchasing Agents to make a market in the Notes may be impacted by changes in regulatory requirements applicable to the marketing, holding and trading of, and issuing quotations with respect to, the Notes. The Notes are subject to substantial restrictions on transfer as set forth under “Purchase and Transfer Restrictions.” Given the restrictions on and risks related to transfer, there is no assurance that a secondary market will develop or, if it does develop, that it will provide holders of the Notes with adequate liquidity or that such liquidity will be sustained. Accordingly, prospective investors should assume that they will likely have to bear the economic risk of an investment in the Notes until the maturity date specified in the applicable Pricing Supplement (the “Stated Maturity Date”) of such Notes unless such Notes are redeemed by the Issuer in accordance with the terms of the Indenture.
Governing Law	The Indenture, the Notes and each relevant Series Indenture will be governed by, and construed in accordance with, the laws of the State of New York, <i>except</i> as required by mandatory provisions of law and <i>except</i> to the extent that (a) the validity or perfection of the ownership of, and security interest in, the relevant Funding Agreement(s) of the relevant Series of the Issuer or (b) remedies under the Indenture and the relevant Series Indenture in respect thereof may be governed by the laws of a jurisdiction other than the State of New York. The Declaration of Trust (as defined herein) and each Series Trust Supplement will be governed by, and construed in accordance with, the laws of the State of Delaware. Each Funding Agreement issued by the Company will be governed by, and construed in accordance with, the laws of the State of Iowa.

RISK FACTORS

Prospective purchasers of the Notes should carefully review the information contained elsewhere in this Offering Memorandum, any amendment or supplement hereto and any applicable Pricing Supplement and should particularly consider the following matters.

Risks Relating to the Notes and the Issuer

Noteholders will not have any direct contractual rights against the Company under any Funding Agreement and the claims of Noteholders are limited to the amount of the applicable Series Collateral.

The obligations of the Issuer under the Notes of a Series, the Indenture and the applicable Series Indenture are payable only from the Series Collateral for such Series of Notes and no holder of the Notes of any Series will have recourse to the general assets of the Company or the collateral securing the Notes of any other Series. See “Description of the Notes—General—Security; Limited Recourse.” If any Event of Default (as defined herein) occurs with respect to any Series of Notes, the right of the holders of the Notes of such Series and the Indenture Trustee on behalf of such holders and other persons for whose benefit the Indenture Trustee is or will be holding such Series Collateral will be limited to proceeding against only such Series Collateral. The Indenture Trustee will be the only party with recourse rights against the Company under the related Funding Agreements. Furthermore, neither the holders of the Notes of such Series nor the Indenture Trustee on behalf of such holders will have the right to proceed against the Series Collateral for any other Series of Notes or against the Non-Recourse Parties (as defined in the “Description of the Notes—Non-Recourse Enforcement”) in the case of any deficiency judgment remaining after foreclosure of any property including the Series Collateral. All claims of holders of Notes of a Series in excess of amounts received in respect of each related Funding Agreement and other Series Collateral will be extinguished.

Each Series of the Issuer has limited resources and therefore its ability to make timely payments with respect to a Series of Notes will depend on the Company making payments under the related Funding Agreements.

The principal assets of each Series of the Issuer formed after the date of this Offering Memorandum will be Funding Agreements issued by the Company. The Notes of each Series will be secured by one or more Funding Agreements issued by the Company. Because the Issuer is a statutory trust organized in Series, the liabilities, obligations and expenses incurred, contracted for or otherwise existing with respect to each Series of the Issuer will be enforceable only against the assets held in such Series of the Issuer and not against the assets of the Issuer generally or the assets held in any other Series of the Issuer. No holder of Notes of a Series will have any right to receive payments under a Funding Agreement related to any other Series of Notes. Accordingly, the Issuer will only be able to make timely payments with respect to a Series of Notes to the extent the Company has made all required payments under the applicable Funding Agreements securing such Series of Notes.

The obligations of the Issuer evidenced by the Notes will not be obligations of, and will not be guaranteed by, any other person, including, but not limited to, the Company, AHL, ALRe, AUSA or any of their respective subsidiaries or affiliates. None of these entities nor any agent, trustee or beneficial owner of any Series of the Issuer is under any obligation to provide funds or capital to the Issuer generally or with respect to any Series of the Issuer, except for the specific payment obligations undertaken by the Company under the Funding Agreements issued by it with respect to the applicable Series and except with respect to the obligations of the Company under separate expense and indemnity agreements with each of the Series Beneficial Owner, the Administrative Trustee and the Indenture Trustee. None of AHL, ALRe or AUSA, or any of their respective subsidiaries or affiliates, is an obligor or guarantor of the Notes or the Funding Agreements, and will have no liability to any Noteholder with respect thereto. In addition, the Notes will not benefit from any state insurance guaranty fund coverage or any similar protection.

The Issuer has limited purpose.

The Issuer is a statutory trust. The Issuer has de minimis net worth, which is not expected to materially increase. The exclusive purposes of the Issuer are, and the Issuer shall have the power and authority, to (i) issue and sell the Notes and the Series Beneficial Interests, (ii) use the net proceeds from the sale of each Series of Notes and the related Series Beneficial Interest to acquire one or more Funding Agreements from the Company, (iii) pay amounts due in respect of the Notes and the Series Beneficial Interests, (iv) pledge, collaterally assign and grant a security

interest in the Series Collateral to the Indenture Trustee, (v) enter into the agreements and to take such actions as the Administrative Trustee has the power and authority to take pursuant to the Declaration of Trust (as defined herein) and (vi) engage in those other activities necessary, advisable or incidental thereto.

Payments under Funding Agreements may be insufficient to pay amounts payable under the Notes.

The Issuer has nominal assets other than the Funding Agreements, and the ability of the Issuer to make timely payments under the Notes of the relevant Series will depend principally on its receipt of corresponding payments under the Funding Agreements. There can be no assurance that payments to the Issuer will be made under the Funding Agreements or, if made, will be made in a sufficient amount or in a timely manner to meet the expenses and obligations of the Issuer, including the timely payment of the principal and interest on the Notes.

Payments of the principal of, interest on and Additional Amounts (as specified in the applicable Funding Agreement, “**Additional Amounts**”), if any, with respect to a Tranche of Notes within a Series will be made solely from the payments by the Company under the relevant Funding Agreements. Unless otherwise specified in the applicable Note or Funding Agreement, the Company will not pay any Additional Amounts to the relevant Series of the Issuer in the event that any withholding or deduction is required by law, regulation or official interpretation thereof, and the imposition of a requirement to make any such withholding or deduction will not give rise to an Event of Default or any obligation to redeem the applicable Funding Agreement. See “Description of Certain Terms and Conditions of the Funding Agreements—Payments of Additional Amounts.”

Payment of certain expenses will be made prior to payments under the Notes following an Event of Default.

Any funds collected by the Indenture Trustee following an Event of Default, and any funds that may then be held or thereafter received by the Indenture Trustee as security with respect to the Notes of any Series will be applied first to the payment of certain costs and expenses of the Indenture Trustee and the Administrative Trustee and any of their predecessors and their respective agents and attorneys in an aggregate amount of no more than \$800,000 (the “**Priority Payments**”) for all Series of Notes that are Outstanding (as defined in the Indenture). The funds will next be applied to the payment of the amounts then due and unpaid on the Notes of such Series. Any remaining balance thereafter will be applied to the payment of any other obligations of the Issuer secured under such Series of Notes, the Indenture or the applicable Series Indenture then due and owing on the Notes of such Series. Any remaining balance will be paid to the Issuer for distribution by the Administrative Trustee in accordance with the Declaration of Trust (as defined herein) and the applicable Series Trust Supplement. The amounts remaining after the payment of the Priority Payments may be insufficient to satisfy in full the payment obligations the Issuer has to the holders of Notes of a particular Series following the occurrence of an Event of Default.

No previous market for the Notes exists; there is limited liquidity of the Notes.

Application will be made to Euronext Dublin for certain Series of Notes issued during the twelve-month period beginning from the date of this Offering Memorandum to be admitted to the Official List and trading on the GEM. However, any Series of Notes may be listed on another securities exchange or not listed on any market or securities exchange. Moreover, no previous market exists for the Notes of any particular Series and no assurances can be given that any market will develop with respect to the Notes of any particular Series. The Purchasing Agents are under no obligation to make a market in the Notes and to the extent that such market making is commenced, it may be discontinued at any time. In addition, the ability of the Purchasing Agents to make a market in the Notes may be impacted by changes in regulatory requirements applicable to the marketing, holding and trading of, and issuing quotations with respect to, the applicable Notes. There is no assurance that a secondary market will develop or, if it does develop, that it will provide holders of the Notes with liquidity of investment or that it will continue for any period of time. The Notes have not been and will not be registered under the Securities Act or any state or foreign securities law and transfers of Notes are subject to substantial transfer restrictions. A holder of Notes of any Series may not be able to liquidate its investment readily, and the Notes may not be readily accepted as collateral for loans. It is likely that if the Notes were to be deemed to be contracts of insurance, the ability of a holder to offer, sell or transfer the Notes in a secondary market transaction or otherwise would be substantially impaired and, to the extent any such sale or transfer could be effected, the proceeds realized from such sale or transfer could be materially and adversely affected. Investors should assume that they may have to hold the Notes until their Stated Maturity Date. See “Purchase and Transfer Restrictions.” The condition of the financial markets and prevailing interest rates have

fluctuated in the past and are likely to fluctuate in the future, which could have an adverse effect on the market prices of the Notes.

It is possible that the Notes admitted to the Official List and trading on the GEM or offered in a Member State of the EEA or the United Kingdom may be traded in integral multiples of less than €100,000.

Although any Notes of a Series that are admitted to the Official List and trading on the GEM or offered in a Member State of the EEA or the United Kingdom are required to have minimum denominations of €100,000 (or equivalent in another currency) (the “**Minimum Specified Denomination**”) and integral multiples of €1,000 (or equivalent in another currency) in excess thereof, it is possible that such Notes may be traded in amounts in excess of the Minimum Specified Denomination (or its equivalent in alternate currencies) that are not integral multiples of the Minimum Specified Denomination (or its equivalent in alternate currencies). In such a case, a Noteholder, who, as a result of trading such amounts, holds a principal amount of less than the Minimum Specified Denomination in its account with the applicable Clearing Corporation may not be able to sell the remainder of such holding without first purchasing a principal amount of Notes at or in excess of the Minimum Specified Denomination such that its holding amounts to at least the Minimum Specified Denomination. Further, a Noteholder who, as a result of trading such amounts, holds an amount which is less than the Minimum Specified Denomination in its account with the relevant Clearing Corporation at the relevant time may not receive a definitive Note in respect of such holding (should definitive Notes be printed) and may need to purchase a principal amount of Notes such that its holding is at least in the Minimum Specified Denomination.

If definitive Notes are issued, Noteholders should be aware that definitive Notes that have a denomination that is not an integral multiple of the Minimum Specified Denomination may be illiquid and difficult to trade.

The Notes could be deemed to be contracts of insurance or participations in the Funding Agreements which could subject Noteholders to certain regulatory requirements and reduce the marketability and market value of the Notes.

The laws and regulations of the 50 states of the United States and the District of Columbia (the “**Covered Jurisdictions**”) contain broad definitions of the activities that may constitute the conduct of an insurance business in the Covered Jurisdictions. Because the primary asset of each Series of the Issuer will be one or more funding agreements issued by a life insurance company, it is possible insurance regulators in one or more jurisdictions could take the position that (i) the issuance of the Notes by the relevant Series of the Issuer constitutes the indirect issuance of a funding agreement or other insurance product and (ii) the distribution, transfer, sale, resale or assignment of the Notes constitutes the production or sale of a funding agreement or other insurance product. If such a position were to be taken in any Covered Jurisdiction, the underlying activity and the persons conducting such activity (including the relevant Series of the Issuer, the Company, a Purchasing Agent, an investor or such other person) could become subject to regulation under the insurance laws of one or more of the Covered Jurisdictions, which could, among other effects, require such persons to be subject to regulatory licensure or other qualification and levels of compliance that cannot practically be achieved. Failure to comply with such requirements could subject such persons to regulatory penalties. In the event the Issuer is subject to any such penalties or any other liabilities resulting from such regulation, payments under Funding Agreements may be insufficient to pay principal and interest under the Notes. In addition, any such failure to comply or the threat of any such regulation could reduce liquidity with respect to the Notes, prevent an investor from transferring Notes and reduce the marketability and thus, the market value of the Notes. Therefore, any such regulation or threat of regulation by any one or more Covered Jurisdictions could result in an investor either being unable to liquidate its investment in the Notes or, upon any such liquidation, receiving a value significantly less than its initial investment in the Notes.

The Issuer currently believes that (i) the Notes should not be subject to regulation as participations in the Funding Agreements themselves or otherwise constitute insurance contracts under the insurance laws of the Covered Jurisdictions and (ii) the Notes should not subject the Issuer or any Series of the Issuer, any investor or any person who acquires the Notes directly or indirectly from such investor and/or persons engaged in the sale, solicitation or negotiation or purchasing the Notes in the Covered Jurisdictions to regulation as doing an insurance business or engaging in the sale, solicitation or negotiation of insurance, as contemplated by the insurance laws of the Covered Jurisdictions by virtue of their activities in connection with the purchase, resale, transfer and/or assignment of the Notes. There are, however, wide variations in the insurance laws of the Covered Jurisdictions, subtle nuances in their application, and a general absence of any consistent pattern of interpretation or enforcement. Insurance regulatory

authorities have broad discretionary powers in administering the insurance laws of their respective jurisdictions, including the authority to modify or withdraw a regulatory interpretation, impose new rules, and take a position contrary to the Issuer's. In addition, insurance laws of states are known to change from time to time, which could result in a change in the Issuer's current opinion of the treatment of the Notes in a particular Covered Jurisdiction. Likewise, state courts are not bound by any regulatory interpretations and could take a position contrary to the Issuer's. Consequently, there can be no assurance that the purchase, resale, transfer or assignment of the Notes will not subject the parties to such transaction to regulation or enforcement proceedings under the insurance laws of one or more Covered Jurisdictions.

Redemption may adversely affect a Noteholder's return on the Notes.

The Issuer is required to redeem the Notes of a Series as described herein if the Company exercises its right to redeem the Funding Agreement(s) related to such Series upon the occurrence of a Tax Event. See "Description of the Notes—Tax Redemption."

If the Funding Agreement(s) related to a Series of Notes are terminable by the Company at its option, the Issuer will be obligated to redeem the Notes of such Series if the Company so chooses to redeem the related Funding Agreement(s). In addition, Notes of a particular Series may be redeemable at the option of the Issuer.

In case of any redemption of Notes, a holder may not be able to reinvest the redemption proceeds in a comparable security at an effective interest rate as high as that of the Notes being redeemed. The Company's termination right(s) under the relevant Funding Agreement(s), and the possibility that the Notes would be redeemed as a consequence, could also adversely impact a Noteholder's ability to sell the Notes.

Any Notes denominated in a foreign currency will be subject to exchange rate and exchange control risks.

An investment in a Note that is denominated or payable in, or the payment of which is linked to the value of, a specified currency (the "**Specified Currency**") other than U.S. dollars or other currency in which the purchaser conducts its business or activities (the "**Home Currency**") entails significant potential risks that are not associated with a similar investment in a security denominated in U.S. dollars. These risks include the possibility of significant changes in rates of exchange between the U.S. dollar or Home Currency and the Specified Currency and the possibility of the imposition or modification of exchange controls by either the U.S. or foreign governments. These risks generally depend on economic and political events over which the Issuer and the Company have no control.

In recent years, rates of exchange for certain currencies have been highly volatile, and this volatility may continue in the future. Fluctuations in any particular exchange rate that have occurred in the past are not necessarily indicative, however, of fluctuations that may occur during the term of any Note. Depreciation against the U.S. dollar or other Specified Currency would result in a decrease in the effective yield of the Note below its coupon rate and could result in an overall loss on a Home Currency basis. In addition, depending on the specific terms of a currency-linked Note, changes in exchange rates relating to any of the relevant currencies could result in a decrease in its effective yield and in a loss of all or a substantial portion of the value of such Note.

Foreign exchange rates can either float or be fixed by sovereign governments. Exchange rates of most economically developed nations are permitted to fluctuate in value relative to the U.S. dollar and to each other. However, from time to time, governments may use a variety of techniques, such as intervention by a country's central bank or the imposition of regulatory controls or taxes to influence the exchange rates of their currencies. Governments may also issue a new currency to replace an existing currency or alter the exchange rate or relative exchange characteristics by a devaluation or revaluation of a currency. These governmental actions could change or interfere with currency valuations and currency fluctuations that would otherwise occur in response to economic forces, as well as in response to the movement of currencies across borders. The Issuer will not make any adjustment or change in the terms of the Notes in the event that exchange rates should become fixed, or in the event of any devaluation or revaluation or imposition of exchange or other regulatory controls or taxes, or in the event of other developments affecting the U.S. dollar or any applicable Specified Currency. The holder of such Notes will bear those risks.

If the principal of, any premium or interest on, and any Additional Amounts with respect to, any Note is payable in a Specified Currency (as defined herein) other than U.S. dollars which is not available due to the imposition

of exchange controls or other circumstances beyond the control of the Issuer, the Issuer will be entitled to satisfy its obligations to Noteholders by making such payment in U.S. dollars on the basis of the most recently available bid quotation determined on the applicable determination date related to such payment from a leading foreign exchange bank in London or New York City selected by the Paying Agent (in consultation with the Issuer or its designee), for the purchase of U.S. dollars with the Specified Currency for settlement on such payment date of the aggregate amount of the Specified Currency payable to all holders of Notes denominated other than in U.S. dollars scheduled to receive U.S. dollar payments. Any payment made under such circumstances in U.S. dollars where the required payment is other than in U.S. dollars will not constitute an Event of Default under the Notes.

Furthermore, the Issuer may (if so specified in the applicable Pricing Supplement) without the consent of the holder of any Note or coupon, redenominate all, but not less than all, of the Notes of any series into Euro on or after the date on which the member state of the EU in whose national currency such Notes are denominated has become a participant member in the third stage of the European economic and monetary union, as more fully set out in the applicable Pricing Supplement.

Each prospective purchaser of Notes should consult its own financial, legal and tax advisors as to any specific risks entailed by an investment by such purchaser in Notes that are denominated in, or the payment of which is related to the value of, foreign currency, as such Notes are not an appropriate investment for purchasers who are unsophisticated with respect to foreign currency transactions.

Any Series of Floating Rate Notes could be adversely affected by reform, modification, or elimination or discontinuance of the interest rate basis linked to such notes.

Interest on any Series of Floating Rate Notes may be determined by reference to certain reference rates, or “benchmarks,” including the Benchmarks referenced in the Description of the Notes. For more information on the determination of interest on a Series of Floating Rate Notes, see “Description of the Notes—Pricing Options—Floating Rate Notes.” Certain benchmark rates and indices have been the subject of political and regulatory scrutiny as to how they are created and operated. This has resulted in regulatory reform and changes to existing benchmarks, with further changes anticipated. These reforms may cause such benchmarks to perform differently than in the past, to disappear entirely, or have other consequences which cannot be predicted. Moreover, the Issuer does not have control over the methods used by the administrator of any benchmark in its calculation thereof and cannot guarantee that any benchmark will not be discontinued or fundamentally altered in the future. Any such consequence could have a material adverse effect on any Notes linked to such a benchmark.

The potential elimination or discontinuance of any benchmark, or changes in the manner of administration of any benchmark, could require or result in an adjustment to the interest provisions described in “Description of the Notes—Pricing Options—Floating Rate Notes,” or result in other consequences, in respect of any Notes linked to such benchmark. Furthermore, even prior to the implementation of any changes from benchmark reforms, uncertainty as to the nature of alternative reference rates and as to potential changes to a benchmark may adversely affect the trading market for securities based on that benchmark.

In the event that a published benchmark that is the interest rate basis for a Series of Floating Rate Notes, or is the benchmark from which such interest rate basis is derived, becomes unavailable, the rate of interest on that Series would be determined pursuant to the fallback arrangements described in “Description of the Notes—Pricing Options—Floating Rate Notes.” These fallback arrangements include the possibility that the rate of interest could be determined by the Issuer or its designee, or set by reference to a successor rate or an alternative reference rate and that such successor rate or alternative reference rate may be adjusted (if required) in order to reduce or eliminate any economic prejudice or benefit (as applicable) to investors arising out of the replacement of the relevant benchmark. Moreover, under the fallback arrangements, the Issuer or its designee may in certain instances make technical, administrative or operational changes that they decide are appropriate to reflect the adoption of the successor rate or alternative reference rate, including as to the timing and frequency of determining rates and making payments of interest and other administrative matters.

In certain circumstances, the ultimate fallback of interest for a particular interest period or interest reset date (as applicable) may result in the rate of interest for the last preceding interest period or interest reset date (as applicable) being used. This may result in the effective application of a fixed rate for a Series of Floating Rate Notes

based on the benchmark rate which was last observed. The determination of a successor or alternative reference rate, the calculation of the interest rate on any Series of Floating Rate Notes by reference to such rate (including the application of any adjustment), any implementation of administrative changes and any other determinations, decisions or elections that may be made under the terms of any such Series of Floating Rate Notes in connection with the foregoing could adversely affect the value of such Notes, the return on such Notes and the price at which investors can sell such Notes. In addition, due to the uncertainty concerning the availability of successor rates and alternative reference rates and the involvement of the Issuer or its designee, the relevant fallback provisions may not operate as intended at the relevant time and may be different from the fallback provisions adopted by swap dealers for derivative instruments linked to the benchmark, such that investors may be unable to appropriately hedge their interest rate risk.

In addition, the composition and characteristics of a successor or alternative reference rate will not be the same as those of the benchmark applicable to a Series of Floating Rate Notes and may not be the economic equivalent of such benchmark. There can be no assurance that such rate will perform in the same way as the applicable benchmark would have at any time and there is no guarantee that such rate will be a comparable substitute for the applicable benchmark (each of which means that a transition to a successor or alternative reference rate could adversely affect the value, return on, and price at which investors can sell, a Series of Floating Rate Notes affected by such a transition). Moreover, (i) any failure of such successor or alternative reference rate to gain market acceptance could adversely affect such Series of Floating Rate Notes, (ii) such successor or alternative reference rate may have a very limited history and the future performance of such successor or alternative reference rate may not be predictable based on historical performance, (iii) the secondary trading market for such Series of Floating Rate Notes linked to such successor or alternative reference rate may be limited and (iv) the administrator of such successor or alternative reference rate may make changes that could change the value of such rate or discontinue such rate and would have no obligation to consider the interests of holders of such Series of Floating Rate Notes in doing so. The above matters or any other significant change to the setting or existence of any relevant reference rate could have a material adverse effect on the value or liquidity of, and the amount payable under, any Series of Floating Rate Notes. Investors should consider these matters when making their investment decision with respect to the relevant Floating Rate Notes.

An investment in a Series of Floating Rate Notes for which SOFR, Compounded SOFR (Formula) or Compounded SOFR (Index) is the interest rate basis entails significant risks not associated with an investment in a conventional fixed rate or floating rate debt security.

SOFR (as defined herein) or Compounded SOFR (as defined herein, including Compounded SOFR (Formula) or Compounded SOFR (Index)) may be the Interest Rate Basis for the calculation of interest on a Series of Floating Rate Notes. The Federal Reserve Bank of New York (“FRBNY”) notes on its publication page for SOFR that use of SOFR is subject to important limitations and disclaimers, including that the FRBNY may alter the methods of calculation, publication schedule, rate revision practices or availability of SOFR at any time without notice.

Neither the Issuer nor the Company has any control over the determination, calculation or publication of SOFR. There can be no guarantee that SOFR will not be discontinued or fundamentally altered in a manner that is materially adverse to the interests of investors in a Series of Floating Rate Notes linked to SOFR, including Compounded SOFR (“**SOFR-linked Floating Rate Notes**”). SOFR-linked Floating Rate Notes may utilize either Compounded SOFR or SOFR. SOFR is only published on a daily basis and thus Compounded SOFR contemplates that the daily SOFR rate for the relevant Index Maturity (as defined herein) period will be determined by compounding the daily SOFR rates or SOFR Index during such period. If the manner in which SOFR is calculated is changed, that change may result in a reduction of the amount of interest payable on SOFR-linked Floating Rate Notes and the trading prices of SOFR-linked Floating Rate Notes. If SOFR declines to zero or becomes negative, it is possible that no interest will be payable on a Series of SOFR-linked Floating Rate Notes.

The FRBNY began to publish SOFR in April 2018, and has also begun publishing historical indicative SOFR going back to 2014. Investors in any SOFR-linked Floating Rate Notes should not rely on any historical changes or trends in SOFR as an indicator of future changes in SOFR. Market precedents for documenting securities that use SOFR rates vary and can be expected to continue to vary. Accordingly, there may be inconsistencies in calculation methodologies and documentation for obligations that are based on SOFR rates, and otherwise similar obligations may perform and trade differently. If SOFR does not prove to be widely used, the value of any SOFR-linked Floating Rate Notes that are issued may be lower than those of debt securities linked to indices that are more widely used. Investors in SOFR-linked Floating Rate Notes may not be able to sell their Notes at all or may not be able to sell their

Notes at prices that will provide them with a yield comparable to similar investments that have a developed secondary market, and may consequently suffer from increased pricing volatility and market risk.

SOFR and Compounded SOFR for Floating Rate Notes with respect to a particular interest period will only be capable of being determined near the end of the relevant interest period, and therefore it may be difficult for investors to reliably estimate the amount of interest payable.

The SOFR or Compounded SOFR rate applicable to a particular Interest Period (as defined herein) and, therefore, the amount of interest payable with respect to such Interest Period will be determined on the Interest Determination Date (as defined herein) for such Interest Period. Because each such date is near the end of such Interest Period, holders of SOFR-linked Floating Rate Notes will not know the amount of interest payable with respect to a particular Interest Period until shortly prior to the related Interest Payment Date (as defined herein) and it may be difficult for such holders to reliably estimate the amount of interest that will be payable on each such Interest Payment Date. In addition, some investors may be unwilling or unable to trade such SOFR-linked Floating Rate Notes without changes to their information technology systems, both of which could adversely impact the liquidity and trading price of such Floating Rate Notes.

The Canadian Overnight Repo Rate Average (“CORRA”) may be more volatile than other interest rate bases.

Since the initial publication of CORRA, daily changes in CORRA have, on occasion, been more volatile than daily changes in other benchmark or market rates, such as the Canadian Dollar Offered Rate (“CDOR”), during corresponding periods. In addition, although changes in Daily Compounded CORRA (as defined herein) generally are not expected to be as volatile as changes in daily levels of CORRA, the return on, value of and market for a CORRA Note may fluctuate more than floating rate securities with rates that are linked to less volatile rates.

The interest rate on CORRA Notes will be based on Daily Compounded CORRA, which is relatively new in the marketplace.

The Bank of Canada has been the administrator of CORRA since June 2020 and commenced publishing the CORRA Compounded Index in April 2021 and, therefore, CORRA has a limited history. The interest rate on CORRA Notes sold pursuant to this Offering Memorandum for each Interest Period will be based on Daily Compounded CORRA, not the CORRA rate published on or in respect of a particular date during such Interest Period or an average of CORRA rates during such Interest Period. For this and other reasons, the interest rate on CORRA Notes during any Interest Period will not necessarily be the same as the interest rate on other CORRA-linked investments that use an alternative basis to determine the applicable interest rate. Further, if the CORRA rate in respect of a particular date during an Interest Period is negative, the portion of the accrued interest compounding factor specifically attributable to such date will be less than one, resulting in a reduction to the accrued interest compounding factor used to calculate the interest payable on the CORRA Notes on the Interest Payment Date for such Interest Period.

In addition, limited market precedent exists for securities that use CORRA as the interest rate, and the method for calculating an interest rate based upon CORRA in those precedents varies. Accordingly, the specific formula for Daily Compounded CORRA set forth in this Offering Memorandum may not be widely adopted by other market participants, if at all. Investors in CORRA Notes should carefully review the specific formula for Daily Compounded CORRA described herein and specified in the applicable Pricing Supplement before making an investment in such Notes. If the market adopts a different calculation method, that would likely adversely affect the liquidity and market value of such Notes.

Any Failure of CORRA to gain market acceptance could adversely affect CORRA Notes.

As a rate based on transactions secured by Government of Canada treasury bills and bonds, CORRA does not measure unsecured corporate credit risk and, as a result, is less likely to correlate with the unsecured short-term funding costs of corporations. This may mean that market participants would not consider CORRA a suitable substitute or successor for CDOR, which may, in turn, lead to lessened market acceptance of CORRA. To the extent market acceptance for CORRA as a benchmark for floating rate notes declines, the return on and value of CORRA Notes and the price at which investors can sell such Notes in the secondary market could be adversely affected. Investors in CORRA Notes may not be able to sell such Notes at all or may not be able to sell the Notes at prices that

will provide them with a yield comparable to similar investments that continue to have a developed secondary market, and may consequently suffer from increased pricing volatility and market risk.

In addition, the market continues to develop in relation to CORRA as a base rate for floating rate notes. The market or a significant part thereof may adopt an application of CORRA (including compounded CORRA) that differs significantly from that used in relation to the CORRA Notes offered hereby, which could result in reduced liquidity or otherwise affect the market price of such Notes. Further, the methodology for calculating compounded CORRA for other Floating Rate Notes that the Issuer may issue may change, and the Issuer may in the future issue other Floating Rate Notes referencing CORRA or compounded CORRA that differ materially in terms of interest determination when compared with any previous CORRA Notes. The continued development of CORRA (including compounded CORRA) as an interest reference rate for the capital markets, as well as continued development of CORRA-based rates for such market and the market infrastructure for adopting such rates, could result in reduced liquidity or increased volatility or could otherwise affect the market price of any CORRA Notes from time to time.

The amount of interest payable on CORRA Notes with respect to a particular Interest Period will only be capable of being determined near the end of the relevant Interest Period.

Unless the applicable Pricing Supplement specifies otherwise, the level of Daily Compounded CORRA applicable to a CORRA Note for a particular Interest Period and, therefore, the amount of interest payable with respect to such Interest Period will be determined on the Interest Determination Date for such Interest Period. Because each such date is near the end of each relevant Interest Period, investors will not know the amount of interest payable with respect to a particular Interest Period until shortly prior to the related Interest Payment Date, and it may be difficult for investors to estimate reliably the amount of interest that will be payable on each such Interest Payment Date, which might adversely impact the liquidity of such Notes.

The Sterling Overnight Index Average (“SONIA”) (and any interest rate compounded basis based thereon, such as Compounded Daily SONIA) is relatively new in the marketplace and very little market precedent exists.

Compounded Daily SONIA is calculated using the specific formulas described in the “Description of the Notes—Pricing Options—Floating Rate Notes”, not the SONIA rates published on or in respect of a particular date during an Interest Period or an arithmetic average of SONIA rates during such period. For this and other reasons, the interest rate during any Interest Period will not necessarily be the same as the interest rate on other SONIA-linked investments that use an alternative basis to determine the applicable interest rate. Further, if the SONIA rate in respect of a particular date during an Interest Period is negative, its contribution to the SONIA Compounded Index (as defined herein) will be less than one, resulting in a reduction to Compounded Daily SONIA used to calculate the interest payable on the Notes on the Interest Payment Date for such Interest Period.

Limited market precedent exists for securities that use SONIA as the interest rate and the method for calculating an interest rate based upon SONIA in those precedents varies. In addition, the Bank of England only began publishing the SONIA Compounded Index on August 3, 2020. Accordingly, the use of the SONIA Compounded Index, or the specific formulas for the Compounded Daily SONIA rate, may not be widely adopted by other market participants, if at all.

The market continues to develop in relation to SONIA as reference rates in the capital markets and their adoption as an alternative to the London Inter-Bank Offered Rate (“LIBOR”). In particular, market participants and relevant working groups are exploring alternative reference rates based on SONIA, which seek to measure the market’s forward expectation of such rates over a designated term. The market or a significant part thereof may adopt an application of SONIA that differs significantly from those set forth in this Offering Memorandum (including in relation to fallbacks in the event that such rates are discontinued or fundamentally altered). If the market adopts a different calculation method, that would likely adversely affect the market value of a Compounded Daily SONIA Note.

The interest payable on a Compounded Daily SONIA Note will be determined near the end of the relevant Interest Period, which may adversely affect the liquidity and trading prices of such Notes.

The interest rate applicable for any Interest Period of a Compounded Daily SONIA Note will be determined near the end of such Interest Period, unlike a Series of Floating Rate Notes linked to a Benchmark where the interest rate is determined at the beginning of the applicable Interest Period. As a result, investors holding a Compounded Daily SONIA Note will not know the amount of interest payable with respect to a particular Interest Period until shortly prior to the related Interest Payment Date, and it may be difficult for investors to reliably estimate the amount of interest that will be payable on each such Interest Payment Date. In addition, some investors may be unwilling or unable to trade such Compounded Daily SONIA Note using the SONIA Compounded Index without changes to their information technology systems, both of which could adversely impact the liquidity and trading price of such Compounded Daily SONIA Note.

Historical performance of the Tokyo Overnight Average Rate (“TONA”) is not indicative of future performance.

The Bank of Japan began to publish TONA in July 1985, but TONA became the preferred replacement for Japanese yen LIBOR only in 2021. Therefore, TONA has relatively limited performance history as the preferred Japanese yen risk-free reference rate. The level of TONA for any TONA-based Floating Rate Notes may bear little or no relation to the historical level of TONA. The future performance of TONA is impossible to predict and, therefore, no future performance of TONA or TONA-based Floating Rate Notes may be inferred from any of the hypothetical or actual historical performance data. Hypothetical or actual historical performance data are not indicative of the future performance of TONA or TONA-based Floating Rate Notes. Changes in the levels of TONA will affect the return on TONA-based Floating Rate Notes and the trading price of such TONA-based Floating Rate Notes, but it is impossible to predict whether such levels will rise or fall. There can be no assurance that any TONA rate will be positive.

An “Event of Default” under a Series of Notes may not constitute an “Event of Default” under the applicable Funding Agreements.

In certain circumstances (such as the Issuer’s uncured breach of a covenant under the Indenture or the commencement of a proceeding for the liquidation or reorganization of the Issuer), an Event of Default (as defined herein) under a Series of Notes may not constitute an event of default under the applicable Funding Agreements. In such case, it is possible that the obligations of the Issuer under any Series of Notes may be accelerated while the obligations of the Company under the applicable Funding Agreements may not be similarly accelerated. If this occurs, while the Indenture Trustee may have the ability to proceed against the applicable Series Collateral, holders of Notes of such Series nonetheless may not be paid in full or in a timely manner upon such acceleration of the Issuer’s obligations. See “Description of the Notes—Events of Default” and “Description of Certain Terms and Conditions of the Funding Agreements—Events of Default.”

Ratings of the Program and any rated Series of Notes may not reflect all risks of an investment in the Notes and may change over the course of the Program.

The ratings of the Notes will primarily reflect the financial strength of the Company and will change in accordance with the rating of the Company’s financial strength and with any change in the priority status of Funding Agreement obligations under Iowa law. Any rating is not a recommendation to purchase, sell or hold any particular security, including the Notes. Such ratings do not address the market price or suitability of the Notes for a particular investor. In addition, there can be no assurance that a rating will be maintained for any given period of time or that a rating will not be lowered or withdrawn in its entirety. The ratings of the Program and any rated Series of Notes may not reflect the potential impact of all risks related to structure and other factors on any trading market for, or trading value of, an investor’s Notes.

An active trading market for the Notes of any series may not develop.

There is no existing trading market for the Notes. Although the Purchasing Agents may initially make a market in the Notes of each series, they are not obligated to do so and may discontinue any such market making at any time without notice to, or the consent of, the holders of the Notes. Furthermore, the ability of the Purchasing

Agents and other market participants to make a market in the Notes may be impacted by changes in regulatory requirements applicable to the marketing, holding and trading of, and issuing quotations with respect to, the applicable Notes, which may materially adversely affect the liquidity and trading prices for the Notes. Even if a trading market for the Notes of any series develops, the trading prices of such Notes would depend on many factors, including prevailing interest rates, the Company's operating results, liquidity and financial condition and the market for similar securities of comparable issuers. Accordingly, no assurance can be given that an active trading market for the Notes will develop, be sustained or be liquid or that holders of any Notes will be able to sell their Notes in the amount or at the prices or time desired, or at all.

Risks Relating to Collateral

The Funding Agreements are unsecured obligations of the Company.

The Funding Agreements issued by the Company are unsecured obligations of the Company and, in the event of the Company's insolvency, any rehabilitation, liquidation, conservation or dissolution proceeding relating to the Company and any creditor rights with respect thereto will be subject to the provisions of applicable state law.

In the event of the Company's impairment or insolvency, the Iowa Insurance Commissioner will be authorized and directed to commence delinquency proceedings for the purpose of liquidating, rehabilitating, reorganizing or conserving the Company pursuant to Iowa Code Sections 507C.4, 507C.12, 507C.13, 507C.14 and 507C.16. In conducting delinquency proceedings, claims are prioritized and an order of distribution is specified pursuant to Iowa Code Section 507C.42. There are nine classes within the priority scheme, with each successive class being fully junior to the preceding class. Class 1 priority is given to the costs and expenses of administration of the insurer during the delinquency proceedings and Class 2 priority is given to the claims (1) of the insurer's policyholders, (2) of guaranty associations, (3) under funding agreements of the insurer, (4) for an insufficiency in the assets of a separate account and (5) for unearned premium. In a delinquency proceeding, holders of secured obligations (including holders of secured funding agreements) will be ranked senior to any unsecured claims to the extent of their collateral, including claims from holders of the Funding Agreements, pursuant to Iowa Code Sections 507C.41 and 507C.42. Any obligations remaining after application of collateral will be *pari passu* with claims of policyholders, pursuant to Iowa Code Section 507C.42.

Further, although a claim for payments of Additional Amounts (as defined herein), if viewed as interest payments, could be a claim under a funding agreement, it could also be determined that such a claim is not a claim under a funding agreement and, therefore, not entitled to Class 2 priority status under Iowa Code Section 507C.42. Sidley Austin LLP, counsel to the Company, has opined that, subject to the limitations, qualifications and assumptions set forth in its opinion letter, in a properly prepared and presented case, a court applying Iowa law would conclude that (i) loss claims of principal and interest in respect of each Funding Agreement would be accorded Class 2 priority under Iowa Code Section 507C.42 and paid equally in priority with the Company's other policyholders, and (ii) payments of Additional Amounts (as defined herein) would rank at least *pari passu* with the claims of general creditors of the Company.

Sidley Austin LLP has advised that its opinion is based on its interpretation of the relevant provisions of the Iowa Code as construed by relevant administrative and judicial authority. However, the Iowa Code and regulations, interpretations and decisions are subject to change, either prospectively or retroactively, and many of the issues addressed in counsel's opinion depend upon a facts and circumstances analysis that has received little or no administrative or judicial consideration. Therefore, the Iowa Insurance Commissioner, in his/her capacity as liquidator, rehabilitator or otherwise, or the courts could disagree in whole or in part with the analysis in their opinion.

Iowa law would apply to the Company's insolvency or receivership proceedings. Sidley Austin LLP has advised that the statutory liquidation priority accorded to funding agreements under Iowa law does not clearly apply to any Additional Amounts required to be paid (if specified in the applicable Funding Agreement or Pricing Supplement) as may be necessary in order that the net amounts receivable by a holder after any withholding or deduction under United States tax law shall equal the respective amounts which would have been receivable by such holder in the absence of such withholding or deduction. Accordingly, Sidley Austin LLP has advised that claims for such payments, if any, may not rank equally with either life insurance policy and annuity claims or funding agreement claims, but would rank at least equally with the claims of general creditors. Sidley Austin LLP has expressly disclaimed any opinion that claims for such payments would be entitled to any greater priority.

The scope of the Sidley Austin LLP opinion regarding a delinquency proceeding with respect to the Company is limited to an Iowa delinquency proceeding under Iowa law and to only those claims that are made in domiciliary proceedings in an Iowa court. The opinion of Sidley Austin LLP recites basic facts with respect to the transactions in which Funding Agreements are to be issued, and those facts are implicitly assumed in connection with the rendering of the opinion. The limitations and qualifications in the opinion are that it is limited to the application of the law of the State of Iowa and the federal law of the United States and that the opinion is rendered solely as of the date thereof.

Intervening creditors may dilute security interests.

The Issuer's estate, right, title and interest in, and to all Funding Agreements entered into in connection with Tranches of the same Series of Notes will be included in the Series Collateral in which the Issuer grants a security interest to the Indenture Trustee for the benefit and security of the holders of the Notes of such Series. Therefore, holders of Notes of the first Tranche of Notes of a Series will have a security interest in all Funding Agreements issued in connection with the first and any subsequent Tranches of the same Series, if any. No Series of Notes will have any security or other interest in the Series Collateral related to any other Series of Notes, including the Funding Agreements included therein.

Accordingly, because each Tranche of Notes of a Series will share the security interest of the Indenture Trustee for such Series in each Funding Agreement of that Series, holders of Notes of an earlier Tranche may have their security interest in a Funding Agreement relating to such earlier Tranche diluted by the issuance of a later Tranche if a lien creditor or other creditor obtains a lien or security interest on a Funding Agreement relating to such earlier Tranche, which lien or security interest is junior to the security interest for the benefit of the holders of the earlier Tranche of Notes but may be senior to the security interest for the benefit of the holders of the new Tranche of Notes.

Risks Relating to the Company

The ability of the Issuer to make timely payments under the Notes of the relevant Series will depend principally on its receipt of corresponding payments from the Company under the Funding Agreements. Furthermore, the marketability, liquidity and trading value of the Notes of the relevant Series may be substantially impaired to the extent the Company is unable to meet, or is perceived as being unable to meet, its obligations under the Funding Agreements in full.

The Company's business, financial condition, results of operations, liquidity and cash flows depend on the accuracy of its management's assumptions and estimates and the Company could experience significant gains or losses if these assumptions and estimates differ significantly from actual results.

The Company makes and relies on certain assumptions and estimates regarding many matters related to the Company's business, including valuations, interest rates, investment returns, expenses and operating costs, tax assets and liabilities, tax rates, business mix, surrender activity, mortality and contingent liabilities. The Company also uses these assumptions and estimates to make decisions crucial to its business operations, including establishing pricing, target returns and expense structures for its products and pension group annuity transactions; determining the amount of reserves it is required to hold for its policy liabilities; determining the price it will pay to acquire or reinsure business; determining the hedging strategies it employs to manage risks to its business and operations; and determining the amount of regulatory and rating agency capital it must hold to support its business. The factors influencing these assumptions and estimates cannot be calculated or predicted with certainty and if these assumptions and estimates differ significantly from actual outcomes and results, the Company's business, financial condition, results of

operations, liquidity, cash flows and ability to make timely payments in full in respect of the Funding Agreements may be materially and adversely affected. Certain of the assumptions relevant to the Company's business are discussed in greater detail below.

Insurance Products and Liabilities. Pricing of the Company's annuity and other insurance products, whether issued by the Company or acquired through reinsurance or acquisitions, is based upon assumptions about persistency, mortality and the rates at which optional benefits are elected. A factor which may affect persistency for some of the Company's products is the value of guaranteed minimum benefits. An increase in the value of guaranteed minimum benefits could result in policies remaining in force longer than the Company has estimated, which could adversely affect the Company's results of operations. This could be caused by extended periods of poor equity market performance and/or low interest rates, developments affecting customer perception and other factors outside the Company's control. Alternatively, the Company's persistency estimates could be negatively affected during periods of rising equity markets or interest rates or by other factors outside of the Company's control, which could result in fewer policies remaining in force than estimated. Therefore, the results of the Company will vary based on deviations from expected policyholder behavior.

If emerging or actual experience deviates from the Company's assumptions, such deviations could have a significant effect on the Company's business, financial condition, results of operations, liquidity and cash flows and may materially and adversely affect the ability of the Company to make timely payments in full in respect of the Funding Agreements. For example, a significant portion of the Company's in-force and newly issued products contain riders that offer guaranteed lifetime income or death benefits. These riders expose the Company to mortality, longevity and policyholder behavior risks. If actual utilization of certain rider benefits is adverse when compared to the Company's estimates used in setting its reserves for future policy benefits, these reserves may prove to be inadequate and the Company may be required to increase such reserves. More generally, deviations from the Company's pricing expectations could result in the Company earning less of a spread between the investment income earned on its assets and the interest credited to such products and other costs incurred in servicing the products, or may require the Company to make more payments under certain products than it had projected.

Determination of Fair Value. The Company holds securities, derivative instruments and other assets and liabilities that must be, or at the Company's election are, measured at fair value. Fair value represents the anticipated amount that would be received upon the sale of an asset or paid to transfer a liability in an orderly transaction. The determination of fair value involves the use of various assumptions and estimates, and considerable judgment may be required to estimate fair value. Accordingly, estimates of fair value are not necessarily indicative of the amounts that could be realized in a current or future market exchange.

As such, changes in or deviations from the assumptions used in such valuations can significantly affect the Company's financial condition and results of operations. During periods of market disruption, including periods of rapidly changing credit spreads or illiquidity, if trading becomes less frequent or market data becomes less observable, it will likely be difficult to value certain of the Company's investments. Further, rapidly changing credit and equity market conditions could materially impact the valuation of investments as reported within the Company's financial statements, and the period-to-period changes in value could vary significantly. Even if the Company's assumptions and valuations are accurate at the time that they are made, the market value of these investments could subsequently decline, which could materially and adversely impact the Company's financial condition, results of operations or cash flows and materially and adversely affect the Company's ability to make timely payments in full in respect of the Funding Agreements.

Hedging Strategies. The Company uses, and may in the future use, derivatives and reinsurance contracts to hedge risks related to current or future changes in the fair value of its assets and liabilities; current or future changes in cash flows; changes in interest rates, equity markets and credit spreads; the occurrence of credit defaults; foreign currency fluctuations; and changes in mortality and longevity. The Company uses equity derivatives to hedge the liabilities associated with its fixed indexed annuities ("FIAs"). The Company's hedging strategies rely on assumptions and projections regarding its assets and liabilities, as well as general market factors and the creditworthiness of its counterparties, any or all of which may prove to be incorrect or inadequate. Additionally, the derivatives market has become the subject of comprehensive regulation, which may impact the availability and cost of derivatives that the Company uses. Accordingly, the Company's ability to hedge and its hedging activities may be adversely impacted or not have the desired impact. The Company may also incur significant losses on hedging transactions.

Financial Statements. The preparation of the Company's financial statements requires management to make various estimates and assumptions that affect the amounts reported therein. These significant estimates and assumptions include, but are not limited to, the fair value of investments, impairment of investments and allowances for expected credit losses, derivatives valuation, including embedded derivatives, future policy benefit reserves, market risk benefit assets and liabilities; consolidation of VIEs, and income taxes. The estimates and assumptions required for these calculations involve judgment and by their nature are imprecise and subject to changes and revisions over time. Accordingly, the Company's financial condition and results of operations may be adversely affected if actual results differ from the estimates the Company uses or if assumptions are materially revised.

A financial strength rating downgrade, potential downgrade or any other negative action by a rating agency could make the Company's product offerings less attractive, inhibit its ability to acquire future business through acquisitions or reinsurance and increase its cost of capital, which could have a material and adverse effect on its business.

Various nationally recognized statistical ratings organizations ("NRSROs") review the financial performance and condition of insurers and reinsurers, including the Company, and publish financial strength ratings as indicators of an insurer's ability to meet policyholder obligations. These ratings are important to maintaining public confidence in the Company's products, its ability to market its products and its competitive position. Factors that could negatively influence this analysis include:

- changes to the Company's business practices or organizational business plan in a manner that no longer supports its ratings;
- unfavorable financial or market trends;
- changes in NRSROs' capital adequacy assessment methodologies in a manner that would adversely affect the financial strength ratings of the Company or its insurance subsidiaries;
- a need to increase reserves to support their outstanding insurance obligations;
- their inability to retain their senior management and other key personnel;
- rapid or excessive growth, especially through large reinsurance transactions or acquisitions, beyond the bounds of capital sufficiency or management capabilities as judged by the NRSROs; and
- significant losses to the Company's investment portfolios.

Some other factors may also relate to circumstances outside of the Company's control, such as views of the NRSRO, including with respect to industry outlook, and general economic conditions. Any downgrade or other negative action by a NRSRO with respect to the Company's financial strength ratings, could materially adversely affect it and its ability to compete in many ways, including the following:

- reducing new sales of insurance products;
- harming relationships with or perceptions of distributors, independent marketing organizations ("IMOs"), sales agents, banks and broker-dealers;
- increasing the number or amount of policy lapses or surrenders and withdrawals of funds, which may result in a mismatch of the Company's overall asset and liability position;
- requiring the Company to offer higher crediting rates or greater policyholder guarantees on its insurance products in order to remain competitive;
- increasing the Company's borrowing costs;
- reducing the Company's level of profitability and capital position generally or hindering its ability to raise new capital; or
- requiring the Company to collateralize obligations under or result in early or unplanned termination of hedging agreements and harming the Company's ability to enter into new hedging agreements.

In order to improve or maintain their financial strength ratings, the Company may attempt to implement business strategies to improve its capital ratios. The Company cannot guarantee any such measures will be successful. The Company cannot predict what actions NRSROs may take in the future, and failure to improve or maintain current financial strength ratings could materially and adversely affect the Company's business, financial condition, results

of operations, liquidity and cash flows and may materially and adversely affect the ability of the Company to make timely payments in full in respect of the Funding Agreements.

The Company is subject to significant operating and financial restrictions imposed by AHL's credit agreements and certain letters of credit.

On June 30, 2023, AHL, ALRe, AUSA and AARE, as borrowers, entered into a five-year revolving credit agreement with a syndicate of banks and Citibank, N.A., as administrative agent (the “**Credit Facility**”). Also on June 27, 2025, AHL, the Company, ALRe and AARE, as borrowers, entered into a new revolving credit agreement with a syndicate of banks and Wells Fargo Bank, National Association, as administrative agent (the “**Liquidity Facility**”), which replaced AHL's previous revolving credit agreement dated as of June 28, 2024. The Credit Facility, Liquidity Facility, and certain letters of credit also entered into contain various restrictive covenants which restrict the operations of the Company's business. As a result of these restrictions and their effects on the Company, the Company may be limited in how it conducts its operations and may be unable to raise additional debt financing to compete effectively or to take advantage of new business opportunities.

The terms of any future indebtedness Athene may incur may also contain additional restrictive covenants.

Interruption or other operational failures in telecommunications, information technology and other operational systems, including as a result of threat actors attacking those systems, or a failure to maintain the security, integrity, confidentiality or privacy of sensitive data residing on those systems, including as a result of human error, could have a material adverse effect on the Company's business.

The Company is highly dependent on automated and information technology systems to record and process its internal transactions and transactions involving its customers, as well as to calculate reserves, perform actuarial analyses, value its investment portfolio and complete certain other components of its financial statements. The Company could experience a failure of one of these systems, its employees or agents could fail to monitor and implement enhancements or other modifications to a system in a timely and effective manner or its employees or agents could fail to complete all necessary data reconciliation or other conversion controls when implementing a new software system or modifications to an existing system. Additionally, threat actors who are able to circumvent the Company's security measures and penetrate its information technology systems could access, view, misappropriate, alter or delete information in the systems, including personally identifiable customer information and proprietary business information. Information security risks also exist with respect to the use of portable electronic devices, such as laptops, which are particularly vulnerable to loss and theft.

The Company retains personally identifiable information and other confidential information, including in, some instances, sensitive personal information such as health-related information, in its information technology systems and those of its business partners. Despite its security and back-up measures, including periodic testing and its business continuity plan, the Company's information technology systems and those of its business partners may be vulnerable to physical or electronic intrusions, computer viruses or other malicious codes, unauthorized or fraudulent access, cyber-attacks such as ransomware, social-engineering attacks, or denial-of-service attacks, programming or other human errors, and other breaches of cybersecurity and information security systems and similar disruptions, and the Company may not be able to anticipate, detect, repel or implement effective preventative measures against all such threats, particularly because the techniques used are increasingly sophisticated and constantly evolving. The Company may also be subject to disruptions of any of these systems arising from events that are wholly or partially beyond its control (for example, natural disasters, acts of terrorism, war, epidemics, pandemics, computer viruses and electrical or telecommunications outages).

All of these risks are also applicable where the Company relies on third-party suppliers to provide products and services to the Company and/or its customers. The Company relies on products and services provided by third-party suppliers to operate certain critical business systems, including without limitation, cloud-based infrastructure, encryption and authentication technology, employee email, and other functions, which exposes the Company to supply-chain attacks or other business disruptions. While the Company requires its critical third-party suppliers to implement and maintain what it believes to be effective cybersecurity and data protection measures, the Company cannot guarantee that third parties and infrastructure in its supply chain or its partners' supply chains have not been compromised or that they do not contain exploitable defects or bugs that could result in a breach of or disruption to

the Company's information technology systems or the third-party information technology systems that support its insurance products. The Company's ability to monitor these third parties' information security practices is limited, and these third-party suppliers may not have adequate information security measures in place. In addition, if one of the Company's third-party suppliers suffers a security breach, which has happened in the past, its response may be limited or more difficult because the Company may not have direct access to their systems, logs and other information related to the security breach.

The failure of any one of these systems for any reason, or errors made by the Company's employees or agents, could in each case cause significant interruptions to its operations, which could harm its reputation, adversely affect its internal control over financial reporting or have a material adverse effect on the Company's business, financial condition and results of operations.

Any compromise of the security of the Company's information technology systems that results in inappropriate disclosure or use of confidential information, including personally identifiable customer information could damage the reputation of its brand in the marketplace, deter purchases of its products, subject it to heightened regulatory scrutiny or significant civil and criminal liability and require it to incur significant technical, legal and other expenses in connection with its response, recovery, remediation, and compliance efforts. The Company is also subject to data privacy and security laws applicable to its business in relevant jurisdictions. See "Regulation—*Consumer Protection Laws and Privacy and Data Security Regulation*" for more information.

As a financial services company, the Company is exposed to liquidity risk, which is the risk that the Company is unable to meet near-term obligations as they come due.

Liquidity risk is a manifestation of events that are driven by other risk types (e.g. market, policyholder behavior, operational). A liquidity shortfall may arise in the event of insufficient funding sources or an immediate and significant need for cash or collateral. In addition, it is possible that expected liquidity sources, such as Athene's Credit Facility and Liquidity Facility, may be unavailable or inadequate to satisfy the liquidity demands described below. In particular, adverse economic and geopolitical conditions, including the armed conflicts between Russia and Ukraine and in the Middle East, inflationary pressures and corresponding actions taken by the U.S. Federal Reserve, plateauing or slowing economic growth, evolving tariff or trade policies, and sanctions imposed on Russia by the U.S. and other countries, continue to contribute to volatility in the financial markets. These developments may restrict the liquidity sources available to the Company and, further, may result in an increase of the Company's liquidity demands. The Company primarily has liquidity exposure through its collateral market exposure, asset liability mismatch, dependence on the financial markets for funding and funding commitments. If a material liquidity demand is triggered and the Company is unable to satisfy the demand with the sources of liquidity readily available to it, it may have a material adverse impact on the Company's business, financial condition, results of operations, liquidity and cash flows.

The amount of statutory capital that the Company has, or that it is required to hold, can vary significantly from time to time and is sensitive to a number of factors outside of the Company's control.

The Company is subject to state regulations that provide for minimum capitalization requirements based on risk-based capital ("RBC") formulas for life insurance companies relating to insurance, business, asset, interest rate and certain other risks.

In any particular year, the Company's capital ratios and/or statutory surplus amounts may increase or decrease depending on a variety of factors, some of which are outside of its control and some of which the Company can only partially control, including, but not limited to, the following:

- the amount of statutory income or loss generated by the Company;
- the amount of additional capital the Company must hold to support its business growth;
- changes in reserve requirements applicable to the Company;
- changes in market value of certain securities in the Company's investment portfolio;
- recognition of write-downs or other losses on investments held in the Company's investment portfolio;
- changes in the credit ratings of investments held in the Company's investment portfolio;
- changes in the value of certain derivative instruments;

- changes in interest rates;
- credit market volatility;
- changes in corporate tax rates;
- changes in policyholder behavior; and
- changes to the RBC formulas and interpretations of the National Association of Insurance Commissioners' (the "NAIC") instructions with respect to RBC calculation methodologies.

Further to NAIC activities with respect to RBC calculation methodologies, the NAIC has recently adopted and is currently considering a variety of reforms to its RBC framework, which could increase the capital requirements for the Company. For example, the NAIC recently adopted changes to certain statements of statutory accounting principles in connection with its principles-based bond project, which became effective on January 1, 2025, setting forth the factors to determine whether an investment in debt qualifies for reporting on an insurer's statutory financial statement as a bond on Schedule D-1 as opposed to Schedule BA (other long-term invested assets), the latter of which could result, among other things, in the capital charge treatment of an investment being less favorable. The NAIC also adopted an interim change to the life RBC formula for year-end 2023 and 2024 reporting to increase the RBC base factor for residual tranches of structured securities, will further consider whether to increase or decrease the base factor in future years. In addition, the NAIC recently adopted changes related to filing exempt status for certain securities, including a proposal that sets forth procedures for the NAIC's review of investments that are exempt from filing with the NAIC Securities Valuation Office ("SVO"), which could result in, among other things, the capital charge treatment of the investment being less favorable.

NRSROs may also implement changes to their internal models, which differ from the RBC capital models, that have the effect of increasing or decreasing the amount of statutory capital the Company must hold in order to maintain its current ratings. To the extent that the Company's solvency or capital ratios are deemed to be insufficient by one or more NRSROs, to maintain their current ratings the Company may take action to either increase its capitalization or reduce its capitalization requirements. If the Company is unable to accomplish such actions, NRSROs may view this as a reason for a ratings downgrade. Regulatory developments, including the NAIC's adoption of amendments to its Insurance Holding Company System Regulatory Act and Model Regulation requiring, subject to certain exceptions, the filing of a confidential annual GCC and an annual LST with the IID, the lead state insurance regulator of the Company, may increase the amount of capital that it is required to hold and could result in it being subject to increased regulatory requirements.

If the Company's capital ratio deteriorates significantly, it could subject the Company to further examination or corrective action imposed by the IID, including limitations on its ability to write additional business, supervision by the IID, seizure or liquidation, each of which could materially and adversely affect the Company's business, financial condition, results of operations, cash flows and prospects. On October 1, 2013, AHL and the Company entered into a net worth maintenance agreement (the "**Net Worth Maintenance Agreement**"), pursuant to which AHL agreed to cause, at all times on and after October 1, 2013, the Company to have and maintain its "total adjusted capital" ("**TAC**") at a minimum of 200% Company Action Level ("**CAL**") RBC, as those terms are defined by the insurance laws in the State of Iowa. The Net Worth Maintenance Agreement also prohibits the Company from paying a dividend if such payment would cause its TAC to fall below 200% of its CAL RBC unless approved by the IID. The Net Worth Maintenance Agreement remains in effect unless terminated by the Company and AHL with the approval of the IID. If the IID provides consent or approval to the termination of the Net Worth Maintenance Agreement, AHL and the Company may terminate it.

Repurchase agreement programs subject the Company to potential liquidity and other risks.

The Company engages in repurchase agreement transactions whereby it sells fixed income securities to third parties, primarily major brokerage firms or commercial banks, with a concurrent agreement to repurchase such securities at a determined future date. These repurchase agreements provide the Company with liquidity and in certain instances also allow it to earn spread income. Under such agreements, the Company may be required to deliver additional securities or cash as margin to the counterparty if the value of the securities sold decreases prior to the repurchase date. If the Company is required to return significant amounts of cash collateral or post cash or securities as margin on short notice or have inadequate cash on hand as of the repurchase date, the Company may be forced to sell securities to meet such obligations and may have difficulty doing so in a timely manner or may be forced to sell securities in a volatile or illiquid market for less than the Company otherwise would have been able to realize under

normal market conditions. Rehypothecation of subject securities by the counterparty may also create risk with respect to the counterparty's ability to perform its obligations to tender such securities on the repurchase date. Such facilities may not be available to the Company on favorable terms or at all in the future.

The Company's investments are subject to market and credit risks that could diminish their value and these risks could be greater during periods of extreme volatility or disruption in the financial and credit markets, which could adversely impact the Company's business, financial condition, results of operations, liquidity and cash flows.

The Company's investments and derivative financial instruments are subject to risks of credit defaults and changes in market values. Periods of macroeconomic weakness or recession, heightened volatility or disruption in the financial and credit markets could increase these risks, potentially resulting in impairment of assets in its investment portfolio. Heightened geopolitical tensions, such as a deterioration in U.S.-China relations or the ongoing war between Russia and Ukraine, including any resulting sanctions, export controls or other restrictive measures that may be imposed by countries against governmental or other entities in other countries could also lead to disruption, instability and volatility in the global markets, which may have an impact on the Company's investments across negatively impacted sectors or geographies. The Company is also subject to the risk that cash flows generated from the collateral underlying the structured products it owns may differ from its expectations in timing or amount. In addition, many of its classes of investments, but in particular its alternative investments, have and may further produce investment income that fluctuates significantly from period to period. Any event reducing the estimated fair value of these securities, other than on a temporary basis, could have a material and adverse effect on the Company's business, financial condition, results of operations, liquidity and cash flows and may have a material and adverse effect on the ability of the Company to make timely payments in full in respect of the Funding Agreements. If the Company's investment manager, Apollo Global Management, Inc. and its affiliates ("**Apollo**"), fails to react appropriately to difficult market, economic and geopolitical conditions, the Company's investment portfolio could incur material losses. Certain of the Company's investments are more vulnerable to these risks than others, as described more fully below.

- *Fixed maturity and equity securities* – The Company has significant investments in fixed maturity securities, equity securities and short-term investments, including its investments in investment grade and high-yield corporate bonds and structured products, which include RMBS and collateralized loan obligations ("**CLOs**"). An economic downturn affecting the issuers or underlying collateral of these securities, ratings downgrades affecting the issuers or guarantors of such securities, or similar trends and issues could cause the estimated fair value of the Company's fixed income securities portfolio and its earnings to decline and the default rates of the fixed income securities in its portfolio to increase.
- *Collateralized loan obligations* – The Company also has significant investments in CLOs. Control over the CLOs in which the Company invests is exercised through collateral managers, who may take actions that could adversely affect the Company's interests, and the Company may not have the right to direct collateral management. There may also be less information available to the Company regarding the underlying debt instruments held by CLOs than if the Company had invested directly in the debt of the underlying companies. Additionally, the estimated fair values of subordinated tranches of CLOs tend to be much more sensitive to adverse economic downturns and underlying borrower defaults than those of more senior securities. Furthermore, the Company's investments in CLOs are also subject to liquidity risk as there is a limited market for CLOs. Accordingly, the Company may suffer unrealized depreciation and could incur realized losses in connection with the sale of the Company's CLO interests.

The Company has a risk management framework in place to identify, assess and prioritize risks, including the market and credit risks to which its investments are subject. As part of that framework, the Company tests its investment portfolio based on various market scenarios. Under certain stressed market scenarios, unrealized losses on the Company's investment portfolio could lead to material reductions in its carrying value.

Interest rate fluctuations could adversely affect the Company's business, financial condition, results of operations, liquidity and cash flows.

Interest rate risk is a significant market risk for the Company. The Company defines interest rate risk as the risk of an economic loss due to changes in interest rates. This risk arises from the Company's holdings in interest rate-sensitive assets (e.g., fixed income assets) and liabilities (e.g., fixed deferred and immediate annuities). Substantial and sustained increases or decreases in market interest rates could materially and adversely affect the Company's business, financial condition, results of operations, liquidity and cash flows and could materially and adversely affect the Company's ability to make timely payments in full in respect of the Funding Agreements, including in the following respects:

- Significant changes in interest rates expose the Company to the risk of not realizing anticipated spreads between overall net investment earned rates and its cost of funds.
- Changes in interest rates may negatively affect the value of the Company's assets and its ability to realize gains or avoid losses from the sale of those assets. Significant volatility in interest rates may have a larger adverse impact on certain assets in the Company's investment portfolios that are highly structured or have limited liquidity.
- Changes in interest rates may cause changes in prepayment rates on certain fixed income assets within the Company's investment portfolio. For instance, falling interest rates may accelerate the rate of prepayment on mortgage loans, while rising interest rates may decrease such prepayments below the level of the Company's expectations. At the same time, falling interest rates may result in the lengthening of duration for policies and liabilities due to the guaranteed minimum benefits contained in the Company's products, while rising interest rates could lead to increased policyholder withdrawals and a shortening of duration for liabilities. In either case, the Company could experience a mismatch in its assets and liabilities and potentially incur significant economic losses.
- During periods of declining interest rates or a prolonged period of low interest rates, annuity products may be relatively more attractive to existing policyholders than other investment opportunities available to them. This may cause the Company's assumptions regarding persistency to prove inaccurate as the Company's policyholders opt not to surrender or take withdrawals from their products, which may result in the Company experiencing greater claim costs than it had anticipated and/or cash flow mismatches between assets and liabilities.
- During periods of declining interest rates, the Company may have to reinvest the cash it receives as interest or return of principal on its investments into lower-yielding high-grade instruments or seek higher-yielding, but higher-risk instruments in an effort to achieve returns comparable with those attained during more stable interest rate environments.
- Certain securitized financial assets are accounted for based on expectations of future cash flows. To the extent future interest rates are lower than the Company has projected, the Company will experience slower accretion of discounts on these assets and will have a lower yield on its portfolio.
- An extended period of declining interest rates or a prolonged period of low interest rates may cause the Company to decrease the crediting rates of its products, thereby reducing their attractiveness.
- In periods of rapidly increasing interest rates, withdrawals from and/or surrenders of annuity contracts may increase as policyholders choose to seek higher investment returns elsewhere. Obtaining cash to satisfy these obligations may require the Company to liquidate fixed income investments at a time when market prices for those assets are depressed. This may result in realized investment losses.
- An increase in market interest rates could reduce the value of certain of the Company's investments held as collateral under reinsurance agreements and require the Company to provide additional collateral, thereby reducing its available capital and potentially creating a need for additional capital which may not be available to the Company on favorable terms, or at all.

The Company is subject to the credit risk of its counterparties, including ceding companies, reinsurers, plan sponsors, and derivative counterparties.

The Company encounters various types of counterparty credit risk. Its insurance subsidiaries cede certain risk to third-party insurance companies that may cover large volumes of business and expose it to a concentration of credit risk with respect to such counterparties. Such subsidiaries may not have a security interest in the underlying assets, and despite certain indemnification rights, the Company retains liability to its policyholders if a counterparty fails to perform. Certain of the Company's insurance subsidiaries also reinsure liabilities from other insurance companies and these subsidiaries may be negatively impacted by changes in the ceding companies' ratings, creditworthiness, and market perception, or any policy administration issues. The Company also assumes pension obligations from plan sponsors that expose it to the credit risk of the plan sponsor. In addition, the Company is exposed to credit loss in the event of nonperformance by its derivative agreement counterparties. If any of these counterparties is not able to satisfy its obligations to the Company or third parties, including policyholders, the Company may not achieve its targeted returns and its financial position, results of operations, liquidity and cash flow may be materially adversely affected.

The Company's investment portfolio may be subject to concentration risk, particularly with respect to single issuers, including Athora Holding Ltd. ("Athora"), among others; industries, including financial services; and asset classes, including real estate.

The Company faces single issuer concentration risk both in the context of alternative investments, in which it occasionally holds significant equity positions, and large asset trades, in which the Company generally holds significant debt positions. The Company's most significant concentration risk exposure arising in the context of alternative investments, on a risk-adjusted basis, is the Company's investment in Athora, an insurance holding company focused on the European life insurance market. Given the Company's significant exposure to Athora and other issuers, it is subject to the risks inherent in their business. For example, as a life insurer, Athora is subject to credit risk with respect to its investment portfolio and mortality risk with respect to its product liabilities, each of which may be exacerbated by unforeseen events. Further, Athora has significant European operations, which expose it to volatile economic conditions and risks relating to EU countries and withdrawals thereof. In addition, Athora is subject to multiple legal and regulatory regimes that may hinder or prevent it from achieving its business objectives. To the extent that the Company suffers a significant loss on its investment in these issuers, including Athora, the Company's financial condition, results of operations and cash flows could be adversely affected.

In addition, from time to time, in order to facilitate certain large asset trades and in exchange for commitment fees, the Company may commit to purchasing a larger portion of an investment than it ultimately expects to retain, and in such instances the Company is reliant upon Apollo's ability to syndicate the transaction to other investors. If Apollo is unsuccessful in its syndication efforts, the Company may be exposed to greater concentration risk than what it would deem desirable from a risk appetite perspective and the commitment fee that it receives may not adequately compensate us for this risk.

The Company also has significant investments in nonbank lenders focused on providing financing to individuals or entities. As a result, through these investments, the Company has significant exposure to credit risk. In addition to the concentration risk arising from the Company's investments in single issuers within the nonbank lending sector of the financial services industry, it has significant exposure to the financial services industry more broadly as a result of the composition of investments in the Company's investment portfolio. Economic volatility or any further macroeconomic, regulatory or other changes having an adverse impact on the financial services industry more broadly, could have a material and adverse effect on the Company's business, financial condition, results of operations and cash flows.

A significant portion of the Company's net invested assets is invested in real estate-related assets. Any significant decline in the value of real estate generally or the occurrence of any of the risks described elsewhere in this report with respect to the Company's real estate-related investments could materially and adversely affect its financial condition and results of operations. Specifically, through the Company's investments in commercial mortgage loans ("CMLs") and commercial mortgage-backed ("CMBS"), the Company has exposure to certain categories of commercial property, including office buildings, retail, that have been adversely affected by the spread of COVID-19 and the work from home trend. In addition, the CML the Company holds, and the CML underlying the CMBS that the Company holds, face both default and delinquency risk.

Many of the Company's invested assets are relatively illiquid and the Company may fail to realize profits from these assets for a considerable period of time, or lose some or all of the principal amount it invests in these assets if it is required to sell its invested assets at a loss at inopportune times to cover policyholder withdrawals or to meet its insurance, reinsurance or other obligations or in response to changes in applicable rules and regulations.

The Company offers certain products that allow policyholders to withdraw their funds under defined circumstances. In order to meet such obligations, the Company seeks to manage its liabilities and structure its investment portfolio to provide and maintain sufficient liquidity to support expected withdrawal demands and contract benefits and maturities. However, in order to provide necessary long-term returns and to achieve its strategic goals, a certain portion of its assets are relatively illiquid. Many of these investments are in securities that are not publicly traded or that otherwise lack liquidity, such as its privately placed fixed maturity securities, below investment grade securities, investments in mortgage loans and alternative investments.

The Company records its relatively illiquid types of investments at fair value. If the Company were forced to sell certain of these assets, there can be no assurance that it would be able to sell them for the values at which such assets are recorded and it might be forced to sell them at significantly lower prices. In many cases, it may be prohibited by contract or applicable securities laws from selling such securities for a period of time. When it holds a security or position, it is vulnerable to price and value fluctuations and may experience losses if it is unable to timely sell, hedge or transfer the position. Thus, it may be impossible or costly for the Company to liquidate positions rapidly in order to meet unexpected withdrawal or recapture obligations. This potential mismatch between the liquidity of its assets and liabilities could have a material and adverse effect on the Company's business, financial condition, results of operations, liquidity and cash flows and may have a material and adverse effect on the ability of the Company to make timely payments in full in respect of the Funding Agreements.

Further, governmental and regulatory authorities periodically review legislative and regulatory initiatives, and may promulgate new or revised, or adopt changes in the interpretation and enforcement of existing, rules and regulations at any time that may impact the Company's investments. Such change in regulatory requirements could disrupt market liquidity and cause securities in the Company's investment portfolio that are not publicly traded, such as its privately placed fixed maturity securities and below investment grade securities, to lose value, which could have a material and adverse effect on the Company's business, financial condition or results of operations. Even if a trading market for such investments in securities develops, the trading prices of such securities would depend on many factors, including prevailing interest rates and the market for similar securities of comparable issuers. Accordingly, no assurance can be given that an active trading market for such investments in securities will develop, be sustained or be liquid.

The Company's investments linked to real estate are subject to credit risk, market risk, servicing risk, loss from catastrophic events and other risks, which could diminish the value that the Company obtains from such investments.

A substantial amount of the Company's U.S. Statutory Invested Assets, including separate accounts, were linked to real estate, including fixed maturity and equity securities, such as commercial mortgage-backed securities ("CMBS") and residential mortgage-backed securities ("RMBS") and mortgage loans, including commercial mortgage loans ("CMLs") and residential mortgage loans ("RMLs"). Defaults by third parties in the payment or performance of their obligations underlying these assets could reduce the Company's investment income and realized investment gains or result in the recognition of investment losses. For example, an unexpectedly high rate of default on mortgages held by a CMBS or RMBS may limit substantially the ability of the issuer of such security to make payments to holders of such securities, reducing the value of those securities or rendering them worthless. The risk of

such defaults is generally higher in the case of mortgage securitizations that include “sub-prime” or “alt-A” mortgages. As of March 31, 2026, approximately 2% of the Company’s holdings in assets linked to real estate, including separate accounts, were invested in mortgage securitizations that include such “sub-prime” mortgages and “alt-A” mortgages. Changes in laws and other regulatory developments relating to mortgage loans may impact the investments of the Company’s portfolio linked to real estate in the future. Additionally, cash flow variability arising from an unexpected acceleration in the rate of mortgage prepayments can be significant, and could cause a decline in the estimated fair value of certain “interest only” securities.

The CMLs the Company holds, and CMLs underlying the CMBS that the Company holds, face both default and delinquency risk. Legislative proposals that would allow or require modifications to the terms of CMLs, an increase in the delinquency or default rate of its CML portfolio or geographic or sector concentration within the Company’s CML portfolio could materially and adversely impact its financial condition and results of operations.

The Company’s investments in RMLs and RMBS also present credit risk. Higher than expected rates of default or loss severities on its RML investments and the RMLs underlying its RMBS investments may adversely affect the value of such investments. A significant number of the mortgages underlying the Company’s RML and RMBS investments are concentrated in certain geographic areas. Any event that adversely affects the economic or real estate market in any of these areas could have a disproportionately adverse effect on the Company’s RML and RMBS investments. A rise in home prices, concern regarding further changes to government policies designed to alter prepayment behavior, an increased availability of housing-related credit and lower interest rates could combine to increase expected or actual prepayment speeds, which would likely lower the valuations of RMLs and the valuations of RMBS that the Company carries at a premium to par prices or that are structured as interest only securities and inverse interest only securities. In general, any significant weakness in the broader macro economy or significant problems in a particular real estate market may cause a decline in the value of residential properties securing the mortgages in that market, thereby increasing the risk of delinquency, default and foreclosure. This could, in turn, have a material and adverse effect on the Company’s credit loss experience.

Control over the underlying assets in all of the Company’s real estate-related investments is exercised through servicers that the Company does not control. If a servicer is not vigilant in seeing that borrowers make their required periodic payments, borrowers may be less likely to make these payments, resulting in a higher frequency of delinquency and default. If a servicer takes longer to liquidate nonperforming mortgages, the Company’s losses related to those loans may be higher than the Company expected. Any failure by a servicer to service RMLs in which the Company is invested or which underlie a RMBS in which the Company is invested in a prudent, commercially reasonable manner could negatively impact the value of its investments in the related RMLs or RMBS. In addition to the credit and market risk that we face in relation to all of our real estate-related investments, certain of these investments may expose us to various environmental, regulatory and other risks.

The Company’s investments in assets linked to real estate are also subject to loss in the event of catastrophic events, such as earthquakes, hurricanes, floods, tornadoes and fires. In addition to the credit and market risk that the Company faces in relation to all of its real estate-related investments, certain of these investments may expose the Company to various environmental, regulatory and other risks. Any adverse environmental claim or regulatory action against the Company resulting from its real-estate related investments could adversely impact its reputation, business, financial condition and results of operations.

The Company’s investment portfolio may include investments in securities of issuers based outside the U.S., including emerging markets, which may be riskier than securities of U.S. issuers.

The Company may invest in securities of issuers organized or based outside the U.S. that may involve heightened risks in comparison to the risks of investing in U.S. securities, including unfavorable changes in currency rates and exchange control regulations, reduced and less reliable information about issuers and markets, less stringent accounting standards, illiquidity of securities and markets, higher brokerage commissions, transfer taxes and custody fees, local economic or political instability and greater market risk in general. In particular, investing in securities of issuers located in emerging market countries involves additional risks, such as exposure to economic structures that are generally less diverse and mature than, and to political systems that can be expected to have less stability than, those of developed countries, national policies that restrict investment by foreigners in certain issuers or industries of that country, the absence of legal structures governing foreign investment and private property, an increased risk of

foreclosure on collateral located in such countries, a lack of liquidity due to the small size of markets for securities of issuers located in emerging markets, and price volatility.

As of March 31, 2026, 34% of the Company's total fixed maturity securities, including separate accounts, were invested in securities of issuers based outside of the U.S. and debt securities of foreign governments. Of its total fixed maturity securities, including separate accounts and related parties, as of March 31, 2026, 7% were invested in CLOs of Cayman Islands issuers (for which the underlying assets are largely loans to U.S. issuers) and 28% were invested in other non-U.S. issuers. While the Company invests in securities of non-U.S. issuers, the currency denominations of such securities usually match the currency denominations of the liabilities that the assets support. When the currency denominations of the assets and liabilities do not match, the Company generally undertakes hedging activities to eliminate or mitigate currency mismatch risk.

Additionally, investing in securities and other financial instruments of companies organized or based outside the U.S. and operating outside the U.S. may also expose the Company to increased compliance risks, as well as higher compliance costs to comply with U.S. and non-U.S. anti-corruption, anti-money laundering and sanctions laws and regulations. These factors are outside the Company's control and may affect the level and volatility of securities prices and the liquidity and the value of investments, and the Company may not be able to or may choose not to manage its exposure to these conditions.

While the Company seeks to hedge foreign currency risks, foreign currency fluctuations may reduce the Company's net income and its capital levels, adversely affecting its financial condition.

The Company is exposed to foreign currency exchange rate risk through the investments in its investment portfolio that are denominated in currencies other than the U.S. dollar or are issued by entities which primarily conduct their business outside of the U.S., as well as insurance liabilities, funding agreements and other transactions that are denominated in currencies other than the U.S. dollar. The Company may employ various strategies (including hedging) to manage its exposure to foreign currency exchange risk. To the extent that these exposures are not fully hedged or the hedges are ineffective, its results may be reduced by fluctuations in foreign currency exchange rates that could materially adversely affect the Company's financial condition and results of operations.

Climate change-related risks and regulatory and other efforts to address climate changes could adversely affect the Company's business.

The Company faces a number of risks associated with climate change including both transition and physical risks. The transition risks that could impact the Company and its investment portfolio include those risks related to the impact of U.S. and foreign climate-related legislation and regulation, as well as risks arising from climate-related business trends. Moreover, the Company's investments are subject to risks stemming from the physical impacts of climate change. In particular, climate change may impact asset prices, increase insurance costs and decrease the value of the Company's investments linked to real estate. For example, rising sea levels may lead to decreases in real estate values in coastal areas. The Company has significant concentrations of real estate investments and collateral underlying investments linked to real estate in areas of the United States prone to severe weather and climate events (such as wildfires, droughts, hurricanes and floods), including California, sections of the Northeastern United States, the South Atlantic states and the Gulf Coast.

Climate change-related regulations or interpretations of existing laws have resulted, and may continue to result, in enhanced disclosure obligations that could negatively affect the Company's investments and also materially increase its regulatory burden. The Company also faces business trend-related climate risks. Certain investors are increasingly taking climate-related risks into account when determining whether to invest in the Company's funding agreement backed notes ("FABN") program. Conversely, certain investors may be concerned if the Company takes climate change-related risks into account when making investment decisions. The Company's reputation and investor relationships could be damaged as a result of its involvement in certain industries, investments or transactions associated with activities perceived to be causing or exacerbating climate change, as well as any decisions the Company makes to continue to conduct or change its activities in response to considerations relating to climate change.

Furthermore, the Company's financial and operational results could be impacted by emerging risk and changes to the regulatory landscape related to sustainability-related matters. New and evolving U.S. and non-U.S.

legislation, policies and regulations, including climate-related or other sustainability-related disclosure requirements in the U.S., the European Union and the U.K. may result in higher regulatory costs, compliance and reporting costs, increased capital expenditures or changes in the Company's investment practices. Changes in such regulations may affect asset prices, resulting in realized or unrealized losses on the Company's investments. Numerous jurisdictions in which the Company operates have also proposed or adopted legislation or regulatory initiatives that oppose, restrict or otherwise affect investment strategies that incorporate sustainability-related considerations, which may create operational challenges and constraints for the Company's products and activities (including its FABN program). In addition, differing or inconsistent requirements across jurisdictions may increase the complexity and cost of the Company's compliance efforts. Any violation, even if alleged, or failure to obtain or maintain regulatory approvals could adversely affect the Company's business, financial condition and results of operations. Undertaking initiatives to address sustainability-related matters, including those related to human capital management such as talent attraction and development, DEI and employee health and safety, could increase the Company's cost of doing business. Further, any actual or perceived failure to meet the expectations regulators, investors or other stakeholders relating to sustainability-related practices could harm the Company's reputation.

Financial markets have been subject to inflationary pressures, and continued heightened inflation may adversely impact the Company's business and results of operations.

Financial markets have been subject to inflationary pressures, and the Company cannot predict the extent to which heightened inflation may be transitory. Certain of the Company's products are sensitive to inflation rate fluctuations, and a sustained increase in the inflation rate may adversely affect its business and results of operations. For example, failure to accurately anticipate higher inflation and factor it into the Company's product pricing assumptions may result in mispricing of its products, which could materially and adversely impact the Company's results of operations. Inflation also impacts the Company's investment portfolio and nature of the Company's liability profile, thereby impacting its investment portfolio's rate of investment return and corresponding investment income. Continued heightened inflation could adversely impact returns on its investment portfolio and results of operations.

The Company is dependent on certain reinsurance arrangements with AARE.

The Company has entered into certain coinsurance funds withheld agreements ("**FWH Agreements**") and modified coinsurance agreements ("**Modco Agreements**") with AARE. Pursuant to the FWH Agreements and the Modco Agreements, the Company generally cedes to AARE 80% to 100% of its business.

Under each FWH Agreement, the Company transfers the reserves to AARE and is required to establish a funds withheld account at the inception of the reinsurance relationship with assets equal to the gross statutory reserves corresponding to the ceded business (the "**Reserves**"). Under each Modco Agreement, the Company retains the Reserves and keeps the assets supporting the Reserves in a modified coinsurance account. Payments on the liabilities ceded by the Company are made from the applicable modified coinsurance account or funds withheld account (as applicable) when due. To the extent that the assets maintained in a modified coinsurance account or a funds withheld account are less than the corresponding Reserves, AARE is required to transfer assets to the Company to be deposited into the applicable account upon settlement. Should AARE fail to make any such transfer, the Company's ability to make payments on a ceded liability could be adversely affected.

Due to the FWH Agreements and the Modco Agreements, the amount of capital and surplus that the Company is required to maintain is less than what would be required if the insurance liabilities were not ceded to AARE. Therefore, the Company may have fewer assets available to make payments under its insurance liabilities in the event of a default by AARE. AARE, on the one hand, and the Company, on the other hand, may agree to modify or terminate any of the FWH Agreements and the Modco Agreements without the consent of policyholders, and such modification or termination may be detrimental to the interests of such policyholders and the Company's ability to satisfy its financial obligations may be adversely affected.

The Company relies significantly on third parties for various services, and the Company may be held responsible for obligations that arise from the acts or omissions of third parties under the third parties' respective agreements with the Company.

The Company relies significantly on third parties to provide various services that are important to the Company's business, including investment, distribution and administrative services. As such, the Company's business may be affected by the performance of those parties. Additionally, the Company's operations are dependent on various technologies, some of which are provided or maintained by certain key outsourcing partners and other parties. See "Risks Relating to the Company's Relationship with Apollo—*Interruption or other operational failures in telecommunications, information technology and other operational systems at Apollo or a failure to maintain the security, integrity, confidentiality or privacy of sensitive data residing on Apollo's systems, including as a result of human error, could have a material adverse effect on the Company's business.*"

Many of the Company's products and services are sold through third-party intermediaries. In particular, the Company is reliant on such intermediaries to describe and explain these products and services to potential customers, and although the Company takes precautions to avoid this result, such intermediaries may be deemed to have acted on its behalf. If that occurs, the intentional or unintentional misrepresentation of the Company's products and services in advertising materials or other external communications, or inappropriate activities by an intermediary or personnel employed by an intermediary could result in liability for the Company and have an adverse effect on its reputation and business prospects, as well as lead to potential regulatory actions or litigation involving or against the Company. In addition, the Company relies on third-party administrators ("TPAs") to administer a portion of its annuity contracts, as well as the Company's legacy life insurance business. Some of the Company's reinsurers also use TPAs to administer business which the Company reinsures to them. To the extent any of these TPAs do not administer such business appropriately, the Company may experience customer complaints, regulatory intervention and other adverse impacts, which could affect its future growth and profitability. If any of these TPAs or their employees are found to have made material misrepresentations to the Company's policyholders, violated applicable insurance, privacy or other laws and regulations or otherwise engaged in misconduct, the Company could be held liable for their actions and be subject to regulatory scrutiny, which could adversely affect the Company's reputation, business prospects, financial condition, results of operations, liquidity and cash flows.

Additionally, past or future misconduct by the Company's agents that distribute their products or employees of their vendors could result in violations of law by the Company, regulatory sanctions and/or serious reputational or financial harm and the precautions the Company takes to prevent and detect this activity may not be effective in all cases. Although the Company employs controls and procedures designed to monitor associates' business decisions and to prevent the Company from taking excessive or inappropriate risks, associates may take such risks regardless of such controls and procedures.

The Company or its business may be the target or subject of, and the Company may be required to defend against or respond to, litigation, regulatory investigations, enforcement actions or reputational harm.

The Company operates in an industry in which various practices are subject to potential litigation, including class actions, and regulatory scrutiny. The Company, like other financial services companies, is involved in litigation and arbitration in the ordinary course of business and may be the subject of regulatory proceedings (including investigations and enforcement actions). Plaintiffs may seek large or indeterminate amounts of damages in litigation and regulators may seek large fines in enforcement actions. Given the large or indeterminate amounts sometimes sought, and the inherent unpredictability of litigation and enforcement actions, it is possible that an unfavorable resolution of one or more matters could have a material and adverse effect on the Company's business, financial condition, results of operations and cash flows. See "Description of the Business of the Company—Legal Proceedings." Even if the Company ultimately prevails in any litigation or receives positive results from investigations, it could incur material legal costs, and/or its reputation could be materially adversely affected.

Beginning in March 2024, a number of putative class actions were filed in federal courts in the United States against certain of the Company's customers, in their respective capacities as plan sponsors, alleging violations of the Employee Retirement Income Security Act of 1974 ("ERISA") in connection with their transfer of pension obligations under defined benefit plans governed by ERISA and their purchase of pension group annuity ("PGA") contracts from the Company. The lawsuits seek, inter alia, that defendants guarantee the annuities purchased from the Company and

disgorge any profits earned from the transactions. Although the Company is not a named defendant, the lawsuits make several negative allegations about the Company and its business, which the Company believes to be untrue. More recently, similar claims have been filed against customers of other insurance companies that have transferred their pension obligations to such other insurance companies. Negative public perceptions of the Company and its business have adversely affected, and may continue to adversely affect, the Company's ability to attract and retain customers in its pension group annuity business, which could have a material adverse effect on its business, results of operations, financial condition and cash flows. To the extent these lawsuits continue to spread to customers of other insurance companies, future activity in the overall pension risk transfer industry may be reduced. In addition, these lawsuits could lead to increased regulatory and governmental scrutiny of the Company's business and the industry overall, and/or result in the Company becoming involved in these lawsuits or even being named as a defendant in future lawsuits related to the Company's PGA business, which could result in additional expenses, adverse regulations and oversight, and/or additional reputational harm. These lawsuits could also spur similar copycat lawsuits, which could further impact the Company's PGA business. To the extent that the inflows in the Company's PGA business continue to be negatively impacted by these lawsuits, and in the event of any related regulatory and governmental scrutiny, the Company may seek to increase its inflows in its other distribution channels, including by issuing additional funding agreements within the Company's institutional channel. However, there are no assurances that the Company would be successful in replacing any future PGA inflows with inflows from other distribution channels or that such other inflows would result in comparable spreads.

Artificial intelligence could increase competitive, operational, legal and regulatory risks to the Company's businesses in ways that it cannot predict.

Technological developments in artificial intelligence, including machine learning technology and generative artificial intelligence (collectively, "**AI Technologies**") and their current and potential future applications, including in the private investment, financial and insurance sectors, as well as the legal and regulatory frameworks within which they operate, are rapidly evolving. The full extent of current or future risks related thereto is not possible to predict and the Company may not be able to anticipate, prevent, mitigate or remediate all of the potential risks, challenges or impacts of such changes. AI Technologies could significantly disrupt the business models, investment strategies, operational processes, and markets in which the Company operates and subject it to increased competition, legal and regulatory risks and compliance costs, which could have a material and adverse effect on its business, financial condition, results of operations, liquidity and cash flows. The Company also faces competitive risks if it fails to adopt AI Technologies in a timely fashion.

Through the Company's use of AI Technologies, the Company avails itself of the potential benefits, insights and efficiencies resulting from these technologies. For example, certain employees may use internal generative AI-powered tools to assist with tasks such as summarizing or searching documents and gathering information. However, these technologies also present a number of potential risks that cannot be fully mitigated. If the data the Company, its affiliates or third parties whose services the Company relies on use in connection with the development or deployment of AI Technologies (including employee data and data related to, or used in, workplace operations) is incomplete, inaccurate, inadequate or biased, it may result in flawed algorithms, reduce the effectiveness of AI Technologies, adversely impact the Company's operations, and could subject the Company to legal and regulatory investigations and/or actions. There is also a risk that AI Technologies and data used therewith may be misused or misappropriated by the Company's employees or third-party service providers or other third parties. Further, the Company may not be able to control how third-party AI Technologies that it chooses to use are developed or maintained, or how data it inputs is used or disclosed, even where it has sought contractual protections with respect to these matters. The misuse or misappropriation of the Company's data, including material non-public information, and unavoidable challenges associated with large-scale data collection, training on large datasets and validating models could harm the Company's reputation, result in investigations or enforcement actions and create competitive risk. Additionally, the volume and reliance on data and algorithms also make AI Technologies, and in turn the Company, more susceptible to cybersecurity threats, including compromising underlying models, training data, or other intellectual property. The Company could be exposed to risks to the extent of its use or third-party service providers' use of AI Technologies in their business activities. While the Company may adopt and adjust policies and procedures governing personnel use of AI Technologies, there remains a risk of misuse, unavailability or failure of such technologies, or data leakage arising from their use, any of which could cause material harm to the Company's business.

The use of AI Technologies also requires the Company's compliance with legal or regulatory frameworks that are not fully developed or tested, and the Company may face litigation and regulatory actions related to its use of AI Technologies, including intellectual property infringement and misappropriation claims, that could have a material and adverse impact on its business, financial condition, results of operations, liquidity and cash flows. There has been increased scrutiny, including from global regulators, regarding the use of "big data," diligence of data sets and oversight of data vendors. The Company's ability to use data to gain insights into and manage its business may be limited in the future by regulatory scrutiny and legal developments.

As the legal and regulatory landscape for AI rapidly evolves, including in the E.U. and multiple U.S. states, and key requirements are expected to come into effect in 2026, these new laws and regulations could materially increase compliance costs and constrain the Company's use of AI Technologies. Furthermore, new AI-specific laws or guidance may impose requirements relating to transparency, explainability, data governance, testing/certification, monitoring, and auditability, and may require changes to our models, workflows, or use cases. The Company's failure to comply with these laws and regulations—or the perception that the Company's AI is unsafe, biased, or otherwise non-compliant—could result in investigations, enforcement actions, fines, contractual disputes, and private litigation, and could adversely affect adoption. Additionally, because different jurisdictions are taking different approaches to the regulation of AI Technologies, the Company may need to limit functionality, delay implementation and adoption of certain AI Technologies, or implement jurisdiction-specific variants. As a result, some of the Company's competitors who may be subject to less stringent requirements may have greater flexibility and offer a more competitive product.

Risks Relating to the Company's Relationship with Apollo

The Company relies on its investment management agreement ("IMA") with Apollo for the management of its investment portfolio. Apollo may terminate this arrangement at any time, which may adversely affect the Company's investment results.

The Company relies on Apollo to provide it with investment management services pursuant to an IMA. Apollo relies in part on its ability to attract and retain key people, and the loss of services of one or more of the members of Apollo or any of its subsidiaries' senior management could delay or prevent Apollo from fully implementing the Company's investment strategy. The Company may be adversely affected if Apollo elects to terminate the IMA at a time when such agreement remains advantageous to the Company. The Company depends on Apollo to implement its investment strategy. If Apollo chooses to terminate the IMA, there is no assurance that the Company could find a suitable replacement or that certain of the opportunities made available to the Company as a result of its relationship with Apollo would be offered by a suitable replacement, and therefore the Company's financial condition and results of operations could be adversely impacted by the failure to retain a satisfactory investment manager.

Interruption or other operational failures in telecommunications, information technology and other operational systems at Apollo or a failure to maintain the security, integrity, confidentiality or privacy of sensitive data residing on Apollo's systems, including as a result of human error, could have a material adverse effect on the Company's business.

The Company is highly dependent on Apollo, as its investment manager, to maintain information technology and other operational systems to record and process its transactions with respect to the Company's investment portfolio, which includes providing information that enables the Company to value its investment portfolio and may affect its financial statements. Apollo could experience a failure of one of these systems, its employees or agents could fail to monitor and implement enhancements or other modifications to a system in a timely and effective manner or its employees or agents could fail to complete all necessary data reconciliation or other conversion controls when implementing a new software system or modifications to an existing system. Additionally, anyone who is able to circumvent Apollo's security measures and penetrate its information technology systems could access, view, misappropriate, alter or delete information in the systems, including proprietary information relating to the Company's investment portfolio. The maintenance and implementation of these systems at Apollo is not within the Company's control. Should Apollo's systems fail to accurately record information pertaining to the Company's investment portfolio, the Company may inadvertently include inaccurate information in its financial statements and experience a lapse in its internal control over financial reporting. The failure of any one of these systems at Apollo for any reason,

or errors made by Apollo's employees or agents, could cause significant interruptions to its operations, which could adversely affect the Company's internal control over financial reporting or have a material adverse effect on the Company's business, financial condition, results of operations, liquidity and cash flows.

The historical investment portfolio performance of Apollo should not be considered as indicative of the future results of the Company's investment portfolio or its future results.

The Company's investment portfolio's returns have benefited historically from investment opportunities and general market conditions that currently may not exist and may not repeat themselves, and there can be no assurance Apollo will be able to avail itself of profitable investment opportunities in the future. In addition, Apollo is compensated based on the aggregate value of the assets it manages on the Company's behalf and on the allocation of those assets to certain fee categories, rather than on the investment returns achieved. Accordingly, there can be no guarantee Apollo will be able to achieve any particular return for the Company's investment portfolio in the future.

The returns that the Company expects to achieve on its investment portfolio may not be realized.

The Company makes certain assumptions regarding its future financial performance, including but not limited to, target returns on its organic and inorganic channels and target net spreads. Included within these assumptions are estimates regarding the level of returns to be achieved on the Company's investment portfolio, including assumptions regarding the expected future performance of assets directly originated by Apollo. These returns are subject to market and other factors and the Company can give no assurance that they will ultimately be achieved. Actual results may differ, perhaps significantly, from the Company's current expectations. To the extent that such differences occur, the Company's future financial performance may be materially and adversely different than that communicated herein and elsewhere.

Risks Relating to Taxation

The Base Erosion and Anti-Abuse Tax ("BEAT") may significantly increase the Company's tax liability.

The BEAT operates as a minimum tax and is generally calculated as a percentage (10% for taxable years before 2026 and 10.5% thereafter) of the "modified taxable income" of an "applicable taxpayer." Modified taxable income is calculated by adding back to a taxpayer's regular taxable income the amount of certain "base erosion tax benefits" with respect to certain payments made to foreign affiliates of the taxpayer, as well as the "base erosion percentage" of any net operating loss deductions. The BEAT applies for a taxable year only to the extent it exceeds a taxpayer's regular corporate income tax liability for such year (determined without regard to certain tax credits).

Certain of Athene's reinsurance agreements require its U.S. subsidiaries (including the Company and any non-U.S. subsidiaries that have elected to be subject to U.S. federal income taxation) to pay or accrue substantial amounts to certain of Athene's non-U.S. reinsurance subsidiaries that would be characterized as "base erosion payments" with respect to which there are "base erosion tax benefits." These and any other "base erosion payments" may cause Athene to be subject to the BEAT. In addition, tax authorities may disagree with Athene's BEAT calculations, or the interpretations on which those calculations are based, and assess additional taxes, interest and penalties.

There may be material adverse consequences to Athene's business if tax authorities successfully challenge Athene's BEAT calculations, in light of the uncertainties described above.

The tax treatment of the Company's structure is complex and may be subject to change as a result of new laws or regulations or differing interpretations of existing laws and regulations, under audit or otherwise, potentially on a retroactive basis.

The tax treatment of Athene's structure and transactions undertaken by it depends in some instances on determinations of fact and interpretations of complex provisions of U.S. federal, state, local and non-U.S. income tax law for which no clear precedent or authority may be available. In addition, U.S. federal, state, local and non-U.S. income tax rules are constantly under review by persons involved in the legislative process, the IRS, the U.S. Department of the Treasury, and state, local and non-U.S. legislative and regulatory bodies, which frequently results

in revised interpretations of established concepts, statutory changes, revisions to regulations and other modifications and interpretations. It is possible that future legislation increases the U.S. federal income tax rates applicable to corporations, limits further the deductibility of interest or effects other changes that could have a material adverse effect on Athene's business, results of operations and financial condition.

On August 16, 2022, the U.S. government enacted the Inflation Reduction Act of 2022 (the "**2022 IRA**"). The 2022 IRA contains a number of tax-related provisions, including a 15% minimum corporate income tax on certain large corporations as well as an excise tax on stock repurchases. The "One Big Beautiful Bill Act" (the "**OBBBA**"), enacted on July 4, 2025, modified various provisions of the Code, including certain provisions of the 2022 IRA. The impact of the 2022 IRA and the OBBBA on the Company's financial condition will depend on the facts and circumstances of each year.

Non-U.S., state and local governments may enact legislation that could result in changes to non-U.S., state and local tax law and regulations, which may have a material impact on the Company's financial position and results of operations. In particular, both the level and basis of taxation may change. The Company cannot predict whether any particular proposed legislation will be enacted or, if enacted, what the specific provisions or the effective date of any such legislation would be, or whether it would have any effect on it. As such, the Company cannot assure prospective Noteholders that future legislative, administrative or judicial developments will not result in an increase in the amount of U.S. or non-U.S. tax payable by the Company. If any such developments occur, the Company's business, results of operations and cash flows could be adversely affected and such developments could have an adverse effect on the attractiveness of its products.

The Company's effective tax rate and tax liability are based on the application of current income tax laws, regulations and treaties. These laws, regulations and treaties are complex, and the manner in which they apply to the Company and its subsidiaries is sometimes open to interpretation. Significant management judgment is required in determining the Company's provision for income taxes, its deferred tax assets and liabilities and any valuation allowance recorded against its net deferred tax assets. Although management believes its application of current laws, regulations and treaties to be correct and sustainable upon examination by the tax authorities, the tax authorities could challenge the Company's interpretation resulting in additional tax liability or adjustment to its income tax provision that could increase its effective tax rate and/or have other unforeseen tax consequences.

In addition, the Company or certain of its subsidiaries are currently (or have been recently) under tax audit in various jurisdictions, and these jurisdictions or any others where the Company conducts business may assess additional tax against it. While the Company believes its tax positions, determinations, and calculations are reasonable, the final determination of tax upon resolution of any audits could be materially different from the Company's historical tax provisions and accruals. Should additional material taxes be assessed as a result of an audit, assessment or litigation, there could be an adverse effect on the Company's results of operations and cash flows in the period or periods for which that determination is made.

Changes in tax law might adversely affect demand for the Company's products.

Many of the products that the Company sells benefit from one or more forms of tax-favored status under current U.S. federal and state income tax regimes. For example, the Company sells annuity contracts that allow the policyholders to defer the recognition of taxable income earned within the contract. Future changes in U.S. federal or state tax law could reduce or eliminate the attractiveness of such products, which could affect the sale of the Company's products or increase the expected lapse rate with respect to products that have already been sold. Decreases in product sales or increases in lapse rates, in either case, brought about by changes in U.S. tax law, may result in a decrease in net invested assets and therefore investment income and may have a material adverse effect on the Company's business, financial position, results of operations and cash flows.

There is U.S. income tax risk associated with reinsurance between U.S. insurance companies and their Bermuda affiliates.

If a reinsurance agreement is entered into among related parties, the Internal Revenue Service (the “IRS”) is permitted to reallocate or recharacterize income, deductions or certain other items, and to make any other adjustment, to reflect the proper amount, source or character of the taxable income of each of the parties. If the IRS were to successfully challenge the Company’s reinsurance arrangements, the Company’s financial condition, results of operations and cash flows could be adversely affected.

Risks Relating to Insurance and Other Regulatory Matters

The Company’s industry is highly regulated and the Company is subject to significant legal restrictions and obligations, and these restrictions and obligations may have a material adverse effect on the Company’s business, financial condition, results of operations, liquidity, cash flows and prospects.

The Company is subject to a complex and extensive array of laws and regulations that are administered and enforced by many regulators, including U.S. state insurance regulators, U.S. state securities administrators, U.S. state banking authorities, the SEC, the Financial Industry Regulatory Authority, Inc. (“FINRA”), the DOL, the IRS and the Office of the Comptroller of the Currency. See “Regulation” for a summary of certain of the laws and regulations applicable to the Company. Failure to comply with these laws and regulations could subject the Company to administrative penalties imposed by a particular governmental or self-regulatory authority, unanticipated costs associated with remedying such failure or other claims, harm to the Company’s reputation, or interruption of the Company’s operations, any of which could have a material and adverse impact on its business, financial position, results of operations, liquidity and cash flows.

In addition to these restrictions, guaranty associations may subject member insurers, including the Company, to assessments that require the insurers to pay funds to cover contractual obligations under insurance policies issued by insurance companies that become impaired or insolvent. These associations levy assessments, up to prescribed limits, on each member insurer doing business in a particular state on the basis of their proportionate share of the premiums written by all member insurers in the lines of business in which the impaired or insolvent insurer previously engaged. Most states limit assessments in any year to 2% of the insurer’s average annual premium for the three years preceding the calendar year in which the impaired insurer became impaired or insolvent. Although the Company has historically not paid material amounts in connection with these assessments, it cannot accurately predict the magnitude of such amounts in the future, or accurately predict which past or future insolvencies of other insurers could lead to such assessments. If material, such future assessments may have an adverse effect on the Company’s financial condition, results of operations, liquidity or cash flows, and any liability it has previously established for these potential assessments may not be adequate.

In addition to the foregoing risks, the financial services industry is the focus of increased regulatory scrutiny as various U.S. state and federal governmental agencies and self-regulatory organizations conduct inquiries and investigations into the products and practices of the companies within this industry. Governmental authorities and standard setters in the United States and worldwide (including the International Association of Insurance Supervisors (“IAIS”)) have become increasingly interested in potential risks posed by the insurance industry as a whole and to commercial and financial activities and systems in general, as indicated by the development of the ICS by the IAIS to be applicable to internationally active insurance groups (“IAIGs”) and the Global Monitoring Exercise, as well as the U.S. NAIC’s adoption of the group capital calculation (“GCC”) and liquidity stress test (“LST”). The Iowa Insurance Division (the “IID”) has adopted the GCC and LST amendments, which are applicable to the Company. On February 6, 2024, the IID identified AGM as meeting the criteria as an IAIG and further identified AHL as the Head of the IAIG. As a result of these identifications, the Company will be subject to a group capital standard, applied to U.S.-based IAIGs. At this time, the Company does not expect a significant impact on AHL’s capital position or capital structure; however, the Company cannot fully predict with certainty the impact (if any) on its capital position or capital structure and any other burdens being named an IAIG may impose on the Company or its insurance affiliates. While the Company cannot predict the exact nature, timing or scope of possible governmental initiatives, there may be increased regulatory intervention in the insurance and financial services industry in the future.

The Company's failure to obtain or maintain licenses and/or other regulatory approvals as required for the operation of its business may have a material and adverse effect on its business, financial condition, results of operations, liquidity, cash flows and prospects.

State regulators retain the authority to license insurers in their jurisdictions and an insurer generally may not operate in a jurisdiction in which it is not licensed. The Company is licensed to do business in Puerto Rico, the District of Columbia and all states other than the State of New York (in which its direct and indirect subsidiaries, Athene Annuity & Life Assurance Company of New York (“**AANY**”) and Athene Life Insurance Company of New York (“**ALICNY**”), are licensed to transact insurance business). The Company’s ability to retain these licenses depends on its ability to meet requirements established by the NAIC and adopted by each state, such as RBC standards and surplus requirements.

Some of the factors influencing these requirements, particularly factors such as changes in equity market levels, the value of certain derivative instruments that do not receive hedge accounting, the value and credit ratings of certain fixed-income and equity securities in the Company’s investment portfolio, interest rate changes, changes to the applicable RBC formulas and the interpretation of the NAIC’s instructions with respect to RBC calculation methodologies, are out of the Company’s control. In addition, licensing regulations differ as to products and jurisdictions and may be subject to interpretation as to whether certain licenses are required with respect to the manner in which the Company may sell or service some of its products in certain jurisdictions. The degree of complexity is heightened in the context of products that are issued through the Company’s institutional channel, including pension group annuity products, where one product may cover risks in multiple jurisdictions. If the factors discussed above adversely affect the Company or a state regulator interprets a licensing requirement differently than the Company does, and the Company is unable to meet the applicable requirements, it could lose its licenses to do business in certain states; be subject to additional regulatory oversight; have existing licenses suspended; be subject to rescission requests, fines, administrative penalties or payments to policyholders; or be subject to seizure of assets. A loss or suspension of any of the Company’s licenses or an inability to be able to sell or service certain of its insurance products in one or more jurisdictions may negatively impact its reputation in the insurance market and result in its inability to write new business, distribute funds or pursue its investment/overall business strategy.

The licenses the Company currently holds are limited in scope with respect to the products that may be sold within the respective jurisdictions. To the extent that the Company seeks to sell products for which it is not currently licensed, it would be required to become licensed in each of the respective jurisdictions in which such products are expected to be sold. There is no assurance that the Company would be able to obtain the relevant licenses and the Company’s inability to do so may impair its competitive position and reduce its growth prospects, causing its financial position, results of operations and cash flows to fall below its current expectations.

The process of obtaining licenses is time consuming and costly, and the Company may not be able to become licensed in jurisdictions other than those in which it is currently licensed and/or for products for which it is currently licensed. The modification of the conduct of the Company’s business resulting from it becoming licensed in certain jurisdictions or for certain products could significantly and negatively affect its business. In addition, the Company’s inability to comply with insurance statutes and regulations could materially and adversely affect their business by limiting its ability to conduct business as well as subjecting it to penalties and fines.

Changes in legal and regulatory requirements, including through the adoption of executive orders, governing the insurance industry or otherwise applicable to the Company's business may have a material adverse effect on the Company's business, financial condition, results of operations, liquidity, cash flows and prospects.

Certain of the laws and regulations to which the Company is subject are summarized in “Regulation.” Changes in legal and regulatory requirements, including through the adoption of executive orders, relevant to the Company’s business may have a material adverse effect on the Company’s business, financial condition, results of operations, liquidity, cash flows and prospects. Certain of the risks associated with these changes are discussed in greater detail below.

The Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 (the “**Dodd-Frank Act**”) made sweeping changes to the regulation of financial services entities, products and markets. Historically, the federal government had not directly regulated the insurance business. However, the Dodd-Frank Act generally provides for enhanced federal supervision of financial institutions, including some insurance companies in defined circumstances,

as well as financial activities that are deemed to represent a systemic risk to financial stability or the economy. Certain provisions of the Dodd-Frank Act are relevant to the Company, its competitors or those entities with which it does business, including, but not limited to: the establishment of a comprehensive federal regulatory regime with respect to derivatives; the establishment of consolidated federal regulation and resolution authority over systemically important financial institutions (“SIFIs”) and/or systemically important financial activities; the establishment of the Federal Insurance Office (“FIO”); changes to the regulation of broker-dealers and investment advisors; changes to the regulation of reinsurance; changes to regulations affecting the rights of stockholders; the imposition of additional regulation over credit rating agencies; and the imposition of concentration limits on financial institutions that restrict the amount of credit that may be extended to a single person or entity.

Legislative or regulatory requirements imposed by or promulgated in connection with the Dodd-Frank Act may impact the Company in many ways, including, but not limited to: placing it at a competitive disadvantage relative to its competition or other financial services entities; changing the competitive landscape of the financial services sector or the insurance industry; making it more expensive for it to conduct its business; requiring the reallocation of significant company resources to government affairs; increasing its legal and compliance related activities and the costs associated therewith as the Dodd-Frank Act may permit the preemption of certain state laws when inconsistent with international agreements (such as the EU Covered Agreement and the UK Covered Agreement, both agreements as defined in “Regulation—Federal Oversight”); and otherwise having a material adverse effect on the overall business climate as well as the Company’s financial condition and results of operations.

Heightened standards of sales conduct as a result of the implementation of the Suitability in Annuity Transactions Model Regulation (“SAT”), including state adoption of a revised SAT version that includes a best interest concept, or the adoption of other similar proposed rules or regulations could also increase the compliance and regulatory burdens on the Company’s representatives, and could lead to increased litigation and regulatory risks, changes to the Company’s business model, a decrease in the number of Athene’s securities-licensed representatives and a reduction in the products the Company offers to its clients, any of which could have a material adverse effect on the Company’s business, financial condition and results of operations.

In addition, the Company expects the worldwide demographic trend of population aging will cause policymakers to continue to focus on the framework of U.S. and non-U.S. retirement systems, which may drive additional changes regarding the manner in which individuals plan for and fund their retirement, the extent of government involvement in retirement savings and funding, the regulation of retirement products and services and the oversight of industry participants. Any incremental requirements, costs and risks imposed on the Company in connection with such current or future legislative or regulatory changes, may constrain its ability to market its products and services to potential customers, and could negatively impact the Company’s profitability and make it more difficult for the Company to pursue its growth strategy.

Although the Company is subject to regulation in each state in which it conducts business, in many instances the state insurance laws and regulations emanate from the NAIC. State insurance regulators and the NAIC regularly re-examine existing laws and regulations applicable to insurance companies and their products. Any proposed or future legislation or NAIC initiatives, if adopted, may be more restrictive on the Company’s ability to conduct business than current regulatory requirements or may result in higher costs or increased statutory capital and reserve requirements. Changes in these laws and regulations or interpretations thereof are often made for the benefit of the consumer and at the expense of the insurer and could have a material adverse effect on the Company’s domestic insurance subsidiaries’ businesses, financial condition and results of operations. The Company is also subject to the risk that compliance with any particular regulator’s interpretation of a legal or accounting issue may not result in compliance with another regulator’s interpretation of the same issue, particularly when compliance is judged in hindsight. There is an additional risk that any particular regulator’s interpretation of a legal or accounting issue may change over time to the Company’s detriment, or that changes to the overall legal or market environment, even absent any change of interpretation by a particular regulator, may cause the Company to change its views regarding the actions it need to take from a legal risk management perspective, which could necessitate changes to the Company’s practices that may, in some cases, limit its ability to grow and improve profitability.

USE OF PROCEEDS

The proceeds from the sale of each Series of Notes and Series Beneficial Interests issued under the Program, net of certain expenses, underwriting discounts and commissions or similar applicable compensation will be used by the Issuer to purchase one or more Funding Agreements from the Company. The proceeds from the issuance of each Funding Agreement will be used by the Company to purchase investment assets in accordance with the Company's investment policies.

DESCRIPTION OF THE ISSUER

*This section provides a summary description of the material provisions of the Declaration of Trust, dated as of June 15, 2015, as amended, modified, restated, supplemented and/or replaced from time to time, (the “**Declaration of Trust**”) by the Administrative Trustee and the Certificate of Trust (the “**Certificate of Trust**”) filed with the Secretary of State of the State of Delaware on and with an effective date of June 15, 2015. These documents are not described in their entirety and prospective investors should read the actual documents.*

General

The Issuer is a special purpose statutory trust created under the laws of the State of Delaware pursuant to the Declaration of Trust and the filing of the Certificate of Trust for the purpose of, among other things, issuing the Notes. The exclusive purposes of the Issuer are, and the Issuer shall have the power and authority, to:

- issue and sell the Notes and the Series Beneficial Interest;
- use the net proceeds from the sale of each Series of Notes and the related Series Beneficial Interest to acquire one or more Funding Agreements;
- pay amounts due in respect of the Notes and the Series Beneficial Interests;
- pledge, collaterally assign and grant a security interest in the Series Collateral to the Indenture Trustee;
- enter into the agreements and to take such actions as the Administrative Trustee has the power and authority to take pursuant to the Declaration of Trust; and
- engage in only those other activities necessary, advisable or incidental thereto.

The principal executive office of the Issuer is located at Athene Global Funding, c/o: Wilmington Trust, National Association, Rodney Square North, 1100 North Market Street, Wilmington, Delaware 19890, its telephone number is (302) 636-6128, and its facsimile number is (302) 636-6477.

The Issuer is Organized in Series

The Declaration of Trust provides that the Issuer will be organized in series, as permitted by Sections 3804(a) and 3806(b)(2) of the Trust Act.

In connection with the issuance of each Series of Notes to be issued after the date of this Offering Memorandum, the Issuer will:

- create a separate Series of the Issuer pursuant to a Series Trust Supplement (as defined in the Declaration of Trust);
- issue and sell the Notes and the related Series Beneficial Interest with respect to the applicable Series of the Issuer;
- purchase one or more Funding Agreements from the Company and procure the other components of the Series Collateral with respect to the applicable Series of the Issuer; and
- pledge, collaterally assign and grant to the Indenture Trustee, for the benefit of the holders of such Notes, a first priority perfected security interest in and to the Series Collateral. See “Description of the Notes—General—Security; Limited Recourse.”

The applicable Series of Notes and the liabilities, obligations and expenses related thereto will constitute debt, liabilities, obligations and expenses incurred, contracted for or otherwise existing with respect to the applicable Series of the Issuer. The Series Collateral for the applicable Series of Notes will constitute the assets of, and be associated with, such Series of the Issuer.

Although the applicable Series of the Issuer will not be a separate legal entity, the Trust Act provides that, if the Issuer complies with all applicable statutory requirements, the debts, liabilities, obligations and expenses incurred, contracted for or otherwise existing with respect to a particular Series of the Issuer will be enforceable only against the assets of such Series of the Issuer and not against the assets of the Issuer generally or the assets of any other Series of the Issuer. In addition, under the Trust Act, none of the debts, liabilities, obligations and expenses incurred, contracted for or otherwise existing with respect to the Issuer generally or any other Series of the Issuer will be enforceable against the assets of such Series of the Issuer. Notice of this limitation on liabilities of each Series of the Issuer is set forth in the Certificate of Trust.

Administrative Trustee

Wilmington Trust, National Association will be the sole administrative trustee of the Issuer generally and with respect to each Series of the Issuer and has agreed, under the terms of the Declaration of Trust to provide certain administrative services to the Issuer generally and with respect to each Series of the Issuer. The Administrative Trustee has not participated in the preparation of this Offering Memorandum and will not be obligated in any way to make any payments under or in respect of the Notes. The Administrative Trustee is not affiliated with the Company, AHL, ALRe, AUSA, the Series Beneficial Owner, the Indenture Trustee or any of their respective affiliates.

Series Beneficial Owner

The Series Beneficial Owner will be the sole “beneficial owner” of each Series of the Issuer (as defined and used in Sections 3801(a) and 3806(b)(2) of the Trust Act). In connection with the issuance of each Series of Notes, the Series Beneficial Owner will pay to the Trust \$15 (or, if the Issuer issues Notes at a discount, the product of \$15 and the issue price (expressed as a percentage of the original principal amount of the Notes)) in exchange for the Series Beneficial Interest related to each such Series of Notes. On maturity of a Series of Notes, the related Series will be dissolved and the proceeds remitted to the Series Beneficial Owner after the satisfaction of any claims and obligations of the Series pursuant to applicable law. The investment by the Series Beneficial Owner will not be secured by the Series Collateral relating to any Series of Notes.

No Affiliation

None of the Company, AHL, ALRe, AARE, AUSA or any of their officers, directors, subsidiaries, affiliates or agents owns any beneficial interest in the Issuer nor has any of these persons or entities entered into any agreement with the Issuer other than:

- the License Agreement pursuant to which, among other things, the Company, as successor in interest by merger to AARE, has granted to the Issuer a non-exclusive license to use the name “Athene” as provided therein in connection with the Program;
- the Purchase Agreement dated June 15, 2015, as amended and restated on June 16, 2016, as further amended and restated on April 17, 2017, as further amended and restated on June 15, 2018, as further amended on June 11, 2019, as further amended and restated on November 13, 2020, and as further amended on February 26, 2021, May 17, 2021, May 17, 2022, August 16, 2022, May 19, 2023, May 16, 2024 and May 16, 2025 (as may be further amended, modified or restated from time to time, the “**Purchase Agreement**”), among the Issuer, the Company and the Purchasing Agents named therein; and
- the Funding Agreements and certain other documents contemplated by the Program in connection with the issue and sale of the Funding Agreements and the Notes of each Series.

None of the Company, AHL, ALRe, AUSA or any of their officers, directors, subsidiaries, affiliates or agents is affiliated with the Series Beneficial Owner, the Administrative Trustee or the Indenture Trustee.

Records and Financial Statements

As required by the Trust Act:

- separate and distinct records will be maintained for each Series of the Issuer; and
- the assets associated with each such Series of the Issuer will be held in such separate and distinct records (directly or indirectly, including through a nominee or otherwise) and accounted for in such separate and distinct records separately from the assets of the Issuer generally and from the assets of each other Series of the Issuer.

Delaware law does not require that the Issuer, either generally or with respect to any Series of the Issuer, prepare financial statements. Accordingly, financial statements have not been, and are not anticipated to be, prepared with respect to the Issuer generally or with respect to any Series of the Issuer.

CAPITALIZATION OF THE ISSUER

The following table presents the Issuer's capitalization as of May 18, 2026, prepared in conformity with U.S. GAAP.

	<u>May 18, 2026</u>
Debt ⁽¹⁾	
Short-term debt.....	\$ 13,007,721,000
Long-term debt.....	20,267,952,022
Total debt.....	<u>33,275,673,022</u>
Equity	
Paid in capital ⁽²⁾	960
Retained earnings.....	—
Accumulated other comprehensive income.....	—
Total equity.....	<u>960</u>
Total capitalization.....	<u>\$ 33,275,673,982</u>

(1) For non-U.S. dollar denominated debt, amounts payable are converted to U.S. dollar using the spot rate of exchange at the applicable pricing date.

(2) Represents contributions to capital in connection with each issuance of a Series of Notes during the period from the Issuer's formation through May 18, 2026, less the reduction in paid-in capital associated with the repayment of Notes upon their maturity.

DESCRIPTION OF THE BUSINESS OF THE COMPANY

Overview

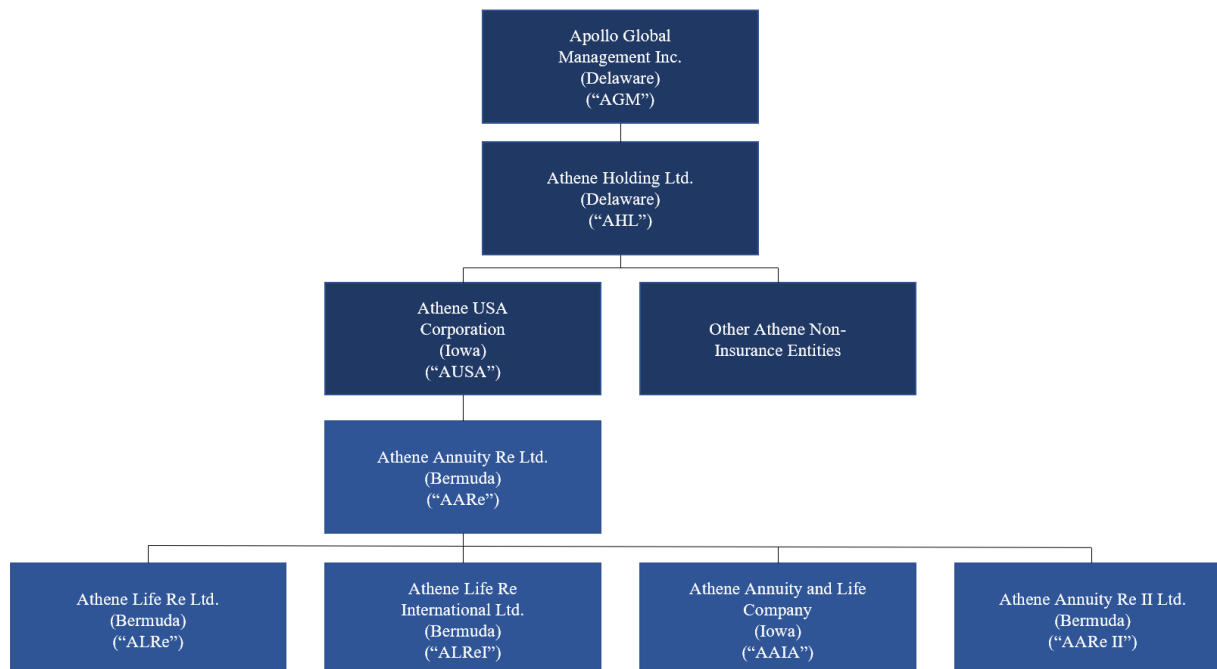
The Company

The Company is a life insurance company organized under the laws of Iowa. The Company was founded in 1896 as Central Life Assurance Company. The U.S. federal employer identification number of the Company is 42-0175020. The statutory home office of the Company is 7700 Mills Civic Parkway, West Des Moines, Iowa 50266. The telephone number of the Company is +1 (888) 266-8489. Effective October 2, 2013, Athene acquired 100% of the issued and outstanding capital stock of AUSA, and thereby acquired control of certain of AUSA's insurance company subsidiaries, including, but not limited to, the Company. The Company is licensed to conduct life insurance business in 49 states (excluding New York), the District of Columbia and Puerto Rico. Apollo provides the Company with a full suite of services that includes: direct investment management; asset sourcing and allocation; mergers and acquisitions sourcing; and strategic support and advice for the Company's investment portfolio, including investment compliance, tax, legal and risk management support. On December 20, 2023, the Company and AADE, its Delaware domiciled parent company, executed an Agreement and Plan of Merger. Effective October 11, 2024, following the receipt of all required regulatory approvals, AADE merged with and into the Company, with the Company as the surviving entity and successor in interest to AADE.

The Company is a leading financial services company that issues, reinsures and acquires retirement savings products designed for the increasing number of individuals and institutions seeking to fund retirement needs. By focusing on the retirement services market, the Company believes it will benefit from several demographic and economic trends, including the increasing number of retirees in the U.S. and the lack of tax advantaged alternatives for people trying to save for retirement. The Company principally offers two product lines: annuities and funding agreements. Its primary product line is annuities, which include fixed rate, indexed, payout and group annuities issued in connection with pension group annuity ("PGA") transactions and defined contribution plans. The Company also offers funding agreements, including those issued to institutions via direct issuances, those issued to the Federal Home Loan Bank (FHLB) and those issued to special-purpose unaffiliated trusts in connection with its FABN and secured funding agreement backed repurchase agreement programs. The Company invests the proceeds received from these activities into a high-quality asset portfolio to generate attractive financial results for its stockholder, while concurrently focusing on downside risk to preserve the capital of and meet its obligations to its policyholders, including its funding agreement counterparties. Subsidiary operations are not included in the Company's unconsolidated statutory results. The Company is currently rated A+ (stable outlook) by each of S&P, A.M. Best and Fitch and A1 (stable outlook) by Moody's.

The Company owns all of the outstanding capital stock of AANY which in turn owns all of the outstanding capital stock of ALICNY. The Company also owns all of the outstanding capital stock of Structured Annuity Reinsurance Company ("STAR"), Athene Re USA IV, Inc. ("Athene Re IV"), Centralife Annuities Services, Inc. and P.L. Assigned Services, Inc.

The organizational chart below shows the Company's organizational structure (simplified), including its ultimate owner, Apollo Global Management Inc. ("AGM"), and AGM's ownership of AHL, AUSA, AARe, ALRe, Athene Life Re International Ltd., Athene Annuity Re II Ltd. and the Company. The Company is a subsidiary of AARe. AARe is a direct subsidiary of AUSA and AUSA is a direct subsidiary of AHL.



Athene

The Company is an indirect, wholly owned subsidiary of Athene, a corporation organized in the State of Delaware with its corporate headquarters located in West Des Moines, Iowa. Athene focuses on generating spread income by combining its two core competencies of (1) sourcing long-term, persistent liabilities and (2) using the global scale and reach of Apollo's asset management business to actively source or originate assets with Athene's preferred risk and return characteristics. Athene's investment philosophy is to invest a portion of its assets in securities that earn an incremental yield by taking measured liquidity and complexity risk and capitalize on its long-dated, persistent liability profile to prudently achieve higher net investment earned rates, rather than assuming incremental credit risk. Athene's differentiated investment strategy benefits from its relationship with Apollo, which provides a full suite of services for Athene's investment portfolio, including direct investment management, asset allocation, mergers and acquisitions asset diligence and certain operational support services, including investment compliance, tax, legal and risk management support. Athene's relationship with Apollo provides it with access to Apollo's investment professionals around the world as well as Apollo's global asset management infrastructure across a broad array of asset classes.

On January 1, 2022, AHL completed its merger with AGM and became a direct subsidiary of AGM. In connection with the merger, Athene elected pushdown accounting in which it used AGM's basis of accounting, which reflects the fair market value of Athene's assets and liabilities on the date of the merger, unless otherwise prescribed by U.S. GAAP. Athene's consolidated financial statements are presented as "Predecessor" for the periods prior to the merger and "Successor" for subsequent periods.

Because AHL and its subsidiaries, including the Company, have entered into, and will continue in the future to enter into, transactions with Apollo and its affiliates, AHL's audit committee is responsible for reviewing, approving, or ratifying all Apollo Conflicts (as defined in AHL's related party transactions policy), unless such conflict is pre-approved or specifically exempted from approval in accordance with AHL's related party transactions policy or audit committee's charter and guidelines as they may be amended from time to time. Pursuant to AHL's audit committee charter, only disinterested members of the audit committee are permitted to vote on Apollo Conflicts.

Capital and Liquidity

Athene believes it holds a sufficient amount of capital to support its core operating strategies, maintain or improve its current ratings and manage its risk appetite based on its internal capital and risk models in a recessionary environment. Athene's excess capital may fluctuate depending on the mix of both its assets and its liabilities as well as its growth and investment in its organic and inorganic channels. Athene views this excess as strategic capital, which it expects to deploy for future growth opportunities.

Athene further expects its excess capital position to contribute to ratings improvements over time. As of March 31, 2026 and December 31, 2025, Athene had gross regulatory capital of \$36 billion and \$35 billion, respectively. This represents the aggregate capital of Athene's U.S. and Bermuda insurance entities, determined with respect to each insurance entity by applying the statutory accounting principles applicable to each such entity, with adjustments made to, among other things, assets and expenses at the Athene holding company level. Gross regulatory capital includes the capital related to Athene's noncontrolling interests in Athene Co-Invest Reinsurance Affiliate Holding Ltd. and its subsidiaries ("**ACRA 1**") and Athene Co-Invest Reinsurance Affiliate Holding 2 Ltd. and its subsidiaries ("**ACRA 2**" and, together with ACRA 1, "**ACRA**").

Athene measures capital sufficiency using internal modeling and analysis of economic risk, as well as inputs from rating agency capital models and consideration of both NAIC RBC and Bermuda capital requirements. The formulas for determining the amount of RBC specify various weighting factors that are applied to financial balances or various levels of activity based on the perceived degree of risk. As of December 31, 2025, the Company's RBC ratio was 436%. As of December 31, 2025, the RBC ratio of Athene's non-U.S. reinsurance subsidiaries ("**Bermuda RBC**") was 454%, which is calculated using Bermuda Capital (as defined below) and applying NAIC risk-based capital factors on an aggregate basis, excluding U.S. subsidiaries, which are included within the Company's U.S. RBC ratio. Bermuda Capital represents the capital of Athene's non-U.S. reinsurance subsidiaries as reported in the Bermuda statutory financial statements, adjusted to exclude deferred tax assets related to the enactment of the Government of Bermuda Corporate Income Tax Act 2023. Bermuda statutory financial statements apply U.S. statutory accounting principles for policyholder reserve liabilities, which Athene also subjects to U.S. cash flow testing requirements. There are certain differences between Bermuda statutory and U.S. statutory frameworks that result in Consolidated RBC being approximately 20 RBC points higher than Bermuda Capital as of December 31, 2025. The primary driver of this difference is that Bermuda statutory financial statements require that assets assumed as part of a reinsurance transaction and any assets sold are recorded at their market value, without posting an interest maintenance reserve. Athene expects this difference to reduce over time, and to decline to immaterial levels over the next five years. As of December 31, 2025, Athene's Consolidated RBC of its non-U.S. reinsurance and U.S. insurance subsidiaries was 441%, calculated by aggregating U.S. RBC and Bermuda RBC, with immaterial adjustments for net assets at the Athene holding company level. Athene believes it has a strong capital position and is well positioned to meet policyholder and other obligations.

Athene's deployable capital comprises capital from three sources: excess equity capital, untapped leverage capacity and available undrawn capital commitments at ACRA. As of March 31, 2026, Athene estimated it had approximately \$6.2 billion in capital available to deploy, consisting of approximately \$1.7 billion in excess equity capital, \$1.8 billion in untapped leverage capacity (assuming an adjusted leverage ratio of not more than 30%, subject to maintaining a sufficient level of capital required to maintain its desired financial strength ratings from rating agencies) and \$2.7 billion in available undrawn capital at ACRA.

As of March 31, 2026, Athene maintains \$71.8 billion in available liquidity which comprises the following:

<i>Unaudited (in billions)</i>	March 31, 2026
Cash and cash equivalents ¹	\$ 9.4
Credit facilities ²	4.9
Committed repurchase facilities	2.0
Other liquidity ³	2.4
Highly liquid assets ⁴	53.1
Total available liquidity ⁵	\$ 71.8

Note: Figures in the above table are net of the noncontrolling interests in ACRA. 1. Cash and cash equivalents excludes restricted cash and the collateral receivable posted for derivative transactions. 2. Relates to the \$2.6 billion liquidity facility, with \$0.5 billion accordion feature available to AHL, Athene Annuity Re Ltd., Athene Life Re Ltd. and the Company and the \$1.25 billion credit facility, with \$0.5 billion accordion feature available to AHL. Availability of accordion features is subject to lender consent and other factors. 3. Relates to \$2.4 billion of available Federal Home Loan Bank (“FHLB”) borrowing capacity. 4. Includes investment-grade market value of \$36.9 billion of public corporate bonds, \$15.0 billion of U.S. government and agencies and \$1.2 billion of state and municipal bonds; excludes pledged assets, mainly associated with funding agreement and repurchase agreement liabilities, but includes assets held in reinsurance trusts. 5. Athene holds \$94.6 billion of total available liquidity inclusive of the noncontrolling interests in ACRA.

Athene has historically maintained a conservative adjusted leverage ratio with a ratio of 25.9% as of March 31, 2026. Adjusted leverage ratio is a non-GAAP measure used to evaluate Athene’s capital structure excluding the impacts of accumulated other comprehensive income (loss) (“**AOCI**”) and the cumulative changes in fair value of funds withheld and modified coinsurance (“**modco**”) reinsurance assets as well as mortgage loan assets, net of tax. Adjusted leverage ratio is calculated as total debt at notional value adjusted to exclude 50 percent of the notional value of subordinated debt as an equity credit plus 50 percent of the notional value of Athene’s preferred stock divided by adjusted capitalization. Adjusted capitalization includes Athene’s adjusted AHL common stockholder’s equity and the notional value of its total debt and preferred stock. Adjusted AHL common stockholder’s equity is calculated as the ending AHL stockholders’ equity excluding AOCI, the cumulative changes in fair value of funds withheld and modco reinsurance assets and mortgage loan assets, as well as preferred stock.

The following tables show Athene’s historical adjusted capitalization as of the dates presented below:

<i>Unaudited (in millions)</i>	Successor				
	Mar. 31, 2026	Dec. 31, 2025	June 30, 2025	Dec. 31, 2024	June 30, 2024
Adjusted AHL common stockholder’s equity	\$ 20,955	\$ 22,843	\$ 22,212	\$ 22,313	\$ 21,810
Notional preferred stock ¹	2,283	2,283	2,283	3,154	3,154
Notional subordinated debt	1,775	1,775	1,775	1,175	575
Notional senior debt	6,000	6,000	6,000	5,000	5,000
Adjusted capitalization	\$ 31,013	\$ 32,901	\$ 32,270	\$ 31,642	\$ 30,539

<i>Unaudited (in millions)</i>	Successor				Predecessor
	Dec. 31, 2023	June 30, 2023	Dec. 31, 2022	June 30, 2022	Dec. 31, 2021
Adjusted AHL common stockholder’s equity	\$ 20,368	\$ 17,001	\$ 16,653	\$ 15,589	\$ 14,803
Notional preferred stock ¹	3,154	3,154	3,154	2,667	2,312
Notional senior debt	4,000	3,400	3,400	3,000	3,000
Adjusted capitalization	\$ 27,522	\$ 23,555	\$ 23,207	\$ 21,256	\$ 20,115

1. As of June 30, 2025, preferred equity was updated to be included at notional rather than fair value to align with the presentation of debt. Historical preferred equity balances were not adjusted to notional from fair value due to the de minimis impact on the related adjusted leverage ratio calculation.

The reconciliation of total AHL stockholders' equity to total adjusted AHL common stockholder's equity is as follows:

<i>Unaudited (in millions)</i>	Successor				
	Mar. 31, 2026	Dec. 31, 2025	June 30, 2025	Dec. 31, 2024	June 30, 2024
Total AHL stockholders' equity	\$ 17,848	\$ 20,492	\$ 18,148	\$ 16,360	\$ 14,998
Less: Preferred stock	2,470	2,470	2,470	3,154	3,154
Total AHL common stockholder's equity	15,378	18,022	15,678	13,206	11,844
Less: Accumulated other comprehensive loss	(3,120)	(2,641)	(3,688)	(5,465)	(5,809)
Less: Accumulated change in fair value of reinsurance assets	(1,183)	(1,171)	(1,385)	(1,591)	(1,787)
Less: Accumulated change in fair value of mortgage loan assets	(1,274)	(1,009)	(1,461)	(2,051)	(2,370)
Total adjusted AHL common stockholder's equity	\$ 20,955	\$ 22,843	\$ 22,212	\$ 22,313	\$ 21,810

<i>Unaudited (in millions)</i>	Successor				Predecessor
	Dec. 31, 2023	June 30, 2023	Dec. 31, 2022	June 30, 2022	Dec. 31, 2021
Total AHL stockholders' equity	\$ 13,838	\$ 8,701	\$ 7,158	\$ 8,697	\$ 20,130
Less: Preferred stock	3,154	3,154	3,154	2,667	2,312
Total AHL common stockholder's equity	10,684	5,547	4,004	6,030	17,818
Less: Accumulated other comprehensive income (loss)	(5,569)	(6,376)	(7,321)	(5,698)	2,430
Less: Accumulated change in fair value of reinsurance assets	(1,882)	(2,843)	(3,127)	(2,521)	585
Less: Accumulated change in fair value of mortgage loan assets	(2,233)	(2,235)	(2,201)	(1,340)	—
Total adjusted AHL common stockholder's equity	\$ 20,368	\$ 17,001	\$ 16,653	\$ 15,589	\$ 14,803

The reconciliation of Athene's leverage ratio to its adjusted leverage ratio is as follows:

<i>Unaudited (in millions, except percentages)</i>	Successor				
	Mar. 31, 2026	Dec. 31, 2025	June 30, 2025	Dec. 31, 2024	June 30, 2024
Total debt	\$ 7,840	\$ 7,848	\$ 7,864	\$ 6,309	\$ 5,733
Add: 50% of preferred stock	1,235	1,235	1,235	1,577	1,577
Less: 50% of subordinated debt	888	888	888	588	288
Less: Adjustment to arrive at notional	159	167	183	134	158
Adjusted leverage	\$ 8,028	\$ 8,028	\$ 8,028	\$ 7,164	\$ 6,864
Total debt	\$ 7,840	\$ 7,848	\$ 7,864	\$ 6,309	\$ 5,733
Total AHL stockholders' equity	17,848	20,492	18,148	16,360	14,998
Total capitalization	25,688	28,340	26,012	22,669	20,731
Less: Accumulated other comprehensive loss	(3,120)	(2,641)	(3,688)	(5,465)	(5,809)
Less: Accumulated change in fair value of reinsurance assets	(1,183)	(1,171)	(1,385)	(1,591)	(1,787)
Less: Accumulated change in fair value of mortgage loan assets	(1,274)	(1,009)	(1,461)	(2,051)	(2,370)
Less: Adjustment to arrive at notional	252	260	276	134	158
Total adjusted capitalization	\$ 31,013	\$ 32,901	\$ 32,270	\$ 31,642	\$ 30,539
Leverage ratio	40.1 %	36.4 %	39.7 %	41.7 %	42.9 %
Accumulated other comprehensive loss	(3.9)%	(2.9)%	(4.4)%	(7.1)%	(8.0)%
Accumulated change in fair value of reinsurance assets	(1.5)%	(1.3)%	(1.7)%	(2.1)%	(2.5)%
Accumulated change in fair value of mortgage loan assets	(1.6)%	(1.1)%	(1.7)%	(2.7)%	(3.3)%
Adjustment to exclude 50% of preferred stock	(4.0)%	(3.7)%	(3.8)%	(5.0)%	(5.2)%
Adjustment to exclude 50% of subordinated debt	(2.9)%	(2.7)%	(2.8)%	(1.9)%	(1.0)%
Adjustment to arrive at notional	(0.3)%	(0.3)%	(0.4)%	(0.3)%	(0.4)%
Adjusted leverage ratio	25.9 %	24.4 %	24.9 %	22.6 %	22.5 %

<i>Unaudited (in millions, except percentages)</i>	Successor				Predecessor
	Dec. 31, 2023	June 30, 2023	Dec. 31, 2022	June 30, 2022	Dec. 31, 2021
Total debt	\$ 4,209	\$ 3,642	\$ 3,658	\$ 3,279	\$ 2,964
Add: 50% of preferred stock	1,577	1,577	1,577	1,334	1,156
Less: Adjustment to arrive at notional	209	242	258	279	(36)
Adjusted leverage	\$ 5,577	\$ 4,977	\$ 4,977	\$ 4,334	\$ 4,156
Total debt	\$ 4,209	\$ 3,642	\$ 3,658	\$ 3,279	\$ 2,964
Total AHL stockholders' equity	13,838	8,701	7,158	8,697	20,130
Total capitalization	18,047	12,343	10,816	11,976	23,094
Less: Accumulated other comprehensive income (loss)	(5,569)	(6,376)	(7,321)	(5,698)	2,430
Less: Accumulated change in fair value of reinsurance assets	(1,882)	(2,843)	(3,127)	(2,521)	585
Less: Accumulated change in fair value of mortgage loan assets	(2,233)	(2,235)	(2,201)	(1,340)	—
Less: Adjustment to arrive at notional	209	242	258	279	(36)
Total adjusted capitalization	\$ 27,522	\$ 23,555	\$ 23,207	\$ 21,256	\$ 20,115
Leverage ratio	40.8 %	55.1 %	63.0 %	49.6 %	22.8 %
Accumulated other comprehensive income (loss)	(8.2)%	(14.7)%	(19.7)%	(13.1)%	2.8 %
Accumulated change in fair value of reinsurance assets	(2.8)%	(6.6)%	(8.4)%	(5.8)%	0.7 %
Accumulated change in fair value of mortgage loan assets	(3.3)%	(5.2)%	(5.9)%	(3.1)%	— %
Adjustment to exclude 50% of preferred stock	(5.6)%	(6.7)%	(6.7)%	(6.2)%	(5.8)%
Adjustment to arrive at notional	(0.6)%	(0.8)%	(0.9)%	(1.0)%	0.2 %
Adjusted leverage ratio	20.3 %	21.1 %	21.4 %	20.4 %	20.7 %

Organic Inflows

Athene has developed organic and inorganic channels to address the retirement services market and grow its assets and liabilities. Within its organic channels, Athene has focused on developing a diverse suite of products that allow it to meet its risk and return profiles. Its organic channels currently include: (1) retail, through which Athene provides retirement solutions to its policyholders primarily through independent marketing organizations, banks and broker-dealers; (2) flow reinsurance, through which Athene partners with insurance companies to improve their product offerings and enhance their financial results; (3) institutional, which includes funding agreements, including funding agreements issued under the Program, funding agreements issued under Athene's funding agreement backed repurchase agreement program ("FABR"), direct funding agreements, funding agreements issued to the FHLB and long-term repurchase agreements, and PGA transactions; and (4) other spread business, which includes guaranteed investment and group annuity contracts issued in connection with defined contribution plans, stable value group annuity contracts and structured settlements. Athene's inorganic channel, comprised of acquisitions and block reinsurance, has contributed significantly to its growth, and Athene expects that it will continue to be an important source of growth in the future.

For the three months ended March 31, 2026, Athene's organic channels provided gross inflows of \$19.7 billion including \$7.3 billion from retail, \$2.6 billion from flow reinsurance, \$8.5 billion from funding agreements and \$1.3 billion from its other spread products channel.

The following tables show Athene's gross organic inflows by channel for the periods presented below:

Unaudited (in millions)	Successor				
	Three months ended March 31, 2026	Years ended December 31,			
		2025	2024	2023	2022
Retail	\$ 7,270	\$ 34,127	\$ 35,764	\$ 35,293	\$ 20,407
Flow reinsurance	2,603	11,171	5,573	10,547	6,186
Funding agreements ¹	8,531	35,375	28,748	7,193	10,039
Pension group annuities	—	751	918	10,374	11,218
Other spread products ²	1,343	674	—	—	—
Gross organic inflows	\$ 19,747	\$ 82,098	\$ 71,003	\$ 63,407	\$ 47,850

Unaudited (in millions)	Predecessor					
	Years ended December 31,					
	2021	2020	2019	2018	2017	2016
Retail	\$ 8,781	\$ 7,801	\$ 6,782	\$ 7,542	\$ 5,353	\$ 5,309
Flow reinsurance	2,564	6,002	3,950	2,423	875	3,449
Funding agreements ¹	11,852	8,277	1,301	650	3,000	—
Pension group annuities	13,837	5,467	6,042	2,581	2,253	—
Gross organic inflows	\$ 37,034	\$ 27,547	\$ 18,075	\$ 13,196	\$ 11,481	\$ 8,758

1. Funding agreements are comprised of funding agreements issued under the Program, secured and other funding agreements, which include the Company's FABR program and direct funding agreements, funding agreements issued to the FHLB and long-term repurchase agreements. 2. Other spread product inflows include guaranteed investment and group annuity contracts issued in connection with defined contribution plans, stable value group annuity contracts and structured settlements.

Net Worth Maintenance Agreement and Ownership

On October 1, 2013, AHL and the Company entered into the Net Worth Maintenance Agreement, pursuant to which AHL agreed to cause, at all times on and after October 1, 2013, the Company to have and maintain its TAC at a minimum of 200% CAL RBC, as those terms are defined by the insurance laws in the State of Iowa. The Net Worth Maintenance Agreement also prohibits the Company from paying a dividend if such payment would cause its TAC to fall below 200% of its CAL RBC unless approved by the IID. The Net Worth Maintenance Agreement remains in effect unless terminated by the Company and AHL with the approval of the IID.

To date, the Company has received no support from AHL under the Net Worth Maintenance Agreement. The Net Worth Maintenance Agreement was entered into for the benefit of the IID on behalf of holders of policies issued by the Company and may be enforced only by the IID and its successors. If the IID provides consent or approval to the termination of the Net Worth Maintenance Agreement, AHL and the Company may terminate it without notice to, or the consent of, any other individual or entity, including any noteholders.

Summary Financial Information

Certain summary financial information with respect to Athene is set forth below.

Athene has established a significant base of earnings and, as of March 31, 2026, has an expected annual net investment spread, which measures its investment performance plus its strategic capital management fees less the total cost of its liabilities, of 1–2% over the estimated 7.0-year weighted-average life of its net reserve liabilities. The weighted-average life includes deferred annuities, pension group annuities, funding agreements, payout annuities, life insurance contracts, guaranteed investment contracts (“GICs”) and other products.

For the three months ended March 31, 2026, Athene generated a net loss available to its common stockholder of \$2.0 billion and spread related earnings of \$719 million. For the twelve months ended March 31, 2026, Athene generated net income available to its common stockholder of \$241 million and spread related earnings of \$3.3 billion. Spread related earnings is a pre-tax non-GAAP measure equal to net income (loss) available to AHL common stockholder adjusted to eliminate the impact of the following: (a) investment gains (losses), net of offsets; (b) non-operating change in insurance liabilities and related derivatives; (c) integration, restructuring and other non-operating items; (d) stock compensation expense; and (e) income tax expense (benefit).

The reconciliation of Athene's net income (loss) available to its common stockholder to its spread related earnings is as follows:

<i>Unaudited (in millions)</i>	Three months ended March 31, 2026	Twelve months ended March 31, 2026
Net income (loss) available to Athene Holding Ltd. common stockholder	\$ (1,973)	\$ 241
Less: Preferred stock redemption	—	84
Add: Preferred stock dividends	35	151
Add: Net income attributable to noncontrolling interests	456	1,672
Net income (loss)	(1,482)	1,980
Income tax expense	1,673	2,384
Income before income taxes	191	4,364
Investment gains (losses), net of offsets	(696)	(828)
Non-operating change in insurance liabilities and related derivatives	(42)	416
Integration, restructuring and other non-operating items	(33)	(124)
Stock compensation expense	(10)	(48)
Preferred stock dividends	35	151
Noncontrolling interests - pre-tax income and VIE adjustments	218	1,521
Total adjustments to income before income taxes	(528)	1,088
Spread related earnings	719	3,276

Cost of funds for the three months ended March 31, 2026 was 3.79%. Cost of funds includes liability costs related to cost of crediting on deferred annuities and institutional products as well as other liability costs, but does not include the proportionate share of the ACRA cost of funds associated with the noncontrolling interests. Cost of crediting is the interest credited to policyholders on Athene's fixed annuities, including the option costs with respect to Athene's indexed annuities, as well as institutional costs related to institutional products. Additionally, cost of crediting includes forward points gains and losses on foreign exchange derivative hedges. Other liability costs include deferred acquisition costs, deferred sales inducements and value of business acquired amortization, certain market risk benefit costs, the cost of liabilities on products other than deferred annuities and institutional products, premiums, product charges, excluding market value adjustments, and certain other revenues. Athene includes the costs related to business added through assumed reinsurance transactions and excludes the costs on business related to ceded reinsurance transactions. Cost of funds is computed as the total liability costs divided by the average net invested assets for the relevant period and is presented on an annualized basis for interim periods.

The reconciliation of Athene's U.S. GAAP benefits and expenses to its cost of funds is as follows:

<i>Unaudited (in millions, except percentages)</i>	Three months ended March 31, 2026	
	Dollar	Rate
U.S. GAAP benefits and expenses	\$ 3,477	4.69 %
Premiums	(217)	(0.29)%
Product charges	(281)	(0.38)%
Other revenues	(4)	— %
Indexed annuity option costs	502	0.68 %
Reinsurance impacts	(22)	(0.03)%
Non-operating change in insurance liabilities and embedded derivatives	399	0.54 %
Policy and other operating expenses, excluding policy acquisition expenses	(504)	(0.68)%
Forward points adjustment on FX derivative hedges	76	0.10 %
AmerUs Closed Block fair value liability	11	0.01 %
ACRA noncontrolling interests	(704)	(0.95)%
Other	74	0.10 %
Total adjustments to arrive at cost of funds	(670)	(0.90)%
Total cost of funds	\$ 2,807	3.79 %
Average net invested assets		\$ 296,352

Net Invested Assets

As of March 31, 2026, Athene had total GAAP assets of \$448 billion and net invested assets of \$300 billion. In managing its business, Athene analyzes net invested assets as presented in the table below, which does not correspond to total investments, including investments in related parties. Net invested assets represent the investments that directly back Athene's net reserve liabilities as well as surplus assets. Net invested assets include (a) total investments on Athene's condensed consolidated balance sheets with available-for-sale ("AFS") securities, trading securities and mortgage loans at cost or amortized cost, excluding derivatives, (b) cash and cash equivalents and restricted cash, (c) investments in related parties, (d) accrued investment income, (e) consolidated variable interest entity ("VIE") and voting interest entity ("VOE") assets, liabilities and noncontrolling interest adjustments, (f) net investment payables and receivables, (g) policy loans ceded (which offset the direct policy loans in total investments) and (h) an adjustment for the allowance for credit losses. Net invested assets exclude the derivative collateral offsetting the related cash positions. Athene includes the underlying investments supporting its assumed funds withheld and modco agreements and excludes the underlying investments related to ceded reinsurance transactions in its net invested assets calculation to match the assets with the income received. Athene believes the adjustments for reinsurance provide a view of the assets for which it has economic exposure. Net invested assets include Athene's proportionate share of ACRA investments, based on its economic ownership, but do not include the proportionate share of investments associated with the noncontrolling interests. Athene's net invested assets are averaged over the number of quarters in the relevant period to compute its net investment earned rate for such period.

The following summarizes Athene's net invested assets as of the date indicated:

<i>Unaudited (in millions, except percentages)</i>	March 31, 2026	
	Net Invested Asset Value	Percentage of Total
Corporate	\$ 86,764	28.9 %
CLO	23,611	7.9 %
Credit	110,375	36.8 %
CML	32,578	10.9 %
RML	43,688	14.5 %
RMBS	7,232	2.4 %
CMBS	9,662	3.2 %
Real estate	93,160	31.0 %
ABS	41,802	13.9 %
Alternative investments	15,092	5.0 %
State, municipal, political subdivisions and foreign government	3,168	1.1 %
Equity securities	1,975	0.7 %
Short-term investments	146	— %
U.S. government and agencies	15,985	5.3 %
Other investments	78,168	26.0 %
Cash and cash equivalents	12,969	4.3 %
Other	5,618	1.9 %
Net invested assets	\$ 300,290	100.0 %

The reconciliation of Athene's total investments, including related parties, to net invested assets, is as follows:

<i>Unaudited (in millions)</i>	March 31, 2026
Total investments, including related parties	\$ 358,127
Derivative assets	(8,352)
Cash and cash equivalents (including restricted cash)	19,011
Accrued investment income	3,601
Net receivable (payable) for collateral on derivatives	(2,718)
Reinsurance impacts	(6,078)
VIE and VOE assets, liabilities and noncontrolling interests	19,360
Unrealized (gains) losses	13,230
Ceded policy loans	(156)
Net investment receivables (payables)	120
Allowance for credit losses	748
Other investments	(59)
Total adjustments to arrive at gross invested assets	38,707
Gross invested assets	396,834
ACRA noncontrolling interests	(96,544)
Net invested assets	\$ 300,290

As of March 31, 2026, 97.5% of Athene's \$220 billion of AFS fixed maturity securities, including related parties, are designated NAIC categories 1 and 2 in accordance with guidelines approved by the NAIC (which includes modeled loan-backed and structured securities designated by the NAIC using "breakpoints" based on the U.S. insurer's statutory book price in determining NAIC designations; see "Management's Discussion and Analysis of Financial Condition and Results of Operations of the Company—Investments—Bonds and Short-Term Investments").

Net Reserve Liabilities

Athene principally offers two product lines: annuities and funding agreements. Its primary product line is annuities, which include fixed rate, indexed, payout and group annuities issued in connection with pension group annuity transactions and benefit plans. It also offers funding agreements and GICs issued in connection with defined contribution plans. Funding agreements include those issued to the Issuer in connection with the Program, secured and other funding agreements, which includes Athene's FABR program and direct funding agreements, funding agreements issued to the FHLB and repurchase agreements with an original maturity exceeding one year. In managing its business, Athene analyzes net reserve liabilities, which do not correspond to total liabilities. Net reserve liabilities represent Athene's policyholder and institutional liability obligations net of reinsurance and are used to analyze the costs of its liabilities. Net reserve liabilities include (a) interest sensitive contract liabilities, (b) future policy benefits, (c) net market risk benefits, (d) long-term repurchase obligations, (e) dividends payable to policyholders and (f) other policy claims and benefits, offset by reinsurance recoverable, excluding policy loans ceded. Net reserve liabilities include Athene's proportionate share of ACRA reserve liabilities, based on its economic ownership, but do not include the proportionate share of reserve liabilities associated with the noncontrolling interests. Net reserve liabilities are net of the ceded liabilities to third-party reinsurers as the costs of the liabilities are passed to such reinsurers and, therefore, Athene has no net economic exposure to such liabilities, assuming its reinsurance counterparties perform under the agreements. For such transactions, U.S. GAAP requires the ceded liabilities and related reinsurance recoverables to continue to be recorded in Athene's condensed consolidated financial statements despite the transfer of economic risk to the counterparty in connection with the reinsurance transaction. Athene includes the underlying liabilities assumed through modco reinsurance agreements in its net reserve liabilities calculation to match the liabilities with the expenses incurred.

The following summarizes Athene's net reserve liabilities by product for the period presented below:

<i>Unaudited (in millions, except percentages)</i>	March 31, 2026	
	Dollars	Percentage of Total
Indexed annuities	\$ 86,377	30.9 %
Fixed rate annuities	82,324	29.5 %
Total deferred annuities	168,701	60.4 %
Pension group annuities	24,249	8.7 %
Payout annuities	5,239	1.9 %
Funding agreements ¹	75,962	27.2 %
Life and other	5,038	1.8 %
Total net reserve liabilities	\$ 279,189	100.0 %

1. Funding agreements are comprised of funding agreements issued under the Company's FABN program, secured and other funding agreements, which include the Company's FABR program and direct funding agreements, funding agreements issued to the FHLB and long-term repurchase agreements.

The reconciliation of Athene's total liabilities to its net reserve liabilities is as follows:

<i>Unaudited (in millions)</i>	March 31, 2026
Total liabilities	\$ 414,104
Debt	(7,840)
Derivative liabilities	(5,835)
Payables for collateral on derivatives and short-term securities to repurchase	(5,285)
Other liabilities	(9,404)
Liabilities of consolidated VIEs	(2,131)
Reinsurance impacts	(12,763)
Ceded policy loans	(156)
Market risk benefit asset	(183)
Total adjustments to arrive at gross reserve liabilities	(43,597)
Gross reserve liabilities	370,507
ACRA noncontrolling interests	(91,318)
Net reserve liabilities	\$ 279,189

Athene's policyholder obligations are generally long-term in nature. However, policyholders may elect to withdraw some or all of their account value in amounts that exceed Athene's estimates and assumptions over the life of an annuity contract. Athene includes provisions within its annuity policies, such as surrender charges and market value adjustments ("MVAs"), which are intended to protect Athene from early withdrawals. Policies containing MVAs may have the effect of limiting early withdrawals if interest rates increase but may encourage early withdrawals by effectively subsidizing a portion of surrender charges when interest rates decrease.

The following table shows Athene's net reserve liabilities that are non-surrenderable, subject to penalty upon surrender and outside of a surrender charge period, in each case, as of March 31, 2026:

<i>Unaudited (in billions)</i>	March 31, 2026
Non-surrenderable ¹	\$ 104
Subject to penalty upon surrender	147
Outside of surrender charge period	28
Total net reserve liabilities	\$ 279

1. Includes buy-out pension group annuities, other than those that can be withdrawn as lump sums, funding agreements, payout annuities and guaranteed investment contracts.

As of March 31, 2026, approximately 69% of Athene's deferred annuity policies contained MVAs, and approximately 61% of policies outside of the surrender charge period have features that Athene believes will incentivize consumers to maintain such products.

Risk Management Framework

The Company, as a subsidiary of AHL, participates in AHL's risk management framework. The function of Athene's risk management framework is to identify, assess and prioritize risks to ensure that both senior management and the board of directors understand and can manage Athene's risk profile. The processes supporting risk management are designed to ensure that Athene's risk profile is consistent with its stated risk appetite and that it maintains sufficient capital and liquidity to support its corporate plan, while meeting the requirements imposed by its policyholders, regulators and other stakeholders. Risk management strives to maximize the value of Athene's existing business platform to stockholders, preserve its ability to realize business and market opportunities under stressed market conditions and withstand the impact of severely adverse events.

The risk management framework includes a governance committee structure that supports accountability in current risk-based decision making and effective risk management. Governance committees are established at three levels: the board of directors, AHL management and subsidiary management. Athene utilizes a host of assessment tools to monitor and assess its risk profile, results of which are shared with senior management periodically at management-level committees such as the risk committee and the investment and asset liability committee and with the board of directors quarterly. Business management retains the primary responsibility for day-to-day management of risk.

The risk management team consists of seven teams: Strategic, Liability and Model Risk; Market, Credit and Asset Liability Management (“ALM”) Risk; Liquidity, Business and Operational Risk; Risk Platform and Analytics; Derivatives and Structured Solutions; Derivatives Risk Management; and Risk Operations and Change Management. The risk management team is led by AHL’s Chief Risk Officer, who reports to the chair of the AHL Risk Committee. The risk management team comprises more than 60 dedicated, full-time employees.

Products

The Company had direct and assumed premiums and deposits of \$19.4 billion for the three months ended March 31, 2026. Set forth below is a table of the Company’s principal businesses by the amount of net premium:

	Three Months Ended March 31, 2026 (Unaudited)	Year Ended December 31, 2025 (Unaudited)	Year Ended December 31, 2024 (Unaudited)
		(\$ In thousands)	
Premiums and Deposits			
Annuities			
Indexed	\$ 3,145,503	\$ 16,938,608	\$ 15,118,979
Fixed rate	6,247,491	26,585,425	23,809,268
Payout ⁽¹⁾	339,494	509,422	(4,618)
Pension group annuities	(122)	751,489	915,610
Direct and assumed annuity products	9,732,366	44,784,944	39,839,239
Funding agreements	8,530,970	33,700,184	29,248,091
Life and other ⁽²⁾	1,159,801	733,176	234,694
Direct and assumed premiums and deposits	19,423,137	79,218,304	69,322,024
Ceded premiums and deposits	(13,261,835)	(56,690,450)	(43,605,371)
Net Premiums and Deposits	\$ 6,161,302	\$ 22,527,854	\$ 25,716,653

(1) Payout premiums and deposits in 2024 include assumed affiliated reinsurance recapture premiums. During 2024, the block assumed from Structured Annuity Reinsurance Company was recaptured resulting in negative premiums of \$218.1 million.

(2) Life and Other includes premiums from group annuity contracts issued in connection with health savings account plans, life, accident and health, variable annuity and deposits from GICs.

The following summarizes the Company's general and separate accounts U.S. SAP Reserves by product as of the dates presented below:

	March 31, 2026 (Unaudited)	December 31, 2025 (Unaudited)
Products ⁽¹⁾	(\$ In thousands)	
Annuities		
Indexed	\$ 65,317,891	\$ 65,324,959
Fixed rate	53,453,937	49,769,606
Payout	2,865,408	2,572,487
Pension group annuities	40,977,524	41,591,424
Total annuity products	162,614,760	159,258,476
Funding agreements	90,654,651	85,458,316
Life and other ⁽²⁾	1,911,661	803,535
Total reserves	\$ 255,181,072	\$ 245,520,327

(1) Reserves are net of assumed and ceded coinsurance but exclude balances reported separately within funds held under reinsurance of \$68,730.2 million and \$66,455.7 million as of March 31, 2026 and December 31, 2025, respectively.

(2) Life and Other includes group annuity contracts issued in connection with health savings account plans, life, accident and health, variable annuity and deposits from GICs.

Annuities

Fixed Rate Annuities. Fixed rate annuities include annual reset annuities and multi-year guarantee annuities (“MYGAs”). Fixed rate annuities earn interest at a set rate (or declared crediting rate), rather than at a rate that may vary based on an index. Fixed rate annual reset annuities have a crediting rate that is typically guaranteed for one year. After such period, the Company has the ability to change the crediting rate at the Company's discretion, generally once annually, to any rate at or above a guaranteed minimum rate. MYGAs are similar to annual reset annuities except that the initial crediting rate is guaranteed for a specified number of years, rather than just one year, before it may be changed at the Company's discretion. After the initial crediting period, MYGAs can generally be reset annually.

Fixed Indexed Annuities. FIAs are a type of insurance contract in which the policyholder makes one or more premium deposits that earn interest, on a tax deferred basis, at a crediting rate based on a specified market index, subject to a contractually specified cap, spread or participation rate. FIAs allow policyholders the possibility of earning interest without significant risk to principal, unless the contract is surrendered during a surrender charge period. A market index tracks the performance of a specific group of stocks or other assets representing a particular segment of the market, or in some cases, an entire market. The Company generally buys options on the indices to which the FIAs are tied to hedge the associated market risk. The cost of the option is priced into the overall economics of the product as an option budget.

Registered Index-Linked Annuities. Registered index-linked annuities (“RILAs”) are similar to FIAs in offering the policyholder the opportunity for tax-deferred growth based in part on the performance of a market index. Compared to an FIA, RILAs have the potential for higher returns but also have the potential for risk of loss to principal and related earnings. RILAs provide the ability for the policyholder to participate in the positive performance of certain market indices during a term, limited by a contractually specified cap or adjusted for a contractually specified participation rate. Negative performance of the market indices during a term can result in negative policyholder returns, with contractually specified downside protection typically provided in the form of either a “buffer” or a “floor” to limit the policyholder's exposure to market loss. A “buffer” is protection from negative exposure up to a certain percentage, such as 10 or 20 percent. A “floor” is protection from negative exposure less than a stated percentage (i.e., the policyholder risks exposure of loss up to the “floor,” but is protected against any loss in excess of this amount).

Payout Annuities. Payout annuities primarily consist of single premium immediate annuities (“SPIAs”), supplemental contracts and structured settlements. Payout annuities provide a series of periodic payments for a fixed period of time or for the life of the policyholder, based upon the policyholder's election at the time of issuance. The

amounts, frequency and length of time of the payments are fixed at the outset of the annuity contract. SPIAs are often purchased by persons at or near retirement age who desire a steady stream of payments over a future period of years. Supplemental contracts are typically created upon the conversion of a death claim or the annuitization of a deferred annuity. Structured settlements generally relate to legal settlements.

The Company generates income on fixed rate, indexed and payout annuity products by earning an investment spread, based on the difference between (1) income earned on the investments supporting the liabilities and (2) the cost of funds, including fixed interest credited to customers, option costs on indexed products, the cost of providing guarantees (net of rider fees) and policy issuance, maintenance and distribution costs.

Private Placement Variable Annuities. Private placement variable annuities (“PPVAs”) are not registered with the SEC and currently are only offered by private placement to purchasers meeting the requirements as a qualified purchaser and/or an accredited investor under applicable federal securities laws. Variable annuities allow policyholders to participate directly in the investment experience of the underlying investment vehicles offered through the product. In a variable annuity, the policyholder assumes the full investment risk of the investment options chosen. The product allows the policyholder to allocate their money to a variety of variable separate account divisions that invest in a suite of underlying investment options and the potential to accumulate cash value on a tax-deferred basis. The Company’s PPVA product provides access to a suite of Apollo managed funds and other product offerings with no surrender charges and no guaranteed lifetime withdrawal benefit or guaranteed minimum death benefit features. The Company generates income on its PPVA products by collecting a fee that is a function of the policyholder’s account value.

Group Annuities

Group annuities issued in connection with pension group annuity transactions usually involve a single premium group annuity contract issued to discharge certain pension plan liabilities. The group annuities that the Company issues are nonparticipating contracts. The assets supporting the guaranteed benefits for each contract may be held in a separate account. Group annuity benefits may be purchased for current, retired and/or terminated employees and their beneficiaries covered under terminating or continuing pension plans. Both immediate and deferred annuity certificates may be issued pursuant to a single group annuity contract. Immediate annuity certificates cover those retirees and beneficiaries currently receiving payments, whereas deferred annuity certificates cover those participants who have not yet begun receiving benefit payments. Immediate annuity certificates have no cash surrender rights, whereas deferred annuity certificates may include an election to receive a lump sum payment, exercisable by the participant upon either the participant achieving a specified age or the occurrence of a specified event, such as termination of the participant’s employment.

A pension group annuity transaction may be structured as a buyout or buy-in transaction. A buyout transaction involves the issuance by an insurer of a group annuity contract to the plan sponsor and individual annuity certificates to each plan participant, resulting in the transfer of the contractual obligation to pay pension benefits from the plan sponsor to the insurer. A buyout transaction may be a full buyout or a partial buyout. A pension group annuity transaction structured as a buy-in includes an option to convert to buyout at the election of the plan sponsor, or the option to be surrendered at the election of the plan sponsor, subject to certain conditions that may reflect both a market value adjustment and a surrender charge, resulting in a refund in an amount determined in accordance with the group annuity contract. Generally, a buy-in structure is selected when the plan sponsor seeks to eliminate risk but is not yet prepared to terminate the plan or recognize any adverse accounting impact that may accompany a plan termination. During the buy-in phase, the group annuity contract represents an asset of the plan sponsor with no annuity certificates issued to the plan participants unless and until an election is made under the contract to convert to a buyout.

The Company earns income on group annuities based upon the spread between the return on the assets received in connection with the pension group annuity transaction and the cost of the pension obligations assumed. Group annuities expose the Company to longevity risk, which would be realized if plan participants live longer than assumed in underwriting the transaction, resulting in aggregate payments that exceed the Company’s expectations. However, the Company’s conservative underwriting process makes use of a wealth of reliable pre- and post-selection participant data, including mortality experience data, particularly for mid- to large-sized transactions, to mitigate this risk.

Group fixed indexed annuities are issued as a guaranteed lifetime income solution for defined contribution plans. This involves the use of a target date fund, which can serve as a defined contribution plan's qualified default investment alternative. The target date fund provides guaranteed lifetime income by purchasing group fixed indexed annuities with guaranteed lifetime withdrawal benefits that the Company issues to the target date fund. The fixed indexed annuities are an asset class within the target date fund's asset allocation. The allocation to fixed indexed annuities begins, on average, at age 47 for each vintage of the target date fund and gradually increases with incremental purchases of group fixed indexed annuities to provide a pre-defined level of guaranteed income starting at age 65.

The Company generates income on group fixed indexed annuity products distributed to defined contribution target date funds in a similar manner to its fixed indexed annuities sold through the retail distribution channel. Specifically, the Company earns an investment spread, based on the difference between (1) income earned on the investments supporting the liabilities and (2) the cost of funds, including option costs, the cost of providing guarantees and institutional policy issuance, maintenance and distribution costs.

Funding Agreements

The Company issues funding agreements opportunistically to institutional investors at attractive risk-adjusted funding costs. They are designed to provide an agreement holder with a guaranteed return of principal and periodic interest payments, while offering competitive yields and predictable returns. The interest rate can be fixed or floating. If the interest rate is a floating rate, it may be linked to the Secured Overnight Financing Rate, the federal funds rate or another major index. As of March 31, 2026, the Company had \$34.5 billion in aggregate funding agreement deposits outstanding under the Program, \$28.2 billion in aggregate funding agreement deposits outstanding to the Federal Home Loan Bank of Des Moines, \$21.5 billion in aggregate funding agreement deposits outstanding under the Company's secured funding agreement backed repurchase agreement program, pursuant to which a special-purpose, unaffiliated entity entered into repurchase agreements with a bank and the proceeds of the repurchase agreements were used by the special-purpose entity to purchase funding agreements from the Company and \$6.3 billion of other funding agreement issuances.

Life and Other

Life and other products include life insurance policies assumed through reinsurance transactions, GICs issued in connection with defined contribution plans, other retail products, including legacy run-off or ceded business, and statutory closed blocks.

GICs are designed similar to funding agreements, where the contract holder is guaranteed a return of principal plus interest.

Reinsurance

The Company is party to reinsurance arrangements, pursuant to which it cedes certain risks associated with its core business to its affiliates, primarily Athene Annuity Re Ltd. ("**AARe**"). The Company has entered into modco agreements (the "**FA Modco Agreements**") with AARe, pursuant to which it cedes to AARe a quota share, including those funding agreements issued in connection with the Program, as specified by the Company, of its obligations to repay the principal upon maturity or termination and to make periodic interest payments under certain funding agreements issued by the Company. The Company has entered into modco agreements ("**Other Modco Agreements**") and, together with the FA Modco Agreements, the "**Modco Agreements**" and each a "**Modco Agreement**") and a funds withheld coinsurance agreement (the "**FWH Agreement**") with AARe with respect to substantially all of its other core business, pursuant to which it generally cedes to AARe an 80% quota share of all such business.

Under the Modco Agreements with AARe, the Company retains both the reserves and the assets supporting those reserves, with the assets held in a Modco Account (the "**Modco Account**"). Although AARe is not required to establish any reserves in connection with modco transactions, it is required to hold capital related to the modco reserves that are retained by the Company as if the reserves were explicitly recorded on the balance sheets of AARe. The profit and loss with respect to reserve liabilities and the assets supporting the reserves flow from the Company to AARe through periodic net settlements. The Company is authorized under the Modco Agreements to make payments on the ceded liabilities directly from the Modco Account. The assets maintained in the Modco Account are valued at statutory

carrying value for purposes of determining settlement amounts. Under the Modco Agreements, the Company has an obligation to make payments to AARE to the extent that the statutory carrying value of the assets maintained in the applicable Modco Account exceeds 100% of the applicable reserves, and AARE has an obligation to make a payment to the Company to the extent that the statutory carrying value of the assets maintained in the Modco Account is less than 100% of the applicable reserves.

Under the FWH Agreement, the Company transfers the reserves to AARE, whereas the assets supporting the reserves are retained by the Company. As such, AARE is required to establish reserves for obligations ceded pursuant to the FWH Agreement and to hold capital against such reserves. The profit and loss with respect to the business and the assets supporting the reserves flow from the Company to AARE through periodic net settlements. The FWH Agreement requires the Company to establish a segregated funds withheld account (“**FWH Account**”) in which the funds withheld assets (i.e., the assets supporting the related reserves for all reinsured contracts under the FWH Agreement) are maintained. The Company is authorized under the FWH Agreement to make payments on the business directly from the FWH Account. The assets maintained in the FWH Account are valued at statutory carrying value for purposes of determining settlement amounts. Under the FWH Agreement, the Company has an obligation to make payments to AARE to the extent that the statutory carrying value of the assets maintained in the FWH Account exceeds 100% of the reserves maintained by AARE with respect to the reinsured business.

The following summarizes the Company's general and separate accounts U.S. SAP Reserves, as of the dates presented below, that have been ceded to AARe under the Modco Agreements and FWH Agreements:

	March 31, 2026	December 31, 2025
	(Unaudited)	(Unaudited)
Reserves	(\$ In thousands)	
Annuities		
Indexed	\$ 70,779,402	\$ 69,827,823
Fixed rate	78,171,064	74,306,381
Payout	2,315,649	2,082,491
Pension group annuities	32,782,019	33,273,139
Total annuity products	184,048,134	179,489,834
Funding agreements	56,485,236	54,028,035
Life	36,509	37,327
Total reserves	\$ 240,569,879	\$ 233,555,196

Investment Management

Investment activities are an integral part of the Company's business, and its net investment income is a significant component of the Company's total revenues. The Company's investment philosophy is to invest a portion of the Company's assets in securities that earn incremental yield by taking measured liquidity and complexity risk and capitalizing on the Company's long-dated, persistent liability profile to prudently achieve higher net investment earned rates, rather than assuming incremental credit risk.

The Company has executed an IMA with Apollo Insurance Solutions Group LP ("ISG"), pursuant to which ISG and certain of its affiliates, including Apollo, manage substantially all of the Company's portfolio. Apollo's investment team and credit portfolio managers utilize their deep experience to assist Athene, including the Company, in sourcing and underwriting complex asset classes. Apollo has selected a diverse array of primarily high-grade fixed income assets including corporate bonds, structured securities and commercial and residential real estate loans, among others. Athene also maintains holdings in floating rate and less rate-sensitive instruments, including CLOs, non-agency RMBS and various types of structured products. In addition to its core fixed income portfolio, Athene opportunistically allocates approximately 5% of its overall portfolio to alternative investments where it primarily focuses on fixed income-like, cash flow-based investments. Athene's alternative investment strategy is inherently opportunistic rather than being derived from allocating a fixed percentage of assets to the asset class and the strategy is subject to internal concentration limits.

The percentage of each general and separate accounts asset class held by the Company, based on statutory carrying value, as of the dates presented below are as follows:

	March 31, 2026 (Unaudited)		December 31, 2025 (Unaudited)	
	Carrying Value	% of Total	Carrying Value	% of Total
	(\$ In thousands)			
Asset Class:				
Corporate Bonds	\$ 78,592,928	23 %	\$ 76,520,194	24 %
Municipal and Other Government Bonds	19,918,150	6	17,802,142	5
ABS (non-MBS, CLO)	51,027,803	15	48,983,281	15
CMBS	13,180,736	4	13,574,756	4
RMBS	7,393,127	2	7,853,772	2
Mortgage Loans	93,876,404	28	92,521,889	29
Real Estate	233,203	—	219,236	—
CLO	27,600,186	8	29,585,291	9
Other Invested Assets	21,300,968	7	20,509,296	6
Investments in Subsidiaries	511,318	—	508,666	—
Short-term Investments	13,786	—	30,593	—
Other	24,107,712	7	20,801,759	6
Total	\$ 337,756,321	100 %	\$ 328,910,875	100 %

The following sets forth the NAIC designations for the bond portfolio as of March 31, 2026, and December 31, 2025. The Company's presentation consists of general and separate accounts, long-term bonds and short-term investments.

Total Bond Portfolio Credit Quality					
NAIC Designation	Equivalent NRSRO Designation	March 31, 2026 (Unaudited)		December 31, 2025 (Unaudited)	
		Carrying Value	% of Total	Carrying Value	% of Total
		(\$ In thousands)			
1	AAA/AA/A	\$ 112,728,319	57 %	\$ 111,873,398	57 %
2	BBB	80,211,747	41	77,128,041	40
3	BB	2,608,190	1	2,947,732	2
4	B	1,600,090	1	1,661,499	1
5	CCC	420,116	—	548,863	—
6	CC and lower	158,254	—	190,498	—
		\$ 197,726,716	100 %	\$ 194,350,031	100 %

Properties

The Company's headquarters is located in West Des Moines, Iowa and is owned by a non-insurance company subsidiary of AUSA. The Company believes that this space will be sufficient for it to conduct its operations for the foreseeable future.

Legal Proceedings

The Company is subject to litigation arising in the ordinary course of its business, including litigation principally relating to FIA products sold in prior periods. The Company cannot provide any assurance that its insurance coverage will be adequate to cover all liabilities arising out of such claims. The outcomes of legal proceedings and claims brought against the Company or its insurance subsidiaries are subject to significant uncertainty. There is significant judgment required in assessing both the probability of an adverse outcome and the determination as to whether an exposure can be reasonably estimated. In management's opinion, the ultimate disposition of any current legal proceedings or claims brought against the Company will not have a material effect on the Company's financial condition, results of operations or cash flows. Litigation is, however, inherently uncertain and an adverse outcome from such litigation could have a material effect on the operating results of a particular reporting period. Certain significant legal proceedings to which the Company is currently a party are detailed below. In addition, from time to time, in the ordinary course of business and like others in the insurance and financial services industries, the Company receives requests for information from government agencies in connection with such agencies' regulatory or investigatory authority. Such requests can include financial or market conduct examinations, subpoenas or demand letters for documents to assist the agency in audits or investigations. The Company reviews such requests and notices and take appropriate action. The Company has been subject to certain requests for information and investigations in the past and could be subject to them in the future.

It is possible that other regulators may pursue similar formal examinations, inquiries or enforcement proceedings and that any examinations, inquiries and/or enforcement proceedings may result in fines, administrative penalties and payments to policyholders. While the Company does not expect the amount of any such fines, penalties or payments arising from these matters to be material to its business, financial condition, results of operations, liquidity or cash flows, it is possible that such amounts could be material.

REGULATION

The Company is licensed to transact its insurance business in, and is subject to, regulation and supervision by, Puerto Rico, the District of Columbia and all states other than the State of New York (in which the Company's direct and indirect subsidiaries, AANY and ALICNY, are licensed to transact insurance business). The Company's business is also subject to certain international regulations and frameworks as well as the laws and regulations of various other jurisdictions. A summary of certain of the laws, regulations and frameworks to which the Company is subject is set forth below.

From time to time, in the ordinary course of business and like others in the insurance and financial services industries, the Company receives requests for information from government agencies in connection with such agencies' regulatory or investigatory authority. Such requests can include market conduct examinations, subpoenas or demand letters for documents to assist the government in audits or investigations. The Company reviews such requests and notices and takes appropriate action. The Company has been subject to certain requests for information and investigations in the past and could be subject to them in the future.

General

The Company is organized and domiciled in Iowa. The Company is regulated by the IID, as its domiciliary state regulator, as well as each of the insurance regulators in the other states where the Company is authorized to transact insurance business. The primary purpose of such regulatory supervision is to protect policyholders. The extent of regulation varies by state, but generally, state insurance regulators have broad administrative powers over the business activities and financial aspects of the Company. This includes licensing producers who sell the Company's products, regulating premium rates and approving policy forms, establishing reserve requirements, solvency standards, and minimum capital requirements, regulating the type, amounts and valuations of permitted investments, examining the business conduct of licensed insurance companies and other related matters.

From time to time, increased scrutiny has been placed upon the U.S. insurance regulatory framework, and a number of state legislatures have considered or enacted legislative measures that alter, and in many cases increase, state authority to regulate insurance and reinsurance companies. In addition to legislative initiatives of this type, the NAIC and state insurance regulators are regularly involved in a process of reexamining existing laws and regulations and their application to insurance and reinsurance companies.

Furthermore, while the federal government in most contexts currently does not directly regulate the insurance business, federal legislation and administrative policies in a number of areas, such as employee benefits and pension regulation, age, sex and disability-based discrimination, financial services regulation, securities regulation, derivatives regulation, privacy regulation and federal taxation, can significantly affect the insurance business. In addition, the Dodd-Frank Act established the FIO to perform various functions with respect to insurance. It is not possible to predict the future impact of changing regulation on the Company's operations.

In addition, as part of Athene's acquisition of AUSA, Athene acquired a special purpose insurance company, Athene Re IV, which is a subsidiary of the Company. Athene Re IV is domiciled in Vermont and provides reinsurance to the Company in order to facilitate the financing of the current deficit on a closed block of policies resulting from the demutualization of a prior insurance company currently part of the Company. As part of the acquisition of the Company, the liabilities associated with such closed block of insurance policies, including any exposure to payments due from such special purpose insurance company subsidiary, were reinsured to Accordia Life and Annuity Company. Athene does not actively write business that requires the use of captive reinsurers. The substantial majority of all policyholder obligations written or held by AHL's insurance subsidiaries are ultimately reinsured to AARE, a fully licensed, operational and fully equity capitalized reinsurance company with third-party clients.

NAIC

The NAIC is an organization, the mandate of which is to benefit state insurance regulatory authorities and consumers by promulgating model insurance laws and regulations for adoption by the states. The NAIC also provides standardized insurance industry accounting and reporting guidance through the NAIC Accounting Practices and Procedures Manual. However, model insurance laws and regulations are only effective when adopted by the states. State insurance regulators and the NAIC regularly re-examine existing laws and regulations applicable to insurance

companies and their products. In addition, statutory accounting and reporting principles continue to be established by individual state laws, regulations and permitted practices, which may differ from the Accounting Practices and Procedures Manual. Such modifications by the various state insurance departments may affect the statutory capital and surplus of the Company.

Some of the NAIC pronouncements, particularly as they affect accounting issues, take effect automatically in the various states without affirmative action by the states. Statutes, regulations and interpretations may be applied with retroactive impact, particularly in areas such as accounting and reserve requirements. Also, regulatory actions with prospective impact can potentially have a significant impact on products that the Company currently sells. The NAIC continues to work to reform state regulation in various areas, including reporting requirements for investment transactions with related parties that are not “affiliated” under the NAIC’s Insurance Holding Company System Regulatory Act and Model Regulation (the “**Holding Company Model Act**”).

Internationally Active Insurance Groups and the Common Framework for the Supervision of Internationally Active Insurance Groups

At the end of 2019, the IAIS adopted the Common Framework for the Supervision of Internationally Active Insurance Groups (“**ComFrame**”), which will apply for all IAIGs that meet the IAIS’ criteria and are designated as an IAIG by their group-wide supervisor. A group-wide supervisor also has discretion to determine that a group either (1) is not an IAIG even if it meets the criteria or that a group is an IAIG even if it does not meet the IAIS’ criteria or (2) is an IAIG even if it does not meet the IAIS’ criteria.

ComFrame establishes international standards for the designation of a group-wide supervisor for each IAIG, and the IAIS includes a group capital requirement (the global insurance capital standard (“**ICS**”)) applicable to an IAIG in addition to the current legal entity capital requirements and any group capital requirements imposed by relevant insurance laws and regulations. The ICS was adopted by the IAIS in December 2024 and is being implemented by jurisdictions as a prescribed capital requirement (“**PCR**”). U.S. members of the IAIS will be subject to an alternative approach to the ICS, called the Aggregation Method (“**AM**”). Like the GCC, the AM is an RBC aggregation-based approach. The IAIS assessed whether the AM provides comparable outcomes to the ICS and in November 2024, the IAIS finalized the comparability assessment and concluded that the U.S. AM provides a basis for implementation of the ICS to produce comparable outcomes. Thus, the AM will be the U.S.’s implementation of the ICS for U.S. based IAIGs.

ComFrame also includes uniform standards for insurer corporate governance, enterprise risk management and other control functions and resolution planning. The Holding Company Model Act, which has been adopted in Iowa, allows state insurance regulators in the U.S. to be group-wide supervisors for US-based IAIGs and also acknowledge another regulatory official acting as the group-wide supervisor of an IAIG. On February 6, 2024, the IID identified AGM as meeting the criteria as an IAIG and further identified AHL as the Head of the IAIG. As a result of these identifications, the Company will be subject to the AM as a U.S. IAIG. At this time, the Company does not expect a significant impact on AHL’s capital position or capital structure; however, the Company cannot fully predict with certainty the impact (if any) on its capital position or capital structure and any other burdens being named an IAIG may impose on the Company or its insurance affiliates. While the Company cannot predict the exact nature, timing or scope of possible governmental initiatives, there may be increased regulatory intervention in the insurance and financial services industry in the future.

Own Risk and Solvency Assessment (“ORSA”) Model Act

The Company is subject to the ORSA Model Act, which has been enacted by Iowa, and requires insurance companies to assess the adequacy of their and their group’s risk management and current and future solvency position. Under the ORSA Model Act, certain insurers must undertake an internal risk management review at least annually (but also at any time when there are significant changes to the risk profile of the insurer or its insurance group), in accordance with the NAIC’s ORSA Guidance Manual, and prepare an ORSA Summary Report (the “**ORSA Report**”) assessing the adequacy of the insurer’s risk management and capital in light of its current and future business plans. The ORSA Report is required to be filed with a company’s lead state regulator and made available to other domiciliary regulators within the holding company system. The Company files the ORSA Report with the IID, as its lead state regulator, and provides a copy of the ORSA Report to the New York Department of Financial Services (“**NYSDFS**”).

Corporate Governance Annual Disclosure Model Act and Model Regulation (together, the “Corporate Governance Model Act”)

The Company is subject to the Corporate Governance Model Act, a form of which has been adopted by Iowa and requires an insurer to provide an annual disclosure regarding its corporate governance practices to its lead state and/or domestic regulator. The Company is in compliance with the Corporate Governance Model Act as adopted by Iowa.

The NAIC continues to implement a principles-based approach to reserving for life insurance and variable annuity contracts, known as PBR, which has been adopted in Iowa. The NAIC has also developed a PBR framework for non-variable annuities, known as VM-22, which became effective on January 1, 2026, with a three-year optional implementation period. This framework is expected to become mandatory on January 1, 2029. The NAIC’s Life Actuarial (A) Task Force is currently considering further revisions for VM-22 specific to pension risk transfer annuities. The ultimate financial impact from PBR on the Company is uncertain, but could result in more volatile and less predictable reserve and capital levels for these products.

Insurance Holding Company Regulation

Each direct and indirect parent of the Company is subject to the insurance holding company laws of Iowa. These laws generally require an insurance holding company and insurers that are members of such holding company system to register with their domestic insurance regulators and to file certain reports with those authorities, including information concerning their capital structure, ownership, financial condition, certain intercompany transactions and general business operations. Generally, under these laws, transactions between the Company and its affiliates, including any reinsurance transactions and affiliated investment, must be fair and reasonable and, if material or included within a specified category, require prior notice and approval or non-disapproval by the insurance department of their respective domiciliary state.

Most states, including Iowa, have insurance laws that require regulatory approval of a direct or indirect change of control of an insurer, which would include a change of control of its holding company. Laws such as these prevent any person from acquiring direct or indirect control of the Company unless that person has filed a statement with specified information with the commissioner, of the IID (the “**Commissioner**”) and has obtained the Commissioner’s prior approval. Under most states’ statutes, including those of Iowa, acquiring 10% or more of a voting interest in an insurance company or its parent company is presumptively considered a change of control, although such presumption may be rebutted. Accordingly, any person who acquires 10% or more of a voting interest in a direct or indirect parent of the Company (including AHL) without the prior approval of the Commissioner will be in violation of Iowa’s law and may be subject to injunctive action requiring the disposition or seizure of those securities by the Commissioner or prohibiting the voting of those securities and/or to other actions determined by the Commissioner. Further, a willful violation of these laws is punishable in Iowa as a criminal offense.

These laws may discourage potential acquisition proposals and may delay, deter or prevent an acquisition of control of a direct or indirect parent of the Company (including AHL) (in particular through an unsolicited transaction), even if the shareholders of such parent consider such transaction to be desirable.

The NAIC has also published in its Financial Analysis Handbook specific narrative guidance for state insurance examiners to consider in reviewing applications for an acquisition of insurance and reinsurance companies by a private equity firm. The NAIC also is undertaking a review of regulatory considerations applicable to insurers and reinsurers owned by a private equity firm and has appointed the Macroprudential (E) Working Group to coordinate this workstream and has adopted a final list of “Regulatory Considerations Applicable (But Not Exclusive) to Private Equity (PE) Owned Insurers.” The Macroprudential (E) Working Group has referred requests to various NAIC working groups for further assessment of the considerations described in the list. The Macroprudential (E) Working Group will monitor the overall progress of such work throughout the NAIC. Accordingly, the Company is currently unable to predict the impact of such NAIC activities on its business, including its investment activities.

In addition, many state insurance laws require prior notification to state insurance departments of a change in control of a non-domiciliary insurance company doing business in that state. While these pre-acquisition notification statutes do not authorize the state insurance departments to disapprove the change in control, they authorize regulatory action in the affected state if particular conditions exist such as undue market concentration. Any future transactions

that would constitute a change in control of the Company may require prior notification in those states that have adopted pre-acquisition notification laws.

The Iowa insurance holding company laws also require the ultimate controlling party to file an annual enterprise risk report identifying the material risks within the insurance holding company system that could pose enterprise risk to the licensed companies. An enterprise risk is generally defined as an activity or event involving affiliates of an insurer that could have a material adverse effect on the insurer or the insurer's holding company system.

Group Capital

The Iowa HCA requires, subject to certain exceptions, the ultimate controlling person of every insurer subject to the holding company registration requirement to file an annual GCC with its lead state on a confidential basis. The GCC is a tool developed by the NAIC to provide U.S. insurance regulators with a method to aggregate the available capital and the minimum capital of each entity in a group in a manner that applies to groups meeting certain criteria regardless of their structure. The Iowa HCA also requires the ultimate controlling person for certain large U.S. life insurers and insurance groups to file the results of a liquidity stress test ("LST") annually with the lead state regulator of the insurance group. The LST utilizes a company cash-flow projection approach incorporating liquidity sources and uses over various time horizons under a baseline assumption and stress scenarios that may vary from year to year. The NAIC has stated that the GCC will be a regulatory tool and will not constitute a requirement or standard; however, these regulatory requirements may over time increase the amount of capital that the Company is required to hold and could result in the Company being subject to increased regulatory requirements.

Proposed Disclosure of Funding Agreement Backed Note Programs

NAIC working groups are considering topics related to FABN and similar programs, including a proposal currently under consideration to provide regulators with enhanced disclosures for funding agreements that support such programs. On March 23, 2026, the NAIC exposed draft revisions to the Annual Statement to require disclosures on FABN programs and similar structures. Such disclosure would include, among other information, the balance of funding agreements per type of issuance, the maturity distribution of funding agreements and whether such arrangements have a fixed or floating interest rate. In addition, on April 27, 2026, the NAIC's Receivership and Insolvency (E) Task Force exposed questions on the review of the priority status of funding agreements.

Restrictions on Dividends and Other Distributions

Current law of Iowa permits the payment of ordinary dividends or distributions which, together with dividends or distributions paid during the preceding twelve months, do not exceed the greater of (1) 10% of the insurer's surplus as regards policyholders as of the immediately preceding year end or (2) the net gain from operations of the insurer for the preceding twelve-month period ending as of the immediately preceding year end. Current law of New York permits the payment of dividends or distributions which, together with dividends or distributions paid during any calendar year, (1) is out of earned surplus and does not exceed the greater of (a) 10% of the insurer's surplus as regards policyholders as of the end of the immediately preceding calendar year or (b) the net gain from operations of the insurer for the immediately preceding calendar year, not including realized capital gains, not to exceed 30% of the insurer's surplus as regards policyholders as of the end of the immediately preceding calendar year; or (2) do not exceed the lesser of (a) 10% of the insurer's surplus as regards policyholders as of the end of the immediately preceding calendar year or (b) the net gain from operations of the insurer for the immediately preceding calendar year, not including realized capital gains. Any proposed dividend in excess of these amounts is considered an extraordinary dividend or extraordinary distribution and may not be paid until it has been approved, or a 30-day waiting period has passed during which it has not been disapproved, by a Commissioner. Additionally, under the current law of Iowa, the Company may only pay ordinary dividends from the insurer's earned surplus on its business, which shall not include contributed capital or contributed surplus and under the current law of New York, AANY and ALICNY may only pay ordinary dividends pursuant to the "greater of" standard described above from that part of its positive unassigned funds, excluding 85% of the change in net unrealized capital gains or losses less capital gains tax, for the immediately preceding year. The insurance laws and regulations of Iowa and New York also require that an insurer's surplus as regards policyholders following any dividend or distribution be reasonable in relation to such insurer's outstanding liabilities and adequate to meet its financial needs.

Based on the Company's statutory basis financial results as of December 31, 2025, the Company may not declare or pay common stockholder dividends in 2026 without obtaining approval from the Iowa Commissioner. As of May 18, 2026, the Company had not paid any dividends to its common stockholder in 2026.

Credit for Reinsurance Ceded

The ability of a ceding insurer to take reserve credit for the business ceded to reinsurance companies through coinsurance is a significant component of reinsurance regulation and is often a determining factor in establishing a reinsurance relationship. Under the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010, only the state in which a ceding insurer is domiciled may regulate the financial statement credit for reinsurance taken by that ceding insurer. With respect to U.S.-domiciled ceding companies, credit is typically granted when (i) the reinsurer is licensed or accredited in the state where the ceding company is domiciled; (ii) the reinsurer is domiciled in a state with credit for reinsurance laws and regulations that are substantively similar to the credit for reinsurance laws and regulations in the ceding insurer's state of domicile and the reinsurer meets certain financial requirements; or (iii) other conditions are satisfied, such as the reinsurer securing its obligations to the cedent with qualified collateral.

Athene's Bermuda reinsurance subsidiaries have provided, and may in the future provide, reinsurance to the Company in the normal course of business. As none of Athene's Bermuda reinsurance subsidiaries are licensed, accredited or approved in any U.S. state or jurisdiction, unless certain conditions are satisfied (see below), when engaging in coinsurance transactions, each of Athene's Bermuda reinsurance subsidiaries must collateralize its obligations to the Company in order for the Company to obtain credit against its reserves on its statutory basis financial statements.

Credit for reinsurance laws and regulations adopted by the various states are based on the NAIC's Credit for Reinsurance Model Law and Regulation ("**Credit for Reinsurance Model Law**") and provide that collateral requirements may be reduced for reinsurance ceded to certain unauthorized or non-accredited non U.S.-based reinsurers that satisfy certain criteria to qualify as to a certified reinsurer.

All states, the District of Columbia and Puerto Rico have adopted the NAIC's 2019 revisions to the Credit for Reinsurance Model Law to allow a ceding insurer to take credit for reinsurance ceded to a qualifying unauthorized reinsurer without collateral if the reinsurer satisfies certain conditions, including being domiciled in a reciprocal jurisdiction. The NAIC has approved Bermuda as a reciprocal jurisdiction. Athene's Bermuda reinsurance subsidiaries are eligible to apply to the adopting states for a determination that they have satisfied the conditions specified in the 2019 revisions and, to the extent any such determinations are made, will not be required by law on a prospective basis to post collateral with respect to reinsurance ceded by insurers domiciled in such states. Each of ALRe and AARE has received a determination that it satisfies the conditions to forgo the collateral posting requirements in Iowa with respect to business ceded by the Company pursuant to any coinsurance agreement entered into, amended or renewed on or after the effective date of the 2019 revisions to the Credit for Reinsurance Model Law as adopted by Iowa, and only with respect to losses incurred and reserves reported on or after the later of (1) date on which ALRe or AARE has met all eligibility requirements to be designated a Reciprocal Jurisdiction Reinsurer, and (2) the effective date of the new reinsurance agreement, amendment or renewal pursuant to the provisions of the Credit for Reinsurance Model Law as adopted by Iowa.

On August 13, 2025, the NAIC adopted an actuarial guideline requiring disclosure related to reserve adequacy for reserves reported as of December 31, 2025 in an insurer's annual statement. The guideline requires asset adequacy testing for long-duration insurance business that relies heavily on asset returns (i.e., "asset-intensive reinsurance transactions") within the scope of the guideline that either meet certain size-based thresholds or result in significant reinsurance collectability risk (as determined by the cedant's appointed actuary). Such asset adequacy testing is to be performed using a cash flow testing methodology. The actuarial guideline requires disclosure by the ceding insurer, meaning that it will not require that additional reserves be posted at the reinsurer level (although the ceding insurer may decide to post reserves). Domestic regulators will continue to have the authority to take action on known issues, or issues that may become known as part of such new reporting, and may require additional analysis or reserves following such disclosure. The Company is unable to predict the long-term effect, if any, on the Company, of asset adequacy testing requirements in connection with reinsurance transactions.

Statutory Investment Valuation Reserves

Life insurance companies are required to establish an Asset Valuation Reserve (“AVR”) to stabilize statutory contract holder surplus from fluctuations in the market value of investments. The AVR consists of two components: (1) a “default component” for possible credit-related losses on fixed maturity investments and (2) an “equity component” for possible market-value losses on all types of equity investments, including real estate-related investments. Although future additions to the AVR will reduce the future statutory capital and surplus of the Company, the Company does not believe that the impact under current regulations of such reserve requirements will materially affect the Company. Insurers also are required to establish an Interest Maintenance Reserve (“IMR”) for net realized capital gains and losses, net of tax, on fixed maturity investments where such gains and losses are attributable to changes in interest rates, as opposed to credit-related causes. The IMR provides a buffer to the Company’s statutory capital and surplus in the event the Company has to sell securities in an unrealized loss position. The IMR is required to be amortized into statutory earnings on a basis reflecting the remaining period to maturity of the fixed maturity securities. These reserves are required by state insurance regulatory authorities to be established as liabilities on a life insurer’s statutory financial statements and may also be included in the liabilities assumed by the Company pursuant to its reinsurance agreements with U.S.-based life insurer ceding companies.

In August 2023, the NAIC adopted an interim solution related to the accounting treatment of an insurer’s negative IMR balance, which may occur when a rising interest rate environment causes an insurer’s IMR balance to become negative as a result of bond sales executed at a capital loss. Previous statutory accounting guidance required the non-admittance of negative IMR, which result in lower reported surplus and RBC ratios. Interpretation 23-01, Net negative (Disallowed) Interest Maintenance Reserve, the NAIC’s interim statutory accounting guidance, which is effective until December 31, 2026, with an automatic nullification date of January 1, 2027, allows an insurer with an authorized control level RBC ratio greater than 300% to admit negative IMR for an amount up to 10% of its general account capital and surplus, subject to certain restrictions and reporting obligations. The NAIC continues to develop a long-term solution for the accounting treatment of negative IMR, which is expected to be publicly exposed for comment during 2026.

Policy and Contract Reserve Adequacy Analysis

Iowa and other states have adopted laws and regulations with respect to policy and contract reserve sufficiency. Under applicable insurance laws, the Company is required to annually conduct an analysis of the adequacy of all life insurance and annuity statutory reserves. A qualified actuary appointed by the Company’s board must submit an opinion annually for the Company which states that the statutory reserves make adequate provision, according to accepted actuarial standards of practice, for the anticipated cash flows resulting from the contractual obligations and related expenses of the Company. The adequacy of the statutory reserves is considered in light of the assets held by the Company with respect to such reserves and related actuarial items, including, but not limited to, the investment earnings on such assets and the consideration anticipated to be received and retained under the related policies and contracts. At a minimum, such testing is done over a number of economic scenarios prescribed by the states, with the scenarios designed to stress anticipated cash flows for higher and/or lower future levels of interest rates. The Company may find it necessary to increase reserves, which may decrease its statutory surplus, in order to pass additional cash flow testing requirements.

U.S. Statutory Reports and Regulatory Examinations

The Company is required to file detailed annual reports, including financial statements, in accordance with prescribed statutory accounting rules, with regulatory officials in the jurisdictions in which it conducts business. In addition, the Company is required to file quarterly reports prepared on the same basis, though with considerably less detail.

As part of their routine regulatory oversight process, state insurance departments conduct periodic detailed examinations, generally once every three to five years, of the books, records, accounts and operations of insurance companies that are domiciled in their states. Examinations are generally carried out in cooperation with the insurance departments of other, non-domiciliary states under guidelines promulgated by the NAIC. Previous exams with the IID, NYSDFS and Vermont were completed with no material findings.

Market Conduct Regulation

State insurance laws and regulations include numerous provisions governing the marketplace activities of insurers, including provisions governing claims settlement practices, the form and content of disclosure to consumers, illustrations, advertising, sales and complaint process practices. State regulatory authorities generally enforce these provisions through periodic market conduct examinations. In addition, the Company must file, and in many jurisdictions and for some lines of business, obtain regulatory approval for, rates and forms relating to the insurance written in the jurisdictions in which it operates. The following market conduct exams are currently ongoing: (1) the IID is conducting a routine examination of the Company's policies and procedures to revisions to the NAIC Model Regulation #275 – Suitability in Annuity Transactions and (2) on March 4, 2026, the NYSDFS closed its conduct routine examinations of AANY and ALICNY for the period of January 1, 2020 to December 31, 2024.

Capital Requirements

The Company is subject to regulatory capital requirements based upon the laws and regulations of Iowa. Regulators of each state have discretionary authority in connection with the continuing licensing of the Company to limit or prohibit sales to policyholders within their respective states if, in their judgment, the regulators determine that the Company has not maintained the required level of minimum surplus or capital or that the further transaction of business would be hazardous to policyholders or reinsurance counterparties.

In order to enhance the regulation of insurers' solvency, the NAIC adopted a model law to implement RBC requirements for life, health and property and casualty insurance and reinsurance companies. All states have adopted the NAIC's model law or a substantively similar law. The NAIC Risk-Based Capital for Insurers Model Act requires life insurance companies to submit an annual report (the "**Risk-Based Capital Report**"), which compares an insurer's TAC to its authorized control level Risk-Based Capital ("**ACL**"), each such term, as defined pursuant to applicable state law. A company's RBC is calculated by using a specified formula that applies factors to various risks inherent in the insurer's operations, including risks attributable to its assets, underwriting experience, interest rates and other business expenses. The factors are higher for those items deemed to have greater underlying risk and lower for items deemed to have less underlying risk. Statutory RBC is measured on two bases: ACL and CAL, with ACL calculated as one-half of CAL.

The Risk-Based Capital Report is used by regulators to set in motion appropriate regulatory actions for insurers which demonstrate indications of weak or deteriorating conditions. Insurers must satisfy minimum RBC ratios, in addition to meeting minimum capital requirements, to avoid being placed in rehabilitation or liquidation by regulators. The annual Risk-Based Capital Report, and the information contained therein, is not intended by the NAIC as a means to rank insurers.

RBC is a method of measuring the minimum amount of capital appropriate for an insurance company to support its overall business operations in light of its size and risk profile. It provides a means of assessing capital adequacy, where the degree of risk taken by the insurer is the primary determinant. The value of an insurer's TAC in relation to its Authorized Control Level RBC, together with its trend in its TAC, is used as a basis for determining regulatory action that a state insurance regulator may be authorized or required to take with respect to an insurer. The four action levels include:

- Company Action Level: The insurer is required to submit a plan for corrective action;
- Regulatory Action Level: The insurer is required to submit a plan for corrective action and is subject to examination, analysis and specific corrective action;
- Authorized Control Level: Regulators may place the insurer under regulatory control; and
- Mandatory Control Level: Regulators are required to place the insurer under regulatory control

TAC and Authorized Control Level RBC are calculated annually by insurers as of December 31 of each year. As of December 31, 2025, the Company's TAC was significantly in excess of the levels that would prompt regulatory action under the laws of Iowa. As of December 31, 2025, the CAL RBC ratio of the Company was 436%.

The calculation of RBC requires certain judgments to be made, and, accordingly, the Company's current RBC may be greater or less than the RBC calculated as of any date of determination.

Insurance Regulatory Information System Ratios

The NAIC has established the Insurance Regulatory Information System ("IRIS") to assist state insurance departments in their oversight of the financial condition of insurance companies operating in their respective states. IRIS is a series of financial ratios calculated by the NAIC based on financial information submitted by insurers on an annual basis. Each ratio has an established "usual range" of results. The NAIC shares the IRIS ratios calculated for each insurer with the interested state insurance departments. Generally, an insurance company will be required to explain ratios that fall outside the usual range, and may be subject to regulatory scrutiny and action if one or more of its ratios fall outside the specified ranges. The Company is not currently subject to non-ordinary course regulatory scrutiny based on its IRIS ratios.

Regulation of Investments

The Company is subject to laws and regulations in Iowa that require diversification of its investment portfolio and limit the amounts of investments in certain asset categories, such as below-investment grade fixed income securities, real estate-related equity, partnerships, other equity investments, derivatives and alternative investments. Failure to comply with these laws and regulations would cause investments exceeding regulatory limitations to be treated as non-admitted assets for purposes of measuring statutory surplus and, in some instances, could require the divestiture of such non-qualifying investments. Additionally, the NAIC has expressed concern that private credit rating provider ("CRP") ratings do not adequately represent the risks of an insurer's investment in privately-issued securities. Based on this concern, insurers are now required to submit private rating letter rationale reports with certain private rating letters filed with the SVO in order to provide additional details regarding the private letter ratings obtained with respect to their ownership of privately-issued securities. The report must provide an analytical review of the privately-issued security that mirrors the work product that a CRP would produce for a similar publicly-rated security, including an explanation of the transaction structure, methodology relied on and, as appropriate, analysis of the credit, legal and operational risks and mitigants supporting the assigned CRP rating. In addition, in November 2024, the NAIC adopted revisions to the SVO's "filing exempt" process that sets forth procedures for the SVO staff to identify and evaluate a filing exempt security with an NAIC designation determined by a rating that appears to be an unreasonable assessment of investment risk. The procedures include, without limitation, sending an information request to insurers that hold the security under review and determining whether the NAIC designation is three or more notches different than the SVO's assessment, which allows the SVO to request the removal of a CRP's rating from the filing exempt process. At any time during the process, an alternate CRP rating may be requested and if one is received, it will be incorporated in the filing exempt process. The amendment to the P&P Manual has an effective date of January 1, 2026.

In connection with the foregoing initiatives, the NAIC's Financial Condition (E) Committee launched a holistic review of the insurance regulatory framework related to insurer investment risk regulation in August 2023. The primary objective is to highlight areas where the insurance regulatory framework and the SVO can be enhanced in order to strengthen oversight of insurers' investments in complex assets. More specifically, the NAIC is focused on the SVO's discretion to review NAIC designations for individual investments, the appropriate extent of SVO reliance on CRPs, and oversight of the development of new RBC charges for CLOs and other structured securities. The proposed changes to modernize investment oversight include: (i) reducing or eliminating "blind" reliance on CRPs while continuing to utilize them by implementing a due diligence framework that oversees the effectiveness of CRPs and (ii) bolstering the SVO's portfolio risk analysis capabilities by investing in a risk analytics tool and adding specialized personnel.

Accordingly, the investment laws in Iowa and the NAIC investment-related activities could prevent the Company from pursuing investment opportunities which it believes are beneficial, which could in turn preclude the Company from realizing its investment objectives.

Guaranty Associations

All 50 states, Puerto Rico and the District of Columbia have insurance guaranty fund laws requiring insurance companies doing business within those jurisdictions to participate in guaranty associations. Guaranty associations are organized to cover, subject to limits, contractual obligations under insurance policies issued by insurance companies which later become impaired or insolvent; however, certain states, including the jurisdiction of the Issuer, Delaware, generally exclude funding agreements like those issued by the Issuer from such guaranty fund protections. These associations levy assessments, up to prescribed limits, on each member insurer doing business in a particular state on the basis of their proportionate share of the premiums written by all member insurers in the lines of business in which the impaired or insolvent insurer previously engaged. Most states limit assessments in any year to 2% of the insurer's average annual premium for the three years preceding the calendar year in which the impaired insurer became impaired or insolvent. Some states permit member insurers to recover assessments paid through full or partial premium tax offsets, usually over a period of years.

Assessments levied against the Company by guaranty associations during the year ended December 31, 2025 were not material. While the Company cannot accurately predict the amount of future assessments or future insolvencies of competitors which would lead to such assessments, the Company believes that assessments with respect to pending insurance company impairments and insolvencies will not have a material effect on the Company's business, financial position, results of operations, liquidity or cash flows.

Federal Oversight

Although the insurance business in the United States is primarily regulated by the states, federal initiatives can affect the business of the Company in a variety of ways. From time to time, federal measures are proposed which may significantly affect the insurance business. These areas include financial services regulation, securities regulation, derivatives regulation, pension regulation, money laundering, privacy regulation, taxation and the economic and trade sanctions implemented by the Office of Foreign Assets Control ("OFAC"). OFAC maintains and enforces economic sanctions against certain foreign countries and groups and prohibits U.S. persons from engaging in certain transactions with certain persons or entities. OFAC has imposed civil penalties on persons, including insurance and reinsurance companies, arising from violations of its economic sanctions program. In addition, various forms of direct and indirect federal regulation of insurance have been proposed from time to time, including proposals for the establishment of an optional federal charter for insurance companies.

Title I of the Dodd-Frank Act established the Financial Stability Oversight Council ("FSOC") and authorized the FSOC to designate non-bank financial companies as SIFIs, thereby subjecting them to enhanced prudential standards and supervision by the Board of Governors of the Federal Reserve System. The prudential standards for non-bank SIFIs include enhanced RBC requirements, leverage limits, liquidity requirements, single counterparty exposure limits, governance requirements for risk management, stress test requirements, special debt-to-equity limits for certain companies, early remediation procedures and recovery and resolution planning. There are currently no such non-bank financial companies designated by FSOC as "systemically significant." On November 3, 2023, the FSOC adopted guidance that established a new process for designating certain non-bank financial companies as non-bank SIFIs. Under this guidance, the FSOC is no longer required to conduct a cost-benefit analysis and an assessment of the likelihood of a non-bank financial company's material financial distress before considering the designation of the company. However, new guidance proposed by FSOC on March 25, 2026, would replace the 2023 Guidance and restore these analysis and assessment requirements. There is considerable uncertainty as to the FSOC's future determination of non-bank SIFIs and/or systemically important activities.

The Dodd-Frank Act, which effected the most far-reaching overhaul of financial regulation in the U.S. in decades, also established the FIO within the U.S. Treasury Department. While he or she does not currently have general supervisory or regulatory authority over the business of insurance, the Director of the FIO performs various functions with respect to insurance, including serving as a non-voting member of the FSOC and making recommendations to the FSOC regarding non-bank financial companies to be designated as SIFIs. The Director of the Federal Insurance Office has also submitted reports to Congress that could ultimately lead to changes in the regulation of insurers and reinsurers in the U.S.

The Dodd-Frank Act also authorizes the FIO to assist the Secretary of the Treasury Department in negotiating covered agreements. A covered agreement is an agreement between the U.S. and one or more foreign governments,

authorities or regulatory entities, regarding prudential measures with respect to insurance or reinsurance. In 2017, the U.S. and the EU signed a covered agreement (the “**EU Covered Agreement**”) to address, among other things, reinsurance collateral requirements and the United States released a “Statement of the United States on the Covered Agreement with the European Union” (the “**Policy Statement**”), providing the United States’ interpretation of certain provisions in the EU Covered Agreement. The Policy Statement provides that the United States expects that the GCC (group capital calculation) developed by the NAIC will satisfy the EU Covered Agreement’s group capital assessment requirement. In addition, in 2018, the Bilateral Agreement between the U.S. and the United Kingdom on Prudential Measures Regarding Insurance and Reinsurance (the “**UK Covered Agreement**”) was signed in anticipation of the United Kingdom’s exit from the EU. U.S. state regulators had until September 1, 2022, to adopt reinsurance reforms removing reinsurance collateral requirements for EU and United Kingdom reinsurers that meet the prescribed minimum conditions set forth in the applicable EU Covered Agreement or UK Covered Agreement or else face potential federal preemption by the FIO. All states, the District of Columbia and Puerto Rico have adopted the NAIC’s 2019 amendments to the Credit for Reinsurance Model Law that are intended to implement the reinsurance collateral provisions of the EU Covered Agreement and UK Covered Agreement. The reinsurance collateral provisions of the EU Covered Agreement and UK Covered Agreement may increase competition, in particular with respect to pricing for reinsurance transactions, by lowering the cost at which competitors of ALRe are able to provide reinsurance to U.S. insurers.

Regulation of FIAs, RILAs, and other Annuity Products

In the past, the SEC and state securities regulators have questioned whether FIAs, such as those sold by the Company, should be treated as securities under the federal and state securities laws rather than as insurance products exempted from such laws. Under the Dodd-Frank Act, annuities that meet specific requirements are specifically exempted from being treated as securities by the SEC. The Company’s RILA product is not exempted from being treated as a security by the SEC and state securities regulators, but it expects that the types of FIAs that the Company currently sells meet applicable requirements for exemption from treatment as securities and therefore will remain exempt from being treated as securities by the SEC and state securities regulators. However, there can be no assurance that federal or state securities laws or state insurance laws and regulations will not be amended or interpreted to impose further requirements on FIAs. Treatment of these products as securities would require additional registration and licensing of these products and the agents selling them, as well as cause the Company to seek new or additional marketing relationships for these products, any of which may impose significant restrictions on its ability to conduct business as currently operated.

NYSDFS Insurance Regulation 210: Life Insurance and Annuity Non-Guaranteed Elements establishes standards for the determination and readjustment of non-guaranteed elements (“**NGEs**”) that may vary at the insurer’s discretion for life insurance policies and annuity contracts delivered or issued in New York. In addition, the regulation establishes guidelines for related disclosure to NYSDFS and policy owners prior to any adverse change in NGEs. The regulation applies to all individual life insurance policies, individual annuity contracts and certain group life insurance and group annuity certificates that contain NGEs. NGEs include premiums, expense charges, cost of insurance rates and interest credits.

Unclaimed Property Laws

The Company is subject to the laws and regulations of states and other jurisdictions concerning the identification, reporting and escheatment of abandoned or unclaimed money or property. State treasurers, controllers and revenue departments have audited life insurers, required escheatments and imposed interest penalties on amounts escheated for failure to escheat death benefits or other contract benefits when beneficiaries could not be found at the expiration of statutory dormancy periods.

Several states have enacted new laws or adopted new regulations mandating the use by insurance companies of the U.S. Social Security Administration’s Social Security Death Index (the “**Death Master File**”) or other similar databases to identify deceased persons and to implement more rigorous processes to find beneficiaries. The Company could be subject to risks related to unpaid benefits and the Death Master File.

Consumer Protection Laws and Privacy and Data Security Regulation

Federal and state consumer protection laws affect the Company's operations. As part of the Dodd-Frank Act, Congress established the Consumer Financial Protection Bureau ("CFPB") to supervise and regulate institutions that provide certain financial products and services to consumers. Although the consumer financial services subject to the CFPB's jurisdiction generally exclude insurance business of the kind in which the Company engages, the CFPB does have authority to regulate non-insurance consumer services which are offered by issuers of securities in the Company's investment portfolio. Moreover, the CFPB as a regulator may seek to assert jurisdiction over predominantly insurance-related products or services in instances where such products or services are related to or intertwined with the offering of consumer financial products or services more clearly within the CFPB's remit.

The Gramm-Leach-Bliley Act of 1999 ("GLBA"), which implemented fundamental changes in the regulation of the financial services industry in the United States, includes privacy requirements for financial institutions, including obligations to protect and safeguard consumers' nonpublic personal information and records, and limitations on the re-disclosure and re-use of such information. The GLBA and other federal and state laws and regulations require financial institutions, including insurers, to protect the security and confidentiality of nonpublic personal information, including certain health-related and customer information, regulate the use and disclosure of certain personal information, and require financial institutions to notify customers and other individuals about their policies and practices relating to their collection and disclosure of health-related and customer information and their practices relating to protecting the security and confidentiality of that information. Federal and state laws require notice to affected individuals, regulators and others if there is a breach of the security of certain sensitive personal information, including Social Security numbers. In addition, privacy laws and regulations regulate the use and disclosure of personal information, including rules on the disclosure of the medical record and health status information obtain by insurers.

Federal and state lawmakers and regulatory bodies may be expected to consider additional or more detailed regulation regarding these subjects and the privacy and security of nonpublic personal information. Furthermore, the issues surrounding data security and the safeguarding of consumers' protected information are under increasing regulatory scrutiny by state and federal regulators, particularly in light of the number and severity of recent U.S. companies' data breaches. The Federal Trade Commission, the Federal Bureau of Investigation, the Federal Communications Commission, the NYSDFS, and the NAIC have undertaken various studies, reports and actions regarding data security for entities under their respective supervision. Additionally, some states have enacted new insurance laws, often based on a new NAIC model law, that require certain regulated entities to implement and maintain comprehensive information security programs to safeguard the personal information of insureds and enrollees.

In October 2017, the NAIC adopted a new Insurance Data Security Model Law, which is intended to establish the standards for data security and standards for the investigation and notification of data breaches applicable to insurance licensees in states adopting such law. A drafting note of the model law states that it is intended that companies that are compliant with the NYSDFS cybersecurity regulation are in compliance with the model law. As with all NAIC model laws, this model law must be adopted by a state before becoming law in such state, although it is not yet an accreditation standard. To date, a version of the model law has been adopted in more than 25 states, including Iowa. The Company anticipates that more states will begin adopting the model law in the near term. The Company expects cybersecurity risk management, prioritization and reporting to continue to be an area of significant regulatory focus by such regulatory bodies and self-regulatory organizations.

For example, on March 1, 2017, the NYSDFS enacted 23 NYCRR 500, a cybersecurity regulation governing financial companies. This rule requires banks, insurers, and other financial services institutions regulated by the NYSDFS, including the Company, to establish and maintain a cybersecurity program "designed to protect consumers and ensure the safety and soundness of New York State's financial services industry." Since the rule's effective date, the Company has committed significant time and resources to comply with the rule's requirements. The NYSDFS has increased scrutiny and enforcement of the cybersecurity regulations and issues additional guidance and interpretation of the requirements from time to time. The NYSDFS also recently amended its cybersecurity regulation in November 2023, in such a way that would increase technical and administrative requirements and may require significant investment to ensure compliance. The amendments include significant changes, such as (i) expanding the types of cybersecurity events that require timely notification to the NYSDFS; and (ii) requiring enhancements to an entity's written policies and procedures related to remote access, vulnerability management, data retention and access privileges. The NYSDFS has issued several industry letters detailing agency guidance regarding cybersecurity matters

including the use of multi-factor authentication, managing risks stemming from third-party service providers, AI and ransomware prevention, and continues to aggressively enforce compliance with its cybersecurity regulations. The Company anticipates that the NYDFS will continue to examine the cybersecurity programs of financial institutions in the future and such examinations may result in additional regulatory scrutiny, expenditure of resources and possible regulatory actions and reputational harm.

The NAIC's Privacy Protections (H) Working Group ("PPWG") has been considering updates to the NAIC's insurance privacy framework, including #670 (Insurance Information and Privacy Protection Model Act) and #672 (Privacy of Consumer Financial and Health Information Regulation). Although PPWG previously released a draft Insurance Consumer Privacy Protection Model Law (#674) that was intended to modernize and potentially replace the existing privacy models, the PPWG voted to proceed with revisions to Model #672 rather than continue work on draft Model #674. PPWG has since continued to release draft revisions to Model #672 on an article-by-article basis. The Company cannot predict whether or when any revised NAIC privacy model law will be finalized or adopted by states, what form it will take, or what effect it will have on the Company's business or compliance efforts in the form adopted by states whose laws apply to the Company.

In addition to insurance and other financial institution-specific privacy laws and regulations, an increasing number of states are considering and passing comprehensive privacy legislation. Most of these laws broadly exempt entities covered by the GLBA or insurers more generally; other laws exempt only personal information that is subject to the GLBA, such as the California Consumer Privacy Act of 2018 ("CCPA") was signed in June 2018 and became effective on January 1, 2020 and was amended by the California Privacy Rights Act ("CPRA"), which went into effect on January 1, 2023. The CCPA, along with the Attorney General Regulations implementing the CCPA, impose stringent data privacy and data protection requirements for the data of California residents, including providing the right to request that a business provide access to or delete any personal information about the consumer under certain circumstances, and the right to opt out of the sale of personal information. The Company has committed significant time and resources to comply with the CCPA's requirements. The amendments to the CCPA under the CPRA also expanded consumer rights and disclosure obligations. For example, the CPRA gives California residents the ability to opt out of sharing any personal information and limits the use of their sensitive information. The CPRA also established California Privacy Protection Agency to implement and enforce the law, which may result in additional regulatory scrutiny and risk. Furthermore, in 2025, the California Privacy Protection Agency ("CPPA") revised existing CCPA regulations and finalized additional regulations related to automated decision-making technology ("ADMT"), privacy risk assessments and cybersecurity audits that reflect a significant increase in the compliance obligations imposed on businesses, which require such businesses to assess and document the risks of their data processing and cybersecurity practices and incorporate certain notices and extend consumer choice mechanisms to consumers subject to ADMT.

Several other states have enacted or are considering enacting comprehensive state privacy laws similar to the CCPA. Although most of these state laws have certain exemptions for entities subject to certain other federal laws, including the Gramm-Leach Bliley Act, these state laws are changing the legal regime and industry standards for privacy, and more states are considering similar comprehensive privacy legislation that may add additional regulatory complexity and other legal risks. The Company anticipates that additional expenditure of resources will be necessary to respond to the evolving regulatory regimes, and possibly respond to regulatory actions and mitigate reputational harm. Other states have also enacted sector-specific privacy laws such as Washington's My Health, My Data Act, which broadly defines consumer health data, places restrictions on processing consumer health data (including imposing stringent requirements for consents), provides consumers certain rights with respect to their health data, and creates a private right of action to allow individuals to sue for violations of the law. Other states have adopted or are considering and may adopt similar laws. The Company expects that data privacy and cybersecurity will continue to be an area of significant regulatory focus, and it is possible that other jurisdictions consider or enact data privacy regulations.

The use of artificial intelligence ("AI") and data in the insurance industry is increasingly the subject to state law, regulation, and guidance and is also the subject of several NAIC undertakings. For example, Colorado has enacted an insurance AI law that prohibits insurers from using algorithms or predictive models that use external consumer and information data sources in any way that unfairly discriminates against consumers and requires life insurers to establish internal governance and risk management frameworks to determine if the use of algorithms or predictive models could lead to unfair discrimination. Similar guidance has been issued by other state insurance

regulators, including the NYSDFS and insurance regulators in California and Connecticut; the Company expects AI use in the insurance industry to be a focus for state legislators and regulators into the foreseeable future.

Issues surrounding the use of AI are also in focus for the NAIC. In 2020, the NAIC adopted the Artificial Intelligence (AI) Guiding Principles related to AI, its use in the insurance sector, and its impact on consumer protection and privacy, marketplace dynamics and the state-based insurance regulatory framework. In December 2023, the NAIC adopted a model bulletin, *The Use of Artificial Intelligence Systems in Insurance*, designed to foster uniformity among state insurance regulators regarding expectations for insurance carriers deploying AI. The AI Bulletin also sets forth state insurance regulators' expectations on how insurers should govern the use of such technologies by or on behalf of the insurer to make or support such decisions. State insurance regulators have started to adopt versions of the AI Bulletin and have released bulletins discussing the types of information that regulators may request during an investigation or examination of an insurer in regard to AI systems. As of April 2026, more than 20 states have adopted a version of the AI Bulletin, which outlines insurance regulators' expectations as to how insurers should govern the development, acquisition and use of AI technologies and the implementation of a document AI program, as well as the types of information that regulators may request during an investigation or examination of an insurer in regard to AI systems. These initiatives have largely come from the NAIC Innovation, Cybersecurity, and Technology (H) Committee and various related working groups focused on the uses of AI and data in the insurance industry and the development of regulatory frameworks.

In addition to the NAIC, the current U.S. presidential administration, the U.S. Congress, and other U.S. regulators are focused on AI. Several states, including California, Colorado, Utah, and Texas, have passed legislation specifically regulating AI development and deployment of AI technologies. Many other states are considering such legislation to govern and manage risk of the development and deployment of AI technologies. Congress continues to evaluate potential federal legislation, including the potential for federal legislation that would preempt certain state AI laws. Further, use of artificial intelligence and machine learning may be subject to generally applicable laws and evolving regulations regarding, among other things, privacy, security, consumer protection, and antidiscrimination. For example, the FTC enforces consumer protection laws such as Section 5 of the FTC Act, which prohibits unfair and deceptive practices, and has issued guidance and brought enforcement actions regarding the AI related deceptive practices. Additionally, litigation related to AI is on the rise. The U.S. AI law and regulation landscape continues to evolve in complexity.

The EU General Data Protection Regulation (“**EU GDPR**”) governs the collection, use, disclosure, transfer, and other processing of personal data. The UK has implemented the EU GDPR as the UK GDPR (the “**UK GDPR**” which sits alongside the UK Data Protection Act 2018 as amended by the U.K. Data (Use and Access) Act 2025, and the UK GDPR, together with the EU GDPR, shall be referred to as the “**GDPR**”).

The GDPR imposes onerous and comprehensive privacy, data protection, and data security obligations on controllers and provides certain rights for data subjects. The GDPR also prohibits the international transfer of personal data from the EEA/UK to the US and other countries that the European Commission or UK Government (respectively) does not recognize as having ‘adequate’ data protection laws unless the parties to the transfer have implemented specific safeguards to protect the transferred personal data. Non-compliance with GDPR requirements could result in administrative fines of up to the greater of €20.0 million or 4% of global annual revenues or €20.0 million (under the EU GDPR) or £17.5m (under the UK GDPR). The EU GDPR also confers a private right of action on data subjects and consumer associations to lodge complaints with supervisory authorities, seek judicial remedies and obtain compensation for damages resulting from violations of the EU GDPR.

Currently, the volume of personal data processed in connection with Athene’s EU and UK activities is insignificant and limited to management and governance matters. The Company monitors its business activities to ensure it is prepared for compliance, should the EU GDPR or UK GDPR ever apply to the Company’s business more broadly.

ERISA

The Company may also be subject to regulation by the DOL when providing a variety of products and services to employee benefit plans governed by ERISA. ERISA is a comprehensive federal statute that applies to U.S. employee benefit plans sponsored by private employers and labor unions. Plans subject to ERISA include pension

and profit sharing plans and welfare plans, including health, life and disability plans. Among other things, ERISA imposes reporting and disclosure obligations, prescribes standards of conduct that apply to plan fiduciaries and prohibits transactions known as “prohibited transactions,” such as conflict-of-interest transactions, self-dealing and certain transactions between a benefit plan and a party in interest. ERISA also provides for a scheme of civil and criminal penalties and enforcement. The Company is also subject to ERISA’s prohibited transaction rules for transactions with ERISA plans, which may affect its ability to, or the terms upon which it may, enter into transactions with those plans, even in businesses unrelated to those giving rise to party in interest status. The applicable provisions of ERISA and the Code are subject to enforcement by the DOL, the IRS and the U.S. Pension Benefit Guaranty Corporation. Severe penalties are imposed for breach of duties under ERISA.

In April 2024, the DOL issued regulations that were intended to expand the definition of “investment advice” and broaden the circumstances under which distributors and manufacturers of insurance and annuity products could be considered “fiduciaries” and subject to certain standards in providing advice. These regulations were scheduled to become effective on September 23, 2024. In connection with the final regulatory action, the DOL amended several prohibited transaction exemptions, including a prohibited transaction exemption that applies to the sale of annuity contracts by insurance companies, that eliminates the ability of advice fiduciaries (other than independent agents) to use that exemption. The DOL also amended a prohibited transaction class exemption that allows fiduciaries to receive compensation in connection with providing investment advice, including advice about rollovers, that would otherwise be prohibited as a result of their fiduciary relationship to the ERISA Plan. Various industry groups brought litigation against the DOL relating to the regulations and amendments to the prohibited transaction exemptions. On July 25 and 26, 2024, two federal district courts entered separate stays of the effective date of the DOL regulation referenced above and the prohibited transaction exemption amendments and the DOL filed a notice of appeal with respect to one of the court’s opinions that applies the stay on a national level. The appeal was later dismissed and the court later formally vacated the regulations and changes to the prohibited transaction exemptions. On March 18, 2026, the DOL announced the reinstatement of the 1975 regulation defining investment advice by reference to a five-part test for determining whether certain communications to ERISA plans and individual retirement accounts constitute “fiduciary” investment advice for purposes of ERISA and Section 4975 of the Code. There has been indication that the DOL may revisit addressing the definition of investment advice fiduciary. The Company cannot predict how any such action by the DOL could impact the Company.

SEC and State Fiduciary Standards

The SEC adopted a new rule under the Exchange Act that establishes a standard of conduct for broker-dealers and associated persons of a broker-dealer when they make a recommendation to a retail customer of any securities transaction or investment strategy involving securities. This rule, called “Regulation Best Interest,” requires broker-dealers, among other things, to: act in the best interest of the retail customer at the time the recommendation is made, without placing the financial or other interest of the broker-dealer ahead of the interests of the retail customer; and address conflicts of interest by establishing, maintaining, and enforcing policies and procedures reasonably designed to identify and fully and fairly disclose material facts about conflicts of interest, and in certain identified areas where the SEC has determined that disclosure is insufficient to reasonably address the conflict, to mitigate or, in certain instances, eliminate the conflict. The standard of conduct established by Regulation Best Interest cannot always be satisfied through disclosure alone. Regulation Best Interest became effective on June 30, 2020. Though Regulation Best Interest does not directly impact the sale of the Company’s annuity products, with the exception of its RILA product, it will impact how some of its retail distribution partners monitor insurance sales.

In addition, certain states, for example Massachusetts, Nevada, and New Jersey, have proposed measures that would make broker-dealers and sales agents subject to a fiduciary duty when providing products and services to customers. The Massachusetts Securities Division adopted a fiduciary duty rule applicable to broker-dealers when making recommendations concerning securities or investment strategies, effective September 1, 2020; however, consistent with the Massachusetts Uniform Securities Act, this rule does not apply to advice concerning commodities or insurance products, including life insurance and annuities. On April 7, 2025, the North American Securities Administrators Association, the association of state securities administrators in the U.S. and Canada, adopted revisions to its Model Rule on Dishonest and Unethical Business Practices of Broker-Dealers and Agents; these revisions largely incorporate the standards of Regulation Best Interest. The SEC did not indicate an intent to preempt state regulation in this area, and some of the state proposals would allow for a private right of action. As a result of these changes, it may become more costly for the Company to provide products and services in the states subject to these rules.

The NAIC has adopted the SAT, which places responsibilities upon insurers with respect to the suitability of annuity sales, including responsibilities for training agents. Many states, including Iowa, have already enacted laws and/or regulations based on SAT, thus imposing suitability standards with respect to sales of FIAs and variable annuities. The NYSDFS issued a circular letter emphasizing insurers' obligations under laws and regulations based on SAT when replacing a deferred annuity contract with an immediate annuity contract. On July 22, 2018, the NYSDFS issued amendments to its regulation based on SAT to incorporate a "best interest" standard with respect to the suitability of life insurance and annuity sales, which amendments took effect on August 1, 2019, with respect to annuity contracts and became effective on February 1, 2020, with respect to life insurance policies. Future changes in such laws and regulations, including those that impose a "best interest" standard could adversely impact the way the Company markets and sells its annuity products. On February 13, 2020, the NAIC adopted amendments to the SAT to incorporate a "best interest" or similar standard with respect to the suitability of annuity sales. The amendments include a requirement for producers to act in the "best interest" of a retail customer when making a recommendation of an annuity. A producer is considered to have acted in the best interest of the customer if they have satisfied certain prescribed obligations regarding care, disclosure, conflict of interest and documentation. State adoption of these amendments, and any future changes in such laws and regulations, could adversely affect the way the Company markets and sells its annuity products. All states have adopted the amendments to SAT or comparable provisions.

Policyholder Priority

In the event of the impairment or insolvency of the Company, the Commissioner will be authorized and directed to commence delinquency proceedings for the purpose of liquidating, rehabilitating, reorganizing or conserving the Company pursuant to applicable state insurance laws and regulations. In conducting delinquency proceedings, claims are prioritized and an order of distribution is specified pursuant to applicable state insurance laws and regulations. In Iowa, claims of general unsecured creditors would be subordinated to claims of the insurer's policyholders and other claimants with priority in accordance with the priority-of-distribution scheme prescribed by applicable state insurance law.

MANAGEMENT OF THE COMPANY

Directors and Executive Officers

Below is a list of the names and ages, as of March 31, 2026, of the directors and executive officers of the Company and a description of the business experience of each of the respective individuals.

<u>Name</u>	<u>Age</u>	<u>Position</u>
Grant Kvalheim	69	Chief Executive Officer and Director of the Company; Chief Executive Officer of Athene
Sean Brennan	46	Co-President, Chief Commercial Officer and Director of the Company; Executive Vice President and Chief Commercial Officer of Athene
Michael S. Downing	56	Co-President, Chief Operating Officer and Director of the Company, Executive Vice President and Chief Operating Officer of Athene
Louis-Jacques Tanguy	53	Director of the Company; Executive Vice President and Chief Financial Officer of Athene
Douglas Niemann	56	Executive Vice President and Chief Risk Officer of the Company and Athene
Denise Martin	39	Vice President, U.S. Controller of the Company
Randall Epright	62	Executive Vice President, Chief Information Officer and Director of the Company; Executive Vice President and Chief Investment Officer of Athene
Mitra Hormozi	57	Director
Lawrence Ruisi	77	Director
Francis P. Sabatini	78	Director
Hope Scheffler Taitz	62	Director

The Company does not employ any of its executive officers, all of whom are employed by an affiliated service company and whose services are provided to the Company pursuant to a shared services agreement. Consequently, other than the principal executive officer and principal financial officer of the Company, the determination of whether an officer of the Company is an executive officer is based on whether such officer is an executive officer of Athene, as determined by Athene's board of directors.

Executive Officers

Grant Kvalheim has served as Chief Executive Officer of the Company since December 2018, director of the Company since October 2013 and Chief Executive Officer of AUSA since June 2015. Mr. Kvalheim has also served as the Chief Executive Officer of Athene since July 2025. Mr. Kvalheim previously served as President of the Company until November 2022. Prior to his recent roles at the Company and Athene, he served as Athene's President from January 2011 until September 2015, as Athene's Chief Financial Officer from January 2011 until April 2013, and a director from January 2012 until February 2014. In addition, Mr. Kvalheim is an executive officer of AGM, Partner at Apollo and serves as an observer on the executive committee of AGM. Mr. Kvalheim is responsible for leading our operating companies with a focus on growth initiatives. Prior to joining our Company, Mr. Kvalheim was a senior executive of Barclays Capital (Barclays) from early 2001 to the end of 2007, becoming Co-President in September 2005. During his time at Barclays, he converted a European investment grade credit business into a leading global credit franchise business across both securitized and non-securitized credit products, and significantly expanded Barclays' investment banking platform. Prior to joining Barclays, Mr. Kvalheim held senior executive positions in the investment banks of Deutsche Bank and Merrill Lynch. Mr. Kvalheim has a Bachelor of Arts degree in economics

from Claremont McKenna College and a Master of Business Administration in finance from the University of Chicago. He currently serves on the board of directors of the Great Outdoors Foundation, Solhealth Corp, and Mottahedeh & Co., Inc. He served on the board of directors of the Permal Silk Road Fund from June 2008 to November 2012, LL Global (LIMRA/LOMA) from 2019 to 2021, the Greater Des Moines Partnership in 2021, and the United Way of Central Iowa from 2017 to 2023.

Sean Brennan has served as Co-President, Chief Commercial Officer and Director of the Company July 2025. He has also served as Executive Vice President and Chief Commercial Officer of Athene since July 2025. He is responsible for new business origination in our retail and funding agreement channels, and scaling opportunities for our new markets team. Prior to assuming his current role, Mr. Brennan served as Athene's Executive Vice President of Pension Group Annuities, Flow Reinsurance and New Markets from October 2024 to July 2025, and was responsible for providing retirement solutions to institutions, overseeing the strategy of Athene's pension group annuity and flow reinsurance businesses, and driving innovations in new products and new markets. He also served as Athene's Executive Vice President of Pension Group Annuities and Flow Reinsurance from January 1, 2020 to October 2024, and as head of Pension Risk Transfer from October 2017 to January 2020. Before joining Athene, Mr. Brennan served as Global Pensions Director for Marsh & McLennan Companies, responsible for developing and implementing its global pension strategy. Prior to his time at Marsh & McLennan Companies, Mr. Brennan spent 14 years at Mercer, most recently as a Partner in the Financial Strategy Group. Mr. Brennan holds a Bachelor of Arts degree in mathematics and political science from Emory University. He is a Chartered Financial Analyst (CFA) Charterholder and an Associate of the Society of Actuaries.

Michael S. Downing has served as the Company's Co-President, Chief Operating Officer and Director since July 2025. He previously served as the Company's President and Chief Operating Officer from November 2022 and Director of the Company since December 2023 until July 2025. Mr. Downing has also served as Athene's Executive Vice President and Chief Operating Officer since January 2022. He is responsible for the day to-day operations of the Company and Athene, including information technology, operations, product management, marketing, and Athene's Bermuda operations. Prior to assuming his current role, Mr. Downing served as Athene's Executive Vice President and Chief Actuary from 2015 to October 2022, and was responsible for global actuarial valuation, modeling, pricing, product development, and product go-to-market. Prior to joining Athene, Mr. Downing spent seven years at The Allstate Corporation, with increasing responsibility over time. His final role included responsibility for product, actuarial, asset liability management, marketing, and finance. Prior to Allstate, Mr. Downing was a Managing Principal at Aon Hewitt, leading the International Consulting practice following overseas assignments in the United Kingdom and Switzerland. Mr. Downing holds a Bachelor of Arts degree in mathematics from Gustavus Adolphus College in St. Peter, Minnesota. He is a Fellow of the Society of Actuaries. Mr. Downing serves on the board of directors of the Greater Des Moines Partnership.

Louis-Jacques Tanguy has served as Executive Vice President and Chief Financial Officer of Athene and Director of the Company since March 2025. Mr. Tanguy is responsible for overseeing financial management, including enterprise finance, reporting, tax, actuarial, and internal audit functions and is also responsible for developing and executing strategic operating decisions across Athene. Prior to joining Athene, Mr. Tanguy served as Chief Accounting Officer and Controller of Apollo Global Management, Inc. and as Chief Accounting Officer and Controller of Apollo Asset Management since January 2022. Before joining Apollo, Mr. Tanguy held the position of Managing Director at Deutsche Bank for thirteen years. Most recently, he was Managing Director, Head of Group Finance America and Global Head of Business Finance for Origination and Advisory at Deutsche Bank, where he provided a broad range of services in London and New York related to business finance, valuation control and complex trade reviews, treasury finance, financial performance and planning, accounting and regulatory policy and disclosure. From 2006 to 2008, Mr. Tanguy was Head of Asia Pacific Product Valuation Group at Merrill Lynch Japan Securities in Tokyo. From 2002 to 2006, Mr. Tanguy was Head of Product Control and Head of Risk and P&L for Fixed Income & Derivatives at Société Générale in Tokyo and Paris. Mr. Tanguy graduated from the University of Aix-Marseille with a Bachelor of Arts in Economics, a Master of Science in Applied Finance and a Doctor of Philosophy in Business Management.

Douglas Niemann has served as Executive Vice President and Chief Risk Officer of both the Company and Athene since May 2020. Mr. Niemann is responsible for overseeing Athene's enterprise risk management functions, as well as providing key support in connection with strategic operating decisions across Athene. Mr. Niemann brings over 25 years of experience and expertise in risk management related to insurance. Prior to joining Athene, Mr.

Niemann was the Senior Managing Director of Investment Management and Chief Investment Risk Officer for Guardian Life Insurance Company. Before joining Guardian Life Insurance Company, he was the Managing Director and Chief Investment Strategist of Global Insurance Solutions at JP Morgan Asset Management and served as the Managing Director and Head of Asset Liability Management at AIG Asset Management. He also held the positions of Head of Investment and Financial Risk and Head of Group Risk Modeling at Zurich Financial Services. Mr. Niemann has an Master of Business Administration in risk management and insurance as well as finance, investments and banking from the University of Wisconsin Madison School of Business and a Bachelor of Arts degree in economics from Northwestern University in Evanston, Illinois.

Denise Martin has served as Vice President and U.S. Controller of the Company and Athene since November 2025. Ms. Martin is responsible for overseeing Athene's U.S. controllership and financial reporting functions, including U.S. Statutory reporting, integration of new products and transactions, regulatory compliance, and financial controls. Ms. Martin brings more than 20 years of experience in accounting, financial reporting, and finance transformation within the insurance and reinsurance industry. Prior to joining Athene, Ms. Martin served as Vice President, Group Controller at Fortitude Re from April 2022 to August 2025, where she led corporate accounting, financial reporting, and investment accounting functions across U.S. GAAP, U.S. Statutory, and Bermuda Statutory (SFS) frameworks for the majority of the company's subsidiaries and the parent. In this role, she managed reporting for a diversified \$73 billion investment portfolio, led significant finance transformation initiatives, and supported the onboarding and operationalization of multiple reinsurance transactions. Prior to joining Fortitude Re, Ms. Martin served as Vice President and Chief Accounting Officer of Prosperity Service Group, LLC from February 2019 to April 2022, where she oversaw financial reporting, internal controls, FP&A, technical accounting, and Bermuda-based accounting operations. Earlier in her tenure at Prosperity, she served as Assistant Vice President, Controller and Director, Financial Reporting. Before joining Prosperity, Ms. Martin held senior audit and assurance roles at KPMG LLP and Ernst & Young LLP. Ms. Martin is a licensed Certified Public Accountant and received a Bachelor of Business Administration degree in accounting from James Madison University.

Directors

Randall W. Epright has served as Executive Vice President, Chief Information Officer, and director of the Company since May 1, 2025 and Executive Vice President and Chief Information Officer of Athene since August 2015. In his role at Athene, he is responsible for overseeing information technology strategy. Mr. Epright has over 30 years of insurance and financial services operations and technology experience. Prior to joining Athene, he was the Global Business Information Officer of Consumer Businesses at American International Group, Inc. ("AIG"). Mr. Epright joined AIG in 1995 where he held numerous operations and technology leadership positions, including Chief Information Officer of Life and Retirement and Divisional Vice President of Foreign General Insurance, where he led global strategic development for personal lines, commercial lines, accident and health, and claims. Throughout his various roles, he drove operations and technology modernization, innovative product delivery, and digitalization of distribution for life, individual annuities, group retirement, mutual funds, and brokerage/investment advisory businesses. Prior to AIG, Mr. Epright spent eight years delivering innovative technology solutions for Travelers Insurance. He has a Bachelor of Science degree in business management from Providence College in Rhode Island and a Master of Business Administration in information systems from Denver University in Colorado. He holds a Financial Industry Regulatory Authority (FINRA) Series 7 designation.

Mitra Hormozi has served as a director of the Company since December 2018. Ms. Hormozi has also served as a director of Athene since December 2018 and is the chair of its legal and regulatory committee. Ms. Hormozi is also a director of a number of Athene's other U.S. subsidiaries. Ms. Hormozi was Executive Vice President and General Counsel of Revlon, Inc. from April 2015 to July 2019, where she was responsible for overseeing Revlon's legal affairs worldwide. Ms. Hormozi has extensive experience in both the public and private sectors of the legal field. Prior to joining Revlon in April 2015, she was a litigation partner at two major law firms from 2011 to 2015 and served as Deputy Chief of Staff to then New York State Attorney General, Andrew Cuomo. She also served as an Assistant United States Attorney prosecuting high-profile complex racketeering cases in the Eastern District of New York. Ms. Hormozi currently serves on the board of directors of AGM. She has also previously served on the board of directors of Revlon. Ms. Hormozi received a Bachelor of Arts degree in history from the University of Michigan and a Juris Doctor from the New York University School of Law. Ms. Hormozi was selected to serve on the Company's board of directors as a result of her extensive legal counsel experience.

Lawrence J. Ruisi has served as a director of the Company since 2017. Mr. Ruisi has also served as director of Athene since 2013 and is the chair of Athene's audit committee and a member of Athene's risk committee. Mr. Ruisi is also a director of several of Athene's other US subsidiaries. As an operating executive, Mr. Ruisi held various senior level positions in the entertainment business, including President & Chief Executive Officer of Loews Cineplex Entertainment Corporation, a movie theatre operator with 400 locations worldwide, and as Executive Vice President and Chief Financial Officer of Columbia Pictures Entertainment. As a non-executive, Mr. Ruisi served on numerous boards including Hughes Communications Inc., UST Inc., InnKeepers USA Trust, Wyndham International, Inc. and Adaptec, Inc. During his tenure on these boards, Mr. Ruisi was Chairman of various audit committees, named designated financial expert and served on both compensation and nominating and corporate governance committees. Mr. Ruisi was Chairman of the Independent Committee of the board of InnKeepers, which oversaw its restructuring, and was Chairman of Special Committees at both Wyndham and Adaptec. Mr. Ruisi began his career at Price Waterhouse & Co., where he was a Senior Manager. He is a Certified Public Accountant and received a Bachelor of Science degree in accounting and a Master of Business Administration in finance from St. John's University. Mr. Ruisi was selected to serve on the Company's board of directors as a result of his extensive leadership experience in various sectors, his expertise in accounting and financial reporting matters and his experience serving on the boards of numerous public and private companies.

Francis P. Sabatini has served as a director of the Company since October 2013. Mr. Sabatini has over 40 years of industry and advisory experience in insurance and actuarial services. He specialized in fixed, variable and indexed annuity product development, pricing and management. Mr. Sabatini's previous employers include Ernst & Young, Connecticut Mutual Life, and Equitable Life Assurance. He has served on numerous boards and councils including CERA Global Association and Society of Actuaries. Mr. Sabatini has been a frequent speaker at industry meetings, and is a published author of trade articles. He graduated Summa Cum Laude from the Pratt Institute with a B.S. in Mathematics.

Hope Scheffler Taitz has served as a director of the Company since 2013. Ms. Taitz has also served a director of Athene and its subsidiary, ALRe, since 2011, and is a member of Athene's audit, risk and legal and regulatory committees. Ms. Taitz is also a director of a number of Athene's other U.S. subsidiaries. Ms. Taitz has served as the CEO of ELY Capital since 2004. As an investor and advisor with expertise in media, technology and the consumer, she helps innovative enterprises grow through financial leadership and connections to established corporations. Ms. Taitz, a strong advocate of women on boards, also currently serves on the boards of College Parent, L.P. (Yahoo), MidCap Finco Holdings Limited and Summit Hotel Properties, Inc. She has previously served on the boards of Apollo Residential Mortgage, Inc., Greenlight Capital Re, Ltd., Diamond International Resorts, Inc., as well as Lumenis Ltd. From 1995 to 2003, Ms. Taitz was Managing Partner of Catalyst Partners, L.P., a money management firm. From 1990 to 1992, Ms. Taitz was a Vice President at The Argosy Group (now part of the Canadian Imperial Bank of Commerce (NYSE: CM)), specializing in financial restructuring before becoming a Managing Director at Crystal Asset Management, from 1992 to 1995. From 1986 to 1990, Ms. Taitz was at Drexel Burnham Lambert, first as a mergers and acquisitions analyst and then as an associate in the leveraged buyout group. On the not for profit side, Ms. Taitz focuses on education and is an advocate for STEM. She is a founding executive member of YRF Darca, an emeritus board member of Pencils of Promise, and a member of the undergraduate executive board of The Wharton School at the University of Pennsylvania. Ms. Taitz is a former board member of Girls Who Code. Ms. Taitz graduated with honors from the University of Pennsylvania with a Bachelor of Arts degree in economics. Ms. Taitz was selected to serve on the Company's board of directors as a result of her extensive experience in the financial services sector as well as her experience serving on the governance committees of other public companies.

The business address of each director and key officer of the Company is the registered office of the Company.

There are no potential conflicts of interests between any duties of the Company's directors or key officers to the Company or in connection with the offer of any Notes by the Issuer arising from their private interests or other duties.

STATUTORY CAPITALIZATION OF THE COMPANY

The following table sets forth the components of the Company's statutory capital and surplus for the period presented:

	March 31, 2026
	(Unaudited)
	(\$ In thousands)
Capital and surplus	
Common capital stock	\$ 10,000
Gross paid-in and contributed surplus	5,763,406
Unassigned deficit	<u>(1,149,813)</u>
Total capital and surplus	<u>\$ 4,623,593</u>

SUMMARY OF PRINCIPAL DIFFERENCES BETWEEN U.S. GAAP AND U.S. SAP

Certain financial information included herein is prepared and presented in accordance with U.S. SAP, prescribed or permitted by the IID. Certain differences exist between U.S. SAP and U.S. GAAP, which are presumed to be material. The matters described below summarize certain differences between U.S. SAP and U.S. GAAP. The Company is responsible for preparing the summary below. The Company has not prepared a complete reconciliation of its statutory-basis financial statements and related note disclosures between U.S. SAP and U.S. GAAP and has not quantified such differences. Accordingly, no assurance is provided that the following summary of differences between U.S. SAP and U.S. GAAP is complete. In making an investment decision, investors must rely upon their own examination of the Company, the terms of the offering and the financial information. Potential investors should consult their own professional advisors for an understanding of the differences between U.S. SAP and U.S. GAAP, and how those differences might affect the financial information presented herein.

U.S. SAP vs. U.S. GAAP

Prescribed statutory accounting practices include publications of the NAIC, state laws, regulations and general administrative rules. Permitted statutory accounting practices encompass all accounting practices permitted by the IID which are not so prescribed.

U.S. SAP attempts to measure an insurer's ability to satisfy its obligations to its policyholders and creditors as of the financial statement date. The objectives of U.S. GAAP differ from the objectives of U.S. SAP. U.S. GAAP is designed to measure the entity as a going concern and to produce general purpose financial statements in order to meet the varying needs of the different users of financial statements. U.S. SAP is designed to address the accounting requirements of regulators, who are the primary users of statutory-basis financial statements and whose primary objective is to measure solvency. As a result, U.S. GAAP stresses measurement of earnings and financial condition of a business from period to period (i.e., matching revenue to expense), while U.S. SAP stresses measurement of the ability of each insurer to pay claims in the future.

Investors should consult with their accounting, legal and tax advisors concerning differences between U.S. SAP and U.S. GAAP.

For discussion of the more significant of differences from those prescribed or permitted by the IID and U.S. GAAP see "Audited Statutory-Basis Financial Statements and Notes to Financial Statements—1. Nature of Operations and Significant Accounting Policies— *Basis of Presentation* included elsewhere in this Offering Memorandum."

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS OF THE COMPANY

Forward-Looking Information

Certain information contained in this discussion is or may be considered forward-looking. Forward-looking statements are those not based on historical information, but rather, relate to future operations, strategies, financial results or other developments, and contain terms such as “may,” “expects,” “should,” “believes,” “anticipates,” “intends,” “estimates,” “projects,” “goals,” “objectives” or similar expressions.

Forward-looking statements are based upon estimates and assumptions. These statements may change due to business uncertainties, economic uncertainties, competitive uncertainties, and other factors, many of which are beyond the Company's control. Additionally, the Company's business decisions are also subject to change. The Company does not publicly update or revise any forward-looking statements as a result of new information, future developments or otherwise.

General

The Analysis of Results of Operations for the three months ended March 31, 2026 and years ended December 31, 2025 and 2024 and Statement of Financial Position as of March 31, 2026, December 31, 2025 and 2024 and, where appropriate, factors that may affect the Company's future financial performance, presented below, should be read in conjunction with the Audited- Statutory-Basis Financials Statements of the Company as of and for the year ended December 31, 2025, and the unaudited quarterly statutory statements of the Company as of and for the three months ended March 31, 2026, in each case, which are included elsewhere in this Offering Memorandum.

Overview

The Company is a leading retirement services company that issues, reinsures and acquires retirement savings products designed for the increasing number of individuals and institutions seeking to fund retirement needs. By focusing on the retirement services market, the Company believes it will benefit from several demographic and economic trends, including the increasing number of retirees in the U.S. and the lack of tax advantaged alternatives for people trying to save for retirement. Currently, the Company focuses primarily on: (i) the sale of retail fixed annuities, including FIAs and fixed rate annuities, through its network of approximately 41 independent marketing organizations, 18 banks and 163 broker-dealers, collectively representing approximately 152,000 independent agents as of December 31, 2025; (ii) pension group annuities issued in connection with PGA transactions; and (iii) the opportunistic issuance of funding agreements. The Company invests the proceeds received from these activities into a high quality asset portfolio to generate attractive financial results for its stockholder, while concurrently focusing on downside risk to preserve the capital of and meet its obligations to its policyholders, including its funding agreement counterparties. Subsidiary operations are not included in the Company's unconsolidated statutory results.

On December 20, 2023, the Company and AADE, its Delaware domiciled parent company, executed an Agreement and Plan of Merger. Effective October 11, 2024, following the receipt of all required regulatory approvals, AADE merged with and into the Company, with the Company as the surviving entity (the “**Merger**”). The Merger was accounted for in accordance with the Statement of Statutory Accounting Principles (“**SSAP**”) No. 68, Business Combinations and Goodwill, as a statutory merger. As such, the December 31, 2025 and December 31, 2024 financial statements reflect the Merger.

For the year ended December 31, 2025, statutory net income was \$1,091.6 million. As of December 31, 2025, the Company had \$340.7 billion in statutory assets and \$336.6 billion in statutory liabilities, which includes \$175.3 billion of policy and contract liabilities and \$49.3 billion of separate account liabilities, both of which are mostly comprised of annuity and funding agreement reserves. The Company's total adjusted capital (“**TAC**”), as defined by the NAIC, increased to \$9.5 billion as of December 31, 2025 compared to \$7.7 billion as of December 31, 2024.

The following table sets forth the calculation of the Company's TAC:

	December 31,	
	2025	2024
	(\$ In thousands)	
Capital and surplus	\$ 4,121,784	\$ 3,899,057
Asset valuation reserve	5,362,457	3,765,492
Subsidiary asset valuation reserve	8,845	7,249
Dividend liability	10,417	10,872
Total adjusted capital	\$ 9,503,503	\$ 7,682,670

As of December 31, 2025, there were no significant statutory or regulatory issues which would impair the Company's financial position or liquidity, but there can be no assurance that such issues will not arise in the future.

Financial Strength Ratings

The Company's financial strength ratings are A+ (stable outlook) by each of S&P, A.M. Best and Fitch and A1 (stable outlook) by Moody's. Each rating agency independently assigns ratings based on its own separate review and takes into account a variety of factors in making its decision. Ratings are subject to change and there can be no assurance as to the Company's ratings in the future.

Financial strength ratings represent the opinions of rating agencies regarding the financial ability of an insurer or reinsurer to meet its obligation under an insurance policy or reinsurance arrangement and generally involve quantitative and qualitative evaluations by rating agencies of a company's financial condition and operating performance. Financial strength ratings are based upon, among other things, an independent review of the Company, the industry in which the Company operates and the financial strength of AHL and its core operating subsidiaries. As of December 31, 2025, the Company had derivative contracts with a market value of \$5.7 billion that contained rating triggers. A rating trigger refers to a clause in the Company's contracts which may require action by the Company or could result in financial consequences in the event of a downgrade of the Company's financial strength rating below a specified level or removal of a rating by a rating agency. Such actions and financial consequences could include the counterparty terminating positions and closing out such positions on the side of the market favorable to the counterparty, except that, fully paid positions which constitute a substantial portion of the aforementioned market value are generally protected from termination relating to ratings triggers. However, in some instances, a counterparty is entitled to terminate fully paid positions in the event of a failure to return collateral or failure to pay obligations. In addition, thresholds and minimum transfer amounts for transfer of collateral could be reduced to zero, which could result in additional collateral obligations, although in most instances thresholds are already at or near zero and the Company is generally a net recipient of collateral. Counterparties could additionally cease to enter into new trades with the Company which would require sourcing derivative contracts from exchange-traded markets to mitigate risk.

Interim Update for the Three Months March 31, 2026

The unaudited Analysis of Results of Operations for the three months ended March 31, 2026 and 2025 and the unaudited Statement of Financial Position as of March 31, 2026 and December 31, 2025, presented below should be read in conjunction with, and is qualified in its entirety by reference to the following:

- Unaudited Statutory-Basis Financial Statements and Notes to Financial Statements as of March 31, 2026 and December 31, 2025 and for the three months ended March 31, 2026 and 2025, included elsewhere in this Offering Memorandum;
- Audited Statutory-Basis Financial Statements and Notes to Financial Statements as of and for the years ended December 31, 2025 and 2024, included in this Offering Memorandum.

Analysis of Results of Operations – For the Three Months Ended March 31, 2026 and 2025

The following table sets forth the components of the Company's statutory net income (loss) for the periods presented:

	Three Months Ended March 31,		Change	
	2026 (Unaudited)	2025 (Unaudited)	Amount	Percentage
	(\$ In thousands)			
Premiums and other revenues				
Premiums and annuity considerations for life and accident and health policies and contracts	\$ 1,871,727	\$ 2,704,931	\$ (833,204)	(31) %
Considerations for supplementary contracts with life contingencies	4,772	2,888	1,884	65 %
Net investment income	3,726,359	2,949,237	777,122	26 %
Amortization of interest maintenance reserve	6,721	4,864	1,857	38 %
Commissions and expense allowances on reinsurance ceded	498,694	598,781	(100,087)	(17) %
Corporate owned life insurance income	50,711	26,166	24,545	94 %
Net gain (loss) from operations from separate accounts	(268,134)	(296,192)	28,058	9 %
Modified coinsurance adjustment ceded	1,321,647	4,009,928	(2,688,281)	(67) %
Funds withheld adjustment assumed	30,760	33,759	(2,999)	(9) %
Other income	16,904	6,256	10,648	170 %
Total premiums and other revenues	7,260,161	10,040,618	(2,780,457)	(28) %
Benefits and expenses				
Benefits paid or provided for:				
Surrender benefits	855,343	565,019	290,324	51 %
Annuity and other benefits	325,742	325,095	647	— %
Increase (decrease) in policy reserves	3,558,880	7,007,603	(3,448,723)	(49) %
Interest and reserve changes on policy or contract funds	709,097	570,917	138,180	24 %
Total benefits	5,449,062	8,468,634	(3,019,572)	(36) %
Funds withheld adjustment ceded	1,082,552	994,428	88,124	9 %
Interest maintenance reserve ceded	(24,007)	21,788	(45,795)	(210) %
Commissions	311,467	405,677	(94,210)	(23) %
Commissions and expense allowances on reinsurance assumed	85,329	108,532	(23,203)	(21) %
Interest maintenance reserve assumed	(1,952)	(877)	(1,075)	(123) %
General insurance expenses	154,967	167,787	(12,820)	(8) %
Insurance taxes, licenses and fees	11,378	8,841	2,537	29 %
Transfer to separate account, net	(419,858)	(464,915)	45,057	10 %
Other expense (income)	35,720	(3,299)	39,019	1,183 %
Total benefits and expenses	6,684,658	9,706,596	(3,021,938)	(31) %
Net gain (loss) from operations before dividends to policyowners, federal income taxes and net realized capital gains (losses)	575,503	334,022	241,481	72 %
Dividends to policyowners	7	6	1	17 %
Net gain (loss) from operations before federal income taxes and net realized capital gains (losses)	575,496	334,016	241,480	72 %
Federal income tax expense (benefit)	130,301	40,950	89,351	218 %
Net gain (loss) from operations before net realized capital gains (losses)	445,195	293,066	152,129	52 %
Net realized capital gains (losses), net of tax and transfers to interest maintenance reserve	(23,159)	80,673	(103,832)	(129) %
Net income (loss)	\$ 422,036	\$ 373,739	\$ 48,297	13 %

The operating results of the Company for the periods presented reflect the reinsurance of the majority of its core business to its affiliates and the reinsurance of the majority of its legacy life block.

Net income (loss) increased \$48.3 million to \$422.0 million for the three months ended March 31, 2026 from \$373.7 million for the three months ended March 31, 2025. The increase is primarily due to the items discussed below.

Revenue

Premiums and Annuity Considerations for Life Contracts

Premiums and annuity considerations for life contracts decreased \$833.2 million to \$1,871.7 million for the three months ended March 31, 2026 from \$2,704.9 million for the three months ended March 31, 2025. The decrease is primarily due to lower retail annuity sales, net of reinsurance.

Net Investment Income

The components of net investment income are set forth below:

	Three months ended March 31,		Change	
	2026 (Unaudited)	2025 (Unaudited)	Amount	Percentage
	(\$ In thousands)			
Net investment income				
Bonds	\$ 2,225,656	\$ 1,841,857	\$ 383,799	21 %
Preferred stocks	24,207	26,552	(2,345)	(9) %
Common stocks	24,929	16,941	7,988	47 %
Mortgage loans	1,399,420	1,020,026	379,394	37 %
Real estate	6,908	7,205	(297)	(4) %
Derivatives	208,500	167,581	40,919	24 %
Policy loans	1,727	1,856	(129)	(7) %
Cash, cash equivalents and short-term investments	91,808	126,580	(34,772)	(27) %
Other invested assets	101,148	49,777	51,371	103 %
Other, net	(5,636)	(188)	(5,448)	(2,898) %
Total gross investment income	4,078,667	3,258,187	820,480	25 %
Less: Investment expenses	352,308	308,950	43,358	14 %
Net investment income	\$ 3,726,359	\$ 2,949,237	\$ 777,122	26 %

Net investment income increased \$777.1 million to \$3,726.4 million for the three months ended March 31, 2026 from \$2,949.2 million for the three months ended March 31, 2025. The increase is primarily driven by significant growth in the Company's investment portfolio attributable to strong net flows, higher rates on new deployment in comparison to the Company's existing portfolio related to the higher interest rate environment and favorable redemption income. These impacts were partially offset by lower floating rate income and prepayment of higher-yielding assets.

Commission and Expense Allowances on Reinsurance Ceded

Commission and expense allowances on reinsurance ceded decreased \$100.1 million to \$498.7 million for the three months ended March 31, 2026 from \$598.8 million for the three months ended March 31, 2025. The decrease is primarily due to lower retail annuity sales.

Modified Coinsurance Adjustment Ceded

Modified coinsurance adjustment ceded decreased \$2,688.3 million to \$1,321.6 million for the three months ended March 31, 2026 from \$4,009.9 million for the three months ended March 31, 2025. The decrease is due to lower policy reserves ceded of \$2,381.7 million and lower net investment income ceded of \$340.9 million, partially offset by higher interest on policy and contract funds ceded of \$43.4 million. The policy reserves ceded is a direct result of the change in policy reserves discussed below under “Benefits and Expenses—Increase (Decrease) in Policy Reserves.” The net investment income ceded is a direct result of net investment income discussed above under “Revenue—Net Investment Income.” The interest on policy and contract funds ceded is a direct result of the interest and reserve changes on policy or contract funds discussed below under “Benefits and Expenses—Interest and Reserve Changes on Policy or Contract Funds.”

Benefits and Expenses

Surrender Benefits

Surrender benefits increased \$290.3 million to \$855.3 million for the three months ended March 31, 2026 from \$565.0 million for the three months ended March 31, 2025. The increase is primarily due to discretionary policyholder activity.

Increase (Decrease) in Policy Reserves

The increase (decrease) in policy reserves changed \$3,448.7 million to \$3,558.9 million for the three months ended March 31, 2026 from \$7,007.6 million for the three months ended March 31, 2025. The change is primarily due to lower retail annuity sales.

Interest and Reserve Changes on Policy or Contract Funds

Interest and reserve changes on policy or contract funds changed \$138.2 million to \$709.1 million for the three months ended March 31, 2026 from \$570.9 million for the three months ended March 31, 2025. The change is primarily due to higher costs as a result of growth in the funding agreement channel, including those issued in connection with the Program.

Funds Withheld Adjustment Ceded

Funds withheld adjustment ceded increased \$88.1 million to \$1,082.6 million for the three months ended March 31, 2026 from \$994.4 million for the three months ended March 31, 2025. The increase is primarily due to increased investment income ceded as discussed above under “Revenue—Net Investment Income.” This is partially offset by decreased realized gains ceded discussed below under “Benefits and Expenses—Net Realized Capital Gains (Losses), Net of Tax and Transfers to IMR.”

Interest Maintenance Reserve Ceded

Interest maintenance reserve ceded changed \$45.8 million to a benefit of \$24.0 million for the three months ended March 31, 2026 from an expense of \$21.8 million for the three months ended March 31, 2025. Interest maintenance reserve ceded is a direct result of the amount transferred to IMR discussed below under “Benefits and Expenses—Net Realized Capital Gains (Losses), Net of Tax and Transfers to IMR” specific to the Modco Agreements and FWH Agreements trading activity.

Commissions

Commissions decreased \$94.2 million to \$311.5 million for the three months ended March 31, 2026 from \$405.7 million for the three months ended March 31, 2025. The decrease is primarily due to lower retail annuity sales.

Transfer To Separate Account, Net

Transfer to separate account, net increased \$45.1 million to \$419.9 million for the three months ended March 31, 2026 from \$464.9 million for the three months ended March 31, 2025. The increase is primarily due to higher premiums transferred to the separate accounts as a result of higher RILA sales and higher unrealized gains on derivatives held in the general account for separate account products.

Other Expense (Income)

Other expense changed \$39.0 million to an expense of \$35.7 million for the three months ended March 31, 2026 from income of \$3.3 million for the three months ended March 31, 2025. The change is due to interest paid on FHLB funding agreements held in the separate account.

Federal Income Tax Expense (Benefit)

Federal income tax expense increased \$89.4 million to \$130.3 million for the three months ended March 31, 2026 from \$41.0 million for the three months ended March 31, 2025. The increased expense is primarily due to higher taxable income as well as reserve and investment basis differences, partially offset by the use of tax credits.

Net Realized Capital Gains (Losses), Net of Tax and Transfers to IMR

Net realized capital gains (losses), net of tax and transfers to IMR, were comprised of the following:

	Three months ended March 31,		Change	
	2026 (Unaudited)	2025 (Unaudited)	Amount	Percentage
	(\$ In thousands)			
Net realized capital gains				
Bonds	\$ 31,343	\$ (82,873)	\$ 114,216	138 %
Stocks	1,683	(2,319)	4,002	173 %
Mortgage loans	(3,400)	2,317	(5,717)	(247)%
Derivatives	(48,923)	77,101	(126,024)	(163)%
Other invested assets	33,495	21,074	12,421	59 %
Foreign exchange on cash	(5,719)	(14,316)	8,597	60 %
Other	(4,972)	26,610	(31,582)	(119)%
Total net realized capital gains (losses) on investments	3,507	27,594	(24,087)	(87)%
Less amount transferred to IMR	17,714	(43,578)	61,292	141 %
Less federal income tax expense	8,952	(9,501)	18,453	194 %
Net realized capital gains (losses), net of tax and transfers	\$ (23,159)	\$ 80,673	\$ (103,832)	(129)%

Net realized capital gains (losses), net of tax and transfers to IMR, changed \$103.8 million to a loss of \$23.2 million for the three months ended March 31, 2026 from a gain of \$80.7 million for the three months ended March 31, 2025. The change is primarily due to unfavorable changes on derivatives of \$126.0 million, amounts transferred to IMR (net of taxes) of \$61.3 million and other of \$31.6 million, partially offset by favorable changes on bonds of \$114.2 million.

The change in derivatives is primarily due to foreign exchange fluctuations on forward and swap contracts. The Company hedges foreign-denominated assets and transactions with forward and swap contracts.

The change in amounts transferred to IMR (net of taxes) is primarily due to realized gains on bonds net of realized losses on other investments discussed in this section.

The change in other is primarily due to foreign exchange losses related to the maturity of foreign denominated funding agreements during the three months ended March 31, 2026 compared to gains during the three months ended March 31, 2025.

The change in bonds is primarily due to foreign exchange impacts on the sale of multiple bonds during the three months ended March 31, 2026 compared to the three months ended March 31, 2025. In addition there were realized losses during the three months ended March 31, 2025.

Statement of Financial Position – as of March 31, 2026 compared to as of December 31, 2025

Admitted Assets

The following table sets forth the Company's admitted assets for the dates presented:

	March 31, 2026	December 31,	Change	
	(Unaudited)	2025	Amount	Percentage
	(\$ In thousands)			
Admitted assets				
Cash and invested assets:				
Bonds	\$ 162,539,837	\$ 158,852,395	\$ 3,687,442	2 %
Preferred stocks	1,356,525	1,450,140	(93,615)	(6)%
Common stocks:				
Affiliated entities	511,318	508,666	2,652	1 %
Unaffiliated	1,309,465	1,085,683	223,782	21 %
Mortgage loans	87,485,047	86,638,528	846,519	1 %
Real estate held for the production of	233,203	219,236	13,967	6 %
Policy loans	128,940	130,700	(1,760)	(1)%
Cash, cash equivalents and short-term	12,478,062	9,357,352	3,120,710	33 %
Receivable for securities	427,731	415,289	12,442	3 %
Derivative assets	5,227,346	5,395,753	(168,407)	(3)%
Derivative collateral assets	704,956	655,644	49,312	8 %
Other invested assets	17,934,921	17,387,119	547,802	3 %
Total cash and invested assets	290,337,351	282,096,505	8,240,846	3 %
Accrued investment income	2,681,414	2,479,627	201,787	8 %
Premiums due and deferred, net of loading	4,181	4,015	166	4 %
Reinsurance receivable	672,430	225,086	447,344	199 %
Funds withheld receivable on reinsurance	2,981,527	2,765,938	215,589	8 %
Reinsurance recoverable	1,841	1,236	605	49 %
Corporate owned life insurance	2,113,608	2,062,897	50,711	2 %
Amounts due from parent, subsidiaries, and	17,851	4,553	13,298	292 %
Federal income tax recoverable	224,931	252,301	(27,370)	(11)%
Net deferred income tax asset	415,105	417,544	(2,439)	(1)%
Other admitted assets	33,425	42,133	(8,708)	(21)%
Separate account assets	50,686,086	50,398,020	288,066	1 %
Total admitted assets	\$ 350,169,750	\$ 340,749,855	\$ 9,419,895	3 %

Admitted Assets

Total admitted assets increased \$9,419.9 million to \$350,169.8 million as of March 31, 2026 from \$340,749.9 million as of December 31, 2025. The increase is primarily due to the investment of proceeds from retail annuity sales and funding agreement issuances, including those issued in connection with the Program.

Bonds

Bonds increased \$3,687.4 million to \$162,539.8 million as of March 31, 2026 from \$158,852.4 million as of December 31, 2025. The increase is primarily due to the investment of proceeds from retail annuity sales and funding agreement issuances, including those issued in connection with the Program.

Preferred Stocks

Preferred stocks decreased \$93.6 million to \$1,356.5 million as of March 31, 2026 from \$1,450.1 million as of December 31, 2025. The decrease is primarily due to the disposal of several preferred stocks with proceeds reinvested in other investments.

Common Stocks: Unaffiliated

Common stocks: unaffiliated increased \$223.8 million to \$1,309.5 million as of March 31, 2026 from \$1,085.7 million as of December 31, 2025. The increase is primarily due to the acquisition of FHLB stock.

Cash, Cash Equivalents and Short-Term Investments

Cash, cash equivalents and short-term investments increased \$3,120.7 million to \$12,478.1 million as of March 31, 2026 from \$9,357.4 million as of December 31, 2025. The increase is primarily due to proceeds from retail annuity sales and funding agreement issuances, including those issued in connection with the Program, partially offset by repurchase agreement maturities and a decrease in pledged derivative collateral from counterparties.

Accrued Investment Income

Accrued investment income increased \$201.8 million to \$2,681.4 million as of March 31, 2026 from \$2,479.6 million as of December 31, 2025. The increase in accrued investment income is due to the increase in invested assets.

Reinsurance Receivable

Reinsurance receivable increased \$447.3 million to \$672.4 million as of March 31, 2026 from \$225.1 million as of December 31, 2025. The increase is primarily due to higher flow reinsurance premiums assumed from third-party cedants.

Funds Withheld Receivable on Reinsurance

Funds withheld receivable on reinsurance increased \$215.6 million to \$2,981.5 million as of March 31, 2026 from \$2,765.9 million as of December 31, 2025. The increase is primarily due to higher assumed premiums from Athene Annuity & Life Assurance Company of New York.

Statement of Financial Position – as of March 31, 2026 compared to as of December 31, 2025

Liabilities and Capital and Surplus

The following table sets forth the Company's liabilities and capital and surplus for the dates presented:

	March 31, 2026 (Unaudited)	December 31, 2025	Change	
			Amount	Percentage
(\$ In thousands, except per share amounts)				
Liabilities and capital and surplus				
Liabilities:				
Policy and contract liabilities:				
Life and annuity	\$ 114,174,687	\$ 110,615,749	\$ 3,558,938	3 %
Accident and health	1,579	1,637	(58)	(4)%
Deposit-type contracts	65,313,494	64,259,784	1,053,710	2 %
Policy and contract claims	486,759	465,828	20,931	4 %
Total policy and contract	179,976,519	175,342,998	4,633,521	3 %
Accrued insurance expenses	65,974	71,727	(5,753)	(8)%
Interest maintenance reserve	215,322	219,836	(4,514)	(2)%
Asset valuation reserve	5,221,187	5,362,458	(141,271)	(3)%
Amounts due to parent, subsidiaries,	177,558	142,863	34,695	24 %
Payable for securities	231,844	243,786	(11,942)	(5)%
Derivative liabilities	1,489,585	1,694,680	(205,095)	(12)%
Derivative and other collateral liability	5,096,708	5,837,970	(741,262)	(13)%
Remittances and items not allocated	249,298	256,371	(7,073)	(3)%
Liability for unclaimed property	121,414	116,647	4,767	4 %
Funds held under reinsurance treaties	69,008,197	66,695,002	2,313,195	3 %
Reinsurance payable	977,797	862,449	115,348	13 %
Other reinsurance liability	549,029	500,007	49,022	10 %
Repurchase agreement liability	3,154,181	5,045,980	(1,891,799)	(37)%
Due to separate account	26,956,125	22,158,151	4,797,974	22 %
Other liabilities	2,508,874	2,808,129	(299,255)	(11)%
Separate account liabilities	49,546,545	49,269,017	277,528	1 %
Total liabilities	345,546,157	336,628,071	8,918,086	3 %
Capital and surplus:				
Common stock, \$1 per share par value - 10,000,000 shares authorized, issued and outstanding	10,000	10,000	—	— %
Paid-in surplus	5,763,406	5,758,301	5,105	— %
Unassigned surplus (deficit)	(1,149,813)	(1,646,517)	496,704	30 %
Total capital and surplus	4,623,593	4,121,784	501,809	12 %
Total liabilities and capital and	\$ 350,169,750	\$ 340,749,855	\$ 9,419,895	3 %

Liabilities

Total liabilities increased \$8,918.1 million to \$345,546.2 million as of March 31, 2026 from \$336,628.1 million as of December 31, 2025. The increase is primarily due to retail annuity sales and funding agreement issuances, including those issued in connection with the Program.

Policy and Contract Liabilities

Policy and contract liabilities increased \$4,633.5 million to \$179,976.5 million as of March 31, 2026 from \$175,343.0 million as of December 31, 2025. The increase is primarily due to retail annuity sales and funding agreement issuances, including those issued in connection with the Program.

Derivative Liabilities

Derivative liabilities decreased \$205.1 million to \$1,489.6 million as of March 31, 2026 from \$1,694.7 million as of December 31, 2025. The decrease is primarily due to currency swaps and forwards as the result of market conditions.

Derivative and Other Collateral Liability

Derivative and other collateral liability decreased \$741.3 million to \$5,096.7 million as of March 31, 2026 from \$5,838.0 million as of December 31, 2025. The decrease is primarily due to a decrease in cash collateral pledged to the Company for derivatives as a result of market conditions.

Funds Held Under Reinsurance

Funds held under reinsurance increased \$2,313.2 million to \$69,008.2 million as of March 31, 2026 from \$66,695.0 million as of December 31, 2025. The increase is primarily due to retail annuity sales.

Reinsurance Payable

Reinsurance payable increased \$115.3 million to \$977.8 million as of March 31, 2026 from \$862.4 million as of December 31, 2025. The increase is primarily due to higher investment income ceded on funding agreements.

Repurchase Agreement Liability

Repurchase agreement liability decreased \$1,891.8 million to \$3,154.2 million as of March 31, 2026 from \$5,046.0 million as of December 31, 2025. The decrease is primarily due to repurchase agreement maturities.

Due to Separate Account

Due to separate account increased \$4,798.0 million to \$26,956.1 million as of March 31, 2026 from \$22,158.2 million as of December 31, 2025. The increase is primarily due to the issuance of funding agreements to the FHLB during 2026.

Other Liabilities

Other liabilities decreased \$299.3 million to \$2,508.9 million as of March 31, 2026 from \$2,808.1 million as of December 31, 2025. The decrease is primarily due to unrealized losses on derivatives held in the general account related to separate account products.

Capital and Surplus

Capital and surplus increased \$501.8 million to \$4,623.6 million as of March 31, 2026 from \$4,121.8 million as of December 31, 2025. The following table shows details of the change in capital and surplus:

	March 31, 2026
	(\$ In thousands)
Beginning capital and surplus	<u>\$ 4,121,784</u>
Correction of prior period error	—
Net income (loss)	422,036
Capital contribution	5,105
Change in net deferred income tax	82,131
Change in net unrealized capital gains and losses, net of deferred tax	(186,356)
Change in nonadmitted assets	(71,435)
Change in asset valuation reserve	141,271
Other changes in surplus in separate accounts statement	278,672
Captive tax sharing agreement	(91)
Reinsurance adjustment	<u>(169,524)</u>
Net increase (decrease)	<u>501,809</u>
Ending capital and surplus	<u><u>\$ 4,623,593</u></u>

Analysis of Results of Operations – For the Years Ended December 31, 2025 and 2024

The following table sets forth the components of the Company's statutory net income (loss) for the periods presented:

	Years Ended December 31,		Change	
	2025	2024	Amount	Percentage
	(\$ In thousands)			
Premiums and other revenues				
Premiums and annuity considerations for life and accident and health policies and contracts	\$ 8,844,191	\$ 7,736,850	\$ 1,107,341	14 %
Considerations for supplementary contracts with life contingencies	12,976	12,448	528	4 %
Net investment income	12,732,699	10,501,479	2,231,220	21 %
Amortization of interest maintenance reserve	24,171	21,463	2,708	13 %
Commissions and expense allowances on reinsurance ceded	2,324,454	1,803,638	520,816	29 %
Corporate owned life insurance income	150,035	12,862	137,173	1,066 %
Net gain (loss) from operations from separate accounts	480,323	674,736	(194,413)	(29) %
Modified coinsurance adjustment ceded	7,777,675	(31,753,929)	39,531,604	124 %
Funds withheld adjustment assumed	130,184	120,230	9,954	8 %
Other income	34,323	25,840	8,483	33 %
Total premiums and other revenues	32,511,031	(10,844,383)	43,355,414	400 %
Benefits and expenses				
Benefits paid or provided for:				
Surrender benefits	3,230,046	2,353,840	876,206	37 %
Annuity and other benefits	1,267,813	1,224,417	43,396	4 %
Increase (decrease) in policy reserves	14,033,013	(21,501,778)	35,534,791	165 %
Interest and reserve changes on policy or contract funds	5,890,697	1,573,988	4,316,709	274 %
Total benefits	24,421,569	(16,349,533)	40,771,102	249 %
Funds withheld adjustment ceded	3,544,758	1,709,373	1,835,385	107 %
Interest maintenance reserve ceded	19,320	29,503	(10,183)	(35) %
Commissions	1,657,039	1,575,075	81,964	5 %
Commissions and expense allowances on reinsurance assumed	301,470	182,717	118,753	65 %
Interest maintenance reserve assumed	(7,328)	(18,059)	10,731	59 %
General insurance expenses	650,748	649,100	1,648	— %
Insurance taxes, licenses and fees	6,195	65,948	(59,753)	(91) %
Transfer to separate account, net	342,044	307,035	35,009	11 %
Other expense (income)	136,380	(8,096)	144,476	1,785 %
Total benefits and expenses	31,072,195	(11,856,937)	42,929,132	362 %
Net gain (loss) from operations before dividends to policyowners, federal income taxes and net realized capital gains (losses)	1,438,836	1,012,554	426,282	42 %
Dividends to policyowners	20	17	3	18 %
Net gain (loss) from operations before federal income taxes and net realized capital gains (losses)	1,438,816	1,012,537	426,279	42 %
Federal income tax expense (benefit)	(186,034)	(222,705)	36,671	16 %
Net gain (loss) from operations before net realized capital gains (losses)	1,624,850	1,235,242	389,608	32 %
Net realized capital gains (losses), net of tax and transfers to interest maintenance reserve	(533,277)	(285,751)	(247,526)	(87) %
Net income (loss)	\$ 1,091,573	\$ 949,491	\$ 142,082	15 %

The operating results of the Company for the periods presented reflect the reinsurance of the majority of its core business to its affiliates and the reinsurance of the majority of its legacy life block.

Net income increased \$142.1 million to \$1,091.6 million for the year ended December 31, 2025 from \$949.5 million for the year ended December 31, 2024. The increase is primarily due to the items discussed below.

Revenue

Premiums and Annuity Considerations for Life Contracts

Premiums and annuity considerations for life contracts increased \$1,107.3 million to \$8,844.2 million for the year ended December 31, 2025 from \$7,736.9 million for the year ended December 31, 2024. The increase is primarily due to higher retail annuity sales, net of reinsurance.

Net Investment Income

The components of net investment income are set forth below:

	Years ended December 31,		Change	
	2025	2024	Amount	Percentage
	(\$ In thousands)			
Net investment income				
Bonds	\$ 8,279,778	\$ 6,612,392	\$ 1,667,386	25 %
Preferred stocks	106,539	103,593	2,946	3 %
Common stocks	82,338	38,740	43,598	113 %
Mortgage loans	4,736,362	3,400,112	1,336,250	39 %
Real estate	37,404	37,281	123	— %
Derivatives	458,865	708,426	(249,561)	(35) %
Policy loans	5,546	7,778	(2,232)	(29) %
Cash, cash equivalents and short-term	422,726	577,610	(154,884)	(27) %
Other invested assets	(132,205)	65,963	(198,168)	(300) %
Other, net	13,455	(24)	13,479	56,163 %
Total gross investment income	14,010,808	11,551,871	2,458,937	21 %
Less: Investment expenses	1,278,109	1,050,392	227,717	22 %
Net investment income	\$ 12,732,699	\$ 10,501,479	\$ 2,231,220	21 %

Net investment income increased \$2,231.2 million to \$12,732.7 million for the year ended December 31, 2025 from \$10,501.5 million for the year ended December 31, 2024. The increase is primarily driven by significant growth in the Company's investment portfolio attributable to strong net flows and higher rates on new deployment in comparison to the Company's existing portfolio related to the higher interest rate environment. These impacts were partially offset by lower floating rate income and higher investment management fees driven by the significant growth in the Company's investment portfolio.

Commission and Expense Allowances on Reinsurance Ceded

Commission and expense allowances on reinsurance ceded increased \$520.8 million to \$2,324.5 million for the year ended December 31, 2025 from \$1,803.6 million for the year ended December 31, 2024. The increase is primarily due to higher retail annuity sales.

Corporate Owned Life Insurance Income

Corporate owned life insurance income increased \$137.2 million to \$150.0 million for the year ended December 31, 2025 from \$12.9 million for the year ended December 31, 2024. The increase is primarily due to the purchase of life insurance policies during 2024 and 2025.

Net Gain (Loss) From Operations From Separate Accounts

Net gain (loss) from operations from separate accounts decreased \$194.4 million to \$480.3 million for the year ended December 31, 2025 from \$674.7 million for the year ended December 31, 2024. The decrease is primarily due to favorable reserve assumption changes on the PGA block in 2024 and higher interest payments on FHLB funding agreements.

Modco Adjustment Ceded

Modco adjustment ceded changed \$39,531.6 million to revenue of \$7,777.7 million for the year ended December 31, 2025 from an expense of \$31,753.9 million for the year ended December 31, 2024. The change is due to higher policy reserves ceded of \$35,081.3 million, higher interest on policy and contract funds ceded of \$3,836.3 million and lower net investment income ceded of \$654.5 million, partially offset by lower realized losses ceded of \$40.5 million. The policy reserves ceded is a direct result of the change in policy reserves discussed below under “Benefits and Expenses—Increase (Decrease) in Policy Reserves.” The interest on policy and contract funds ceded is a direct result of the interest and reserve changes on policy or contract funds discussed below under “Benefits and Expenses—Interest and Reserve Changes on Policy or Contract Funds.” The net investment income ceded is primarily due to the conversion of a Modco Agreement to a FWH Agreement effective July 1, 2024. The realized losses ceded is a direct result of the changes discussed below under “Benefits and Expenses—Net Realized Capital Gains (Losses), Net of Tax and Transfers to IMR.”

Benefits and Expenses

Surrender Benefits

Surrender benefits increased \$876.2 million to \$3,230.0 million for the year ended December 31, 2025 from \$2,353.8 million for the year ended December 31, 2024. The increase is primarily due to discretionary policyholder activity.

Increase (Decrease) in Policy Reserves

The increase (decrease) in policy reserves changed \$35,534.8 million to an expense of \$14,033.0 million for the year ended December 31, 2025 from a benefit of \$21,501.8 million for the year ended December 31, 2024. The change is primarily due to the conversion of a Modco Agreement to a FWH Agreement effective July 1, 2024.

Interest and Reserve Changes on Policy or Contract Funds

Interest and reserve changes on policy or contract funds changed \$4,316.7 million to \$5,890.7 million for the year ended December 31, 2025 from \$1,574.0 million for the year ended December 31, 2024. The change is primarily due to higher costs as a result of growth in the funding agreement channel, including those issued in connection with the Program.

Funds Withheld Adjustment Ceded

Funds withheld adjustment ceded increased \$1,835.4 million to \$3,544.8 million for the year ended December 31, 2025 from \$1,709.4 million for the year ended December 31, 2024. The increase is primarily due to increased investment income ceded as a result of the conversion of a Modco Agreement to a FWH Agreement effective July 1, 2024 as well as increased net investment income as discussed above under “Revenue—Net Investment Income”.

Commissions and Expense Allowances on Reinsurance Assumed

Commissions and expense allowances on reinsurance assumed increased \$118.8 million to \$301.5 million for the year ended December 31, 2025 from \$182.7 million for the year ended December 31, 2024. The increase is primarily due to higher inflows through the Company's flow reinsurance channel.

Insurance Taxes, Licenses and Fees

Insurance taxes, licenses and fees decreased \$59.8 million to \$6.2 million for the year ended December 31, 2025 from \$65.9 million for the year ended December 31, 2024. The decrease is primarily due to lower guaranty association assessments connected with the Bankers Life Insurance Company and Colorado Bankers Life Insurance Company insolvencies net of reinsurance reimbursements.

Transfer To Separate Account, Net

Transfer to separate account, net increased \$35.0 million to \$342.0 million for the year ended December 31, 2025 from \$307.0 million for the year ended December 31, 2024. The increase is primarily due to higher premiums transferred to the separate accounts as a result of higher RILA sales and higher unrealized gains on derivatives held in the general account for separate account products.

Other Expense (Income)

Other expense changed \$144.5 million to an expense of \$136.4 million for the year ended December 31, 2025 from income of \$8.1 million for the year ended December 31, 2024. The change is primarily due to interest paid on FHLB funding agreements held in the separate account of \$141.3 million.

Federal Income Tax Expense (Benefit)

Federal income tax benefit decreased \$36.7 million to \$186.0 million for the year ended December 31, 2025 from \$222.7 million for the year ended December 31, 2024. The decreased benefit is primarily due to higher taxable income driven by reserve and investment basis differences, partially offset by the use of tax credits.

Net Realized Capital Gains (Losses), Net of Tax and Transfers to IMR

Net realized capital gains (losses), net of tax and transfers to IMR, were comprised of the following:

	Years ended December 31,		Change	
	2025	2024	Amount	Percentage
	(\$ In thousands)			
Net realized capital gains (losses)				
Bonds	\$ (16,417)	\$ (156,289)	\$ 139,872	89 %
Stocks	3,557	2,614	943	36 %
Mortgage loans	60,082	(208,806)	268,888	129 %
Real estate	—	(17,314)	17,314	NM
Derivatives	(538,998)	42,314	(581,312)	(1,374)%
Other invested assets	(90,029)	(12,895)	(77,134)	(598)%
Foreign exchange on cash	46,575	(16,698)	63,273	379 %
Other	(12,962)	33,565	(46,527)	(139)%
Less amount transferred to IMR (net of	(27,020)	(46,007)	18,987	41 %
Less federal income tax expense	12,105	(1,751)	13,856	791 %
Net realized capital gains (losses), net of tax and transfers to IMR	\$ (533,277)	\$ (285,751)	\$ (247,526)	(87)%

NM = Not Meaningful

Net realized capital losses, net of tax and transfers to IMR, increased \$247.5 million to \$533.3 million for the year ended December 31, 2025 from \$285.8 million for the year ended December 31, 2024. The increase is primarily due to unfavorable changes on derivatives of \$581.3 million, other invested assets of \$77.1 million and other of \$46.5 million, partially offset by favorable changes on mortgage loans of \$268.9 million, bonds of \$139.9 million and foreign exchange on cash of \$63.3 million.

The change in derivatives is primarily due to foreign exchange fluctuations on forward and swap contracts. The Company hedges foreign-denominated assets and transactions with forward and swap contracts.

The change in other invested assets is primarily due to an alternative investment transfer from the separate account to the general account and overall net losses on the disposal of multiple other invested assets, both during the year ended December 31, 2025.

The change in other is primarily due to foreign exchange losses related to the maturity of foreign denominated funding agreements during the year ended December 31, 2025 compared to gains during the year ended December 31, 2024.

The change in mortgage loans is primarily due to realized gains on CMLs during the year ended December 31, 2025 compared to realized losses during the year ended December 31, 2024.

The change in bonds is primarily due to foreign exchange impacts on the sale of multiple bonds during the year ended December 31, 2025 compared to the year ended December 31, 2024.

The change in foreign exchange on cash is primarily related to the strengthening of the US dollar against foreign currencies during the year ended December 31, 2025 compared to the year ended December 31, 2024.

Statement of Financial Position – as of December 31, 2025 compared to as of December 31, 2024

Admitted Assets

The following table sets forth the Company's admitted assets for the dates presented:

	December 31,		Change	
	2024		Amount	Percentage
	(\$ In thousands)			
Admitted assets				
Cash and invested assets:				
Bonds	\$ 158,852,395	\$ 130,962,442	\$ 27,889,953	21 %
Preferred stocks	1,450,140	1,819,311	(369,171)	(20)%
Common stocks:				
Affiliated entities	508,666	431,051	77,615	18 %
Unaffiliated	1,085,683	741,073	344,610	47 %
Mortgage loans	86,638,528	60,226,224	26,412,304	44 %
Real estate held for the production of income	219,236	212,030	7,206	3 %
Policy loans	130,700	140,451	(9,751)	(7)%
Cash, cash equivalents and short-term investments	9,357,352	9,764,163	(406,811)	(4)%
Receivable for securities	415,289	232,578	182,711	79 %
Derivative assets	5,395,753	4,845,625	550,128	11 %
Derivative collateral assets	655,644	579,393	76,251	13 %
Other invested assets	17,387,119	11,568,991	5,818,128	50 %
Total cash and invested assets	282,096,505	221,523,332	60,573,173	27 %
Accrued investment income	2,479,627	2,016,652	462,975	23 %
Premiums due and deferred, net of loading	4,015	4,326	(311)	(7)%
Reinsurance receivable	225,086	39,562	185,524	469 %
Funds withheld receivable on reinsurance	2,765,938	2,921,009	(155,071)	(5)%
Reinsurance recoverable	1,236	1,331	(95)	(7)%
Corporate owned life insurance	2,062,897	1,012,862	1,050,035	104 %
Amounts due from parent, subsidiaries, and affiliates	4,553	22,537	(17,984)	(80)%
Federal income tax recoverable	252,301	166,513	85,788	52 %
Net deferred income tax asset	417,544	206,585	210,959	102 %
Other admitted assets	42,133	48,258	(6,125)	(13)%
Separate account assets	50,398,020	49,882,253	515,767	1 %
Total admitted assets	\$ 340,749,855	\$ 277,845,220	\$ 62,904,635	23 %

Admitted Assets

Total admitted assets increased \$62,904.6 million to \$340,749.9 million as of December 31, 2025 from \$277,845.2 million as of December 31, 2024. The increase is primarily due to the investment of proceeds from retail annuity sales and funding agreement issuances, including those issued in connection with the Program.

Bonds

Bonds increased \$27,890.0 million to \$158,852.4 million as of December 31, 2025 from \$130,962.4 million as of December 31, 2024. The increase is primarily due to the investment of proceeds from retail annuity sales and funding agreement issuances, including those issued in connection with the Program, partially offset by several bonds being reclassified to other invested assets as a result of the adoption of the principle-based-bond definition (“PBBB”).

Preferred Stocks

Preferred stocks decreased \$369.2 million to \$1,450.1 million as of December 31, 2025 from \$1,819.3 million as of December 31, 2024. The decrease is primarily due to the reclassification of certain preferred stocks to other invested assets as a result of the adoption of the PBBB. In addition, there were several preferred stocks disposed of with proceeds reinvested in other investments.

Common Stocks: Affiliated

Common stocks: affiliated increased \$77.6 million to \$508.7 million as of December 31, 2025 from \$431.1 million as of December 31, 2024. The increase is primarily due an increase in the carrying value of the Company's investment in Athene Annuity & Life Assurance Company of New York (“AANY”), as a result of the change in AANY's capital and surplus which is mainly due to the release of cash flow testing reserves held in the Company's New York subsidiaries.

Common Stocks: Unaffiliated

Common stocks: unaffiliated increased \$344.6 million to \$1,085.7 million as of December 31, 2025 from \$741.1 million as of December 31, 2024. The increase is primarily due to the acquisition of FHLB stock.

Mortgage Loans

Mortgage loans increased \$26,412.3 million to \$86,638.5 million as of December 31, 2025 from \$60,226.2 million as of December 31, 2024. The increase is primarily due to the investment of proceeds from retail annuity sales and funding agreement issuances, including those issued in connection with the Program.

Receivable for Securities

Receivable for securities increased \$182.7 million to \$415.3 million as of December 31, 2025 from \$232.6 million as of December 31, 2024. The increase is primarily due to a higher volume of unsettled securities as of December 31, 2025 as compared to December 31, 2024.

Derivative Assets

Derivative assets increased \$550.1 million to \$5,395.8 million as of December 31, 2025 from \$4,845.6 million as of December 31, 2024. The increase is primarily due to an increase in value of options due to market conditions.

Derivative Collateral Assets

Derivative collateral assets increased \$76.3 million to \$655.6 million as of December 31, 2025 from \$579.4 million as of December 31, 2024. The increase is primarily due to an increase in cash collateral pledged by the Company for derivatives as a result of market conditions.

Other Invested Assets

Other invested assets increased \$5,818.1 million to \$17,387.1 million as of December 31, 2025 from \$11,569.0 million as of December 31, 2024. The increase is primarily due to the acquisition of several capital notes and bonds reclassified to other invested assets as a result of the adoption of the PBBB.

Accrued Investment Income

Accrued investment income increased \$463.0 million to \$2,479.6 million as of December 31, 2025 from \$2,016.7 million as of December 31, 2024. The increase in accrued investment income is due to the increase in invested assets.

Reinsurance Receivable

Reinsurance receivable increased \$185.5 million to \$225.1 million as of December 31, 2025 from \$39.6 million as of December 31, 2024. The increase is primarily due to higher flow reinsurance premiums assumed from third-party cedants.

Corporate Owned Life Insurance

Corporate owned life insurance increased \$1,050.0 million to \$2,062.9 million as of December 31, 2025 from \$1,012.9 million as of December 31, 2024. The increase is primarily due to the purchase of life insurance policies in 2025.

Federal Income Tax Recoverable

Federal income tax recoverable increased \$85.8 million to \$252.3 million as of December 31, 2025 from \$166.5 million as of December 31, 2024. The increase is primarily due to federal tax expenses discussed above under “Benefits and Expense—Federal Income Tax Expense (Benefit).”

Net Deferred Income Tax Assets

Net deferred income tax asset increased \$211.0 million to \$417.5 million as of December 31, 2025 from \$206.6 million as of December 31, 2024. The increase is primarily due to the Company's ability to admit additional deferred income tax assets.

Separate Account Assets

Separate account assets increased \$515.8 million to \$50,398.0 million as of December 31, 2025 from \$49,882.3 million as of December 31, 2024. The increase is primarily due to higher RILA sales, partially offset by pension benefit payments on the PGA block.

Statement of Financial Position – as of December 31, 2025 compared to as of December 31, 2024

Liabilities and Capital and Surplus

The following table sets forth the Company's liabilities and capital and surplus for the dates presented:

	December 31,		Change	
	2025	2024	Amount	Percentage
(\$ In thousands, except per share amounts)				
Liabilities and capital and surplus				
Liabilities:				
Policy and contract liabilities:				
Life and annuity	\$ 110,615,749	\$ 96,601,505	\$14,014,244	15 %
Accident and health	1,637	1,974	(337)	(17)%
Deposit-type contracts	64,259,784	36,359,016	27,900,768	77 %
Policy and contract claims	465,828	431,994	33,834	8 %
Total policy and contract liabilities	175,342,998	133,394,489	41,948,509	31 %
Accrued insurance expenses	71,727	70,912	815	1 %
Interest maintenance reserve	219,836	204,696	15,140	7 %
Asset valuation reserve	5,362,458	3,765,492	1,596,966	42 %
Amounts due to parent, subsidiaries, and affiliates	142,863	52,270	90,593	173 %
Payable for securities	243,786	315,273	(71,487)	(23)%
Derivative liabilities	1,694,680	1,030,094	664,586	65 %
Derivative and other collateral liability	5,837,970	5,617,217	220,753	4 %
Remittances and items not allocated	256,371	165,436	90,935	55 %
Liability for unclaimed property	116,647	115,952	695	1 %
Funds held under reinsurance treaties	66,695,002	55,558,281	11,136,721	20 %
Reinsurance payable	862,449	2,535,564	(1,673,115)	(66)%
Other reinsurance liability	500,007	360,458	139,549	39 %
Repurchase agreement liability	5,045,980	5,625,701	(579,721)	(10)%
Due to separate account	22,158,151	14,735,349	7,422,802	50 %
Other liabilities	2,808,129	1,687,697	1,120,432	66 %
Separate account liabilities	49,269,017	48,711,282	557,735	1 %
Total liabilities	336,628,071	273,946,163	62,681,908	23 %
Capital and surplus:				
Common stock, \$1 per share par value - 10,000,000	10,000	10,000	—	— %
Paid-in surplus	5,758,301	5,735,000	23,301	— %
Unassigned surplus (deficit)	(1,646,517)	(1,845,943)	199,426	11 %
Total capital and surplus	4,121,784	3,899,057	222,727	6 %
Total liabilities and capital and surplus	\$ 340,749,855	\$ 277,845,220	\$62,904,635	23 %

Liabilities

Total liabilities increased \$62,681.9 million to \$336,628.1 million as of December 31, 2025 from \$273,946.2 million as of December 31, 2024. The increase is primarily due to retail annuity sales and funding agreement issuances, including those issued in connection with the Program.

Policy and Contract Liabilities

Policy and contract liabilities increased \$41,948.5 million to \$175,343.0 million as of December 31, 2025 from \$133,394.5 million as of December 31, 2024. The increase is primarily due to retail annuity sales and funding agreement issuances, including those issued in connection with the Program.

Asset Valuation Reserve

Asset valuation reserve increased \$1,597.0 million to \$5,362.5 million as of December 31, 2025 from \$3,765.5 million as of December 31, 2024. The increase is primarily due to unrealized gains and an increase in general and separate account invested assets, partially offset by realized losses.

Amounts Due to Parents, Subsidiaries, and Affiliates

Amounts due to parents, subsidiaries, and affiliates increased \$90.6 million to \$142.9 million as of December 31, 2025 from \$52.3 million as of December 31, 2024. The increase is primarily due to the timing of intercompany settlements with affiliates as of December 31, 2025 as compared to December 31, 2024.

Payable for Securities

Payable for securities decreased \$71.5 million to \$243.8 million as of December 31, 2025 from \$315.3 million as of December 31, 2024. The decrease is primarily due to a lower volume of unsettled securities as of December 31, 2025 as compared to December 31, 2024.

Derivative Liabilities

Derivative liabilities increased \$664.6 million to \$1,694.7 million as of December 31, 2025 from \$1,030.1 million as of December 31, 2024. The increase is primarily due to currency swaps and forwards as the result of market conditions.

Remittances and Items Not Allocated

Remittances and items not allocated increased \$90.9 million to \$256.4 million as of December 31, 2025 from \$165.4 million as of December 31, 2024. The increase is primarily due to unprocessed cash as a result of higher retail annuity volumes received during the month of December 2025 as compared to the month of December 2024.

Funds Held Under Reinsurance

Funds held under reinsurance increased \$11,136.7 million to \$66,695.0 million as of December 31, 2025 from \$55,558.3 million as of December 31, 2024. The increase is primarily due to retail annuity sales.

Reinsurance Payable

Reinsurance payable decreased \$1,673.1 million to \$862.4 million as of December 31, 2025 from \$2,535.6 million as of December 31, 2024. The decrease is primarily due to settlement of several one-time ceded items.

Other Reinsurance Liability

Other reinsurance liability increased \$139.5 million to \$500.0 million as of December 31, 2025 from \$360.5 million as of December 31, 2024. The increase in other reinsurance liability is primarily due to growth in certain FIAs with a guaranteed lifetime withdrawal benefit rider that are ceded to a third party.

Repurchase Agreement Liability

Repurchase agreement liability decreased \$579.7 million to \$5,046.0 million as of December 31, 2025 from \$5,625.7 million as of December 31, 2024. The decrease is primarily due to repurchase agreement maturities, partially offset by additional repurchase agreements entered into in 2025.

Due to Separate Account

Due to separate account increased \$7,422.8 million to \$22,158.2 million as of December 31, 2025 from \$14,735.3 million as of December 31, 2024. The increase is primarily due to the issuance of funding agreements to the FHLB during 2025.

Other Liabilities

Other liabilities increased \$1,120.4 million to \$2,808.1 million as of December 31, 2025 from \$1,687.7 million as of December 31, 2024. The increase is primarily due to unrealized gains on derivatives held in the general account related to separate account products.

Separate Account Liabilities

Separate account liabilities increased \$557.7 million to \$49,269.0 million as of December 31, 2025 from \$48,711.3 million as of December 31, 2024. The increase is primarily due to higher RILA sales, partially offset by pension benefit payments on the PGA block.

Capital and Surplus

Capital and surplus increased \$222.7 million to \$4,121.8 million as of December 31, 2025 from \$3,899.1 million as of December 31, 2024. The following table shows details of the change in capital and surplus:

	<u>December 31, 2025</u>
	(\$ In thousands)
Beginning capital and surplus	<u>\$ 3,899,057</u>
Correction of prior period error	(22,061)
Net income (loss)	1,091,573
Capital contribution	23,301
Change in net deferred income tax	686,892
Change in net unrealized capital gains and losses, net of deferred tax	1,633,567
Change in nonadmitted assets	228,585
Change in asset valuation reserve	(1,587,714)
Other changes in surplus in separate accounts statement	(522,291)
Captive tax sharing agreement	110
Cumulative effect of changes in accounting principles	(8,112)
Change in valuation basis on reserves	83,153
Reinsurance adjustment	<u>(1,384,276)</u>
Net increase (decrease)	<u>222,727</u>
Ending capital and surplus	<u><u>\$ 4,121,784</u></u>

Liquidity and Capital Resources

Liquidity

There are two forms of liquidity relevant to the Company's business: funding liquidity and balance sheet liquidity. Funding liquidity relates to the ability to fund operations. Balance sheet liquidity relates to the Company's ability to sell assets held in its investment portfolio without incurring significant costs from fees, bid-offer spreads, or market impact. The Company manages its liquidity position by matching projected cash demands with adequate sources of cash and other liquid assets. The Company's principal sources of liquidity, in the ordinary course of business, are operating cash flows and holdings of cash, cash equivalents and other readily marketable assets.

The Company's investment portfolio is structured to ensure a strong liquidity position over time to permit timely payment of policy and contract benefits without requiring asset sales at inopportune times or at depressed prices. In general, liquid assets include cash and cash equivalents, highly rated bonds, short-term investments, unaffiliated preferred stock and publicly traded common stock, all of which generally have liquid markets with a large number of buyers, but exclude pledged assets, mainly associated with funding agreement and repurchase agreement liabilities. Assets included in modified coinsurance and funds withheld portfolios, including assets held in reinsurance trusts, are available to fund the benefits for the associated obligations but are restricted from other uses. Although the Company's investment portfolio does contain assets that are generally considered less liquid for liquidity monitoring purposes (primarily mortgage loans, policy loans, real estate and investment funds), there is some ability to raise cash from these assets if needed. In periods of economic downturn, the Company may seek to raise or hold additional cash and liquid assets to manage the Company's liquidity risk and to take advantage of market dislocations as they arise.

On June 27, 2025, AHL, AARe, ALRe and the Company entered into a revolving credit agreement with a syndicate of banks and Wells Fargo Bank, National Association, as administrative agent ("**Liquidity Facility**"). The Liquidity Facility is unsecured and has a commitment termination date of June 26, 2026, subject to any extensions of additional 364-day periods with consent of extending lenders and/or "term-out" of outstanding loans (by which, at the Company's election, the outstanding loans may be converted to term loans which shall have a maturity of up to one year after the original maturity date), in each case in accordance with the terms of the Liquidity Facility. In connection with the Liquidity Facility, AARe guaranteed all of the obligations of each other borrower under the Liquidity Facility and the related loan documents. The Liquidity Facility will be used for liquidity and working capital needs to meet short-term cash flow and investment timing differences. The borrowing capacity under the Liquidity Facility is \$2.6 billion, subject to being increased up to \$3.1 billion in total on the terms described in the Liquidity Facility. The Liquidity Facility contains various standard covenants with which the Company must comply, including the following: 1) AARe minimum consolidated net worth of no less than \$23.2 billion; and 2) restrictions on the Company's ability to incur liens, with certain exceptions.

The Company proactively manages its liquidity position to meet cash needs while minimizing adverse impacts on investment returns. Athene analyzes its cash-flow liquidity over the upcoming 12 months by modeling potential demands on liquidity under a variety of scenarios, taking into account the provisions of its policies and contracts in force, its cash flow position, and the volume of cash and readily marketable securities in its portfolio.

Liquidity risk is monitored, managed and mitigated through a number of stress tests and analyses to assess its ability to meet its cash flow requirements as well as the ability of its subsidiaries to meet their collateral obligations, under various stress scenarios.

The Company's liquidity risk management framework is codified in its Liquidity Risk Policy that is reviewed and approved by its board of directors.

Dividends

Generally, without prior regulatory approval, dividends paid during the year must be paid from earned surplus and may not exceed the greater of (1) ten percent of the Company's paid-in and unassigned surplus as of the preceding December 31, or (2) the Company's net gain from operations before net realized capital gains on investments for the preceding year. As of January 1, 2026, the Company may not declare or pay dividends without approval from the IID in 2026. As of January 1, 2026, the maximum amount of dividends receivable from the Company's insurance subsidiaries without seeking regulatory approval was \$38.5 million. The Company does not rely on dividends from its subsidiaries to meet its operating cash flow requirements.

Promissory Note

Effective May 1, 2021, the Company entered into an unsecured revolving promissory note (the "**Promissory Note**"), with AUSA and certain of AUSA's other subsidiaries, pursuant to which the Company and other borrower parties thereto may borrow up to \$200.0 million from AUSA. The Promissory Note has a 5-year term and was approved by the Iowa Department. Interest shall accrue on the principal balance from time to time outstanding at a rate per annum equal to 2.085%. No amounts were drawn during the year ended December 31, 2025 and December 31, 2024.

Borrowed Money and Funding Agreements

The Company has entered into a purchase agreement, pursuant to which Athene Global Funding, a special-purpose non-affiliated statutory-trust, may offer senior secured medium-term notes under an FABN Program. The authorized program amount of \$45.0 billion may be increased from time to time, subject to compliance with the relevant provisions of the amended and restated purchase agreement currently in effect. Athene Global Funding uses the net proceeds from the sale of each series of medium-term notes to purchase one or more funding agreements issued from the Company.

The Company has issued funding agreements to Athora Lebensversicherung AG ("**ALV**"), an affiliated German company, and to various institutions via direct issuances ("**Direct FA**").

The Company has established an FABR program, in which a special-purpose, unaffiliated entity enters into repurchase agreements with a bank and the proceeds of the repurchase agreements are used by the special purpose entity to purchase funding agreements from the Company.

Through its membership in the FHLB, the Company is eligible to borrow under fixed or floating rate short-term arrangements to provide additional liquidity. Total available borrowings are determined by the amount of collateral pledged, but cannot exceed 20% to 40% of the Company's total assets dependent upon the internal credit rating. These borrowings are accounted for as borrowed money under SSAP No. 15, Debt and Holding Company Obligations. During 2025 and 2024, the Company borrowed no amounts in the general and separate accounts.

The Company has issued funding agreements to the FHLB in exchange for cash advances in both the general account and the separate account.

The following table presents the outstanding funding agreement contracts issued by the Company:

	December 31,					
	2025			2024		
	Fixed	Floating	Total	Fixed	Floating	Total
	(\$ In thousands)					
Funding Agreements						
ALV	\$ 29,378	\$ —	\$ 29,378	\$ 56,964	\$ —	\$ 56,964
FABN	28,326,944	6,240,170	34,567,114	21,918,278	2,229,633	24,147,911
FHLB	17,021,200	6,250,000	23,271,200	10,871,200	4,700,000	15,571,200
FABR	—	20,950,000	20,950,000	—	12,000,000	12,000,000
Direct FA	6,096,926	191,546	6,288,472	2,791,631	95,341	2,886,972
Total	<u>\$51,474,448</u>	<u>\$33,631,716</u>	<u>\$85,106,164</u>	<u>\$35,638,073</u>	<u>\$ 19,024,974</u>	<u>\$54,663,047</u>

The scheduled maturities of the funding agreements are as follows:

	Funding Agreements
	(\$ In thousands)
2026	\$ 12,270,942
2027	14,493,726
2028	15,547,807
2029	9,094,066
2030	10,228,552
Thereafter	23,471,071
Total	<u>\$ 85,106,164</u>

The sources of funding discussed herein, including the Liquidity Facility, Promissory Note and FHLB borrowings and funding agreements, may not be available on terms favorable to the Company or at all, depending on the Company's and/or AUSA's financial condition or results of operations, available collateral or prevailing market conditions. In addition, certain covenants in the Promissory Note and Liquidity Facility prohibit the Company from incurring any debt not expressly permitted thereby, which may limit the Company's ability to pursue future issuances of debt.

Securities Repurchase Agreements

The Company engages in repurchase transactions whereby the Company sells fixed income securities to third parties, primarily major brokerage firms or commercial banks, with a concurrent agreement to repurchase such securities at a determined future date. The Company requires that, at all times during the term of the repurchase agreements, it maintains sufficient cash or other liquid assets sufficient to allow it to fund substantially all of the repurchase price. Proceeds received from the sale of securities pursuant to these arrangements are generally invested in short-term investments or maintained in cash, with the offsetting obligation to repurchase the security included within repurchase agreement liability on the balance sheet. As per the terms of the repurchase agreements, the Company monitors the market value of the securities sold and may be required to deliver additional collateral (which may be in the form of cash or additional securities) to the extent that the value of the securities sold decreases prior to the repurchase date. As of December 31, 2025 and December 31, 2024, the payables for repurchase agreements were \$5.0 billion and \$5.6 billion, respectively.

The Company has a \$1.0 billion committed repurchase facility with BNP Paribas. The facility has an initial commitment period of 12 months and automatically renews for successive 12-month periods until terminated by either party. During the commitment period, the Company may sell and BNP Paribas is required to purchase eligible investment grade corporate bonds pursuant to repurchase transactions at pre-agreed discounts in exchange for a commitment fee. As of December 31, 2025, the Company had no outstanding payables under this facility.

The Company has a \$1.0 billion committed repurchase facility with Société Générale. The facility has a commitment term of five years; however, either party may terminate the facility upon 24-months' notice, in which case the facility will end upon the earlier of (1) such designated termination date, or (2) July 26, 2026. During the commitment period, the Company may sell and Société Générale is required to purchase eligible investment grade corporate bonds pursuant to repurchase transactions at pre-agreed rates in exchange for an ongoing commitment fee for the facility. As of December 31, 2025, the Company had no outstanding payables under this facility.

Capital Resources

As of December 31, 2025 and 2024, the Company's TAC, as defined by the NAIC, was \$9.5 billion and \$7.7 billion, respectively. The NAIC has an RBC model to compare TAC with a standard design in order to reflect an insurance company's risk profile. As of December 31, 2025 and 2024, the Company's CAL RBC ratio was 436% and 419%, respectively. Although the Company believes that there is no single appropriate means of measuring RBC, the Company believes that the NAIC approach to RBC measurement is reasonable. The Company's TAC was significantly in excess of all RBC standards as of December 31, 2025 and 2024. The Company believes it has a strong capital position and that it is well positioned to meet policyholder and other obligations.

In connection with the acquisition of AUSA during 2013, Athene entered into a Net Worth Maintenance Agreement to provide capital support to the Company such that AHL is obligated to maintain the Company's capital and surplus in an amount sufficient to maintain the Company's TAC to be at least 200% of the Company's CAL. The agreement also provides that the Company will not pay any dividends if such dividends would cause the Company's CAL RBC ratio to fall below 200%.

Effective January 30, 2020, the Company's then-parent, AADE, entered into a Capital Maintenance Agreement to provide capital support to the Company, in an amount sufficient to satisfy the insurance laws of the State of New Jersey, in order to obtain authority for the Company to issue registered index-linked annuities in New Jersey (Original Agreement). In connection with the merger of AADE into the Company, effective October 11, 2024, the Company's new parent, AARE, entered into a Capital Maintenance Agreement with similar terms to continue to provide capital support to the Company in an amount sufficient to satisfy the insurance laws of the State of New Jersey. The agreement will remain in effect for ten years from the Original Agreement's effective date.

Critical Accounting Estimates

The preparation of financial statements of insurance companies requires management to make estimates and assumptions that affect amounts reported in the financial statements and accompanying notes. Such estimates and assumptions could change in the future as more information becomes known, which could impact the amounts reported and disclosed herein. The most significant estimates include those used in determining the carrying values of investments including the amount of mortgage loan investment valuation reserves, other-than-temporary impairments, the liabilities for benefits reserves, and the determination of admissible deferred tax assets. Although some variability is inherent in these estimates, management believes the amounts presented are reasonable.

Investments

General

As of December 31, 2025, the Company had \$282.1 billion of general account cash and invested assets, an increase of \$60.6 billion from December 31, 2024.

The following table sets forth the Company's general account invested assets as of December 31, 2025 and 2024:

	December 31,			
	2025		2024	
	Carrying Value	% of Total	Carrying Value	% of Total
	(\$ In thousands)			
Bonds	\$158,852,395	57 %	\$130,962,442	60 %
Preferred stocks	1,450,140	1 %	1,819,311	1 %
Common stocks:				
Affiliated entities	508,666	— %	431,051	— %
Unaffiliated	1,085,683	— %	741,073	1 %
Mortgage loans	86,638,528	31 %	60,226,224	27 %
Real estate held for the production of income	219,236	— %	212,030	— %
Policy loans	130,700	— %	140,451	— %
Cash, cash equivalents and short-term investments	9,357,352	3 %	9,764,163	4 %
Receivable for securities	415,289	— %	232,578	— %
Derivative assets	5,395,753	2 %	4,845,625	2 %
Derivative collateral assets	655,644	— %	579,393	— %
Other invested assets	17,387,119	6 %	11,568,991	5 %
Total cash and invested assets	\$282,096,505	100 %	\$221,523,332	100 %

The Company's cash and invested assets constitute what it believes to be a well-diversified portfolio. As of December 31, 2025 and 2024, investments in asset classes other than long-term bonds, constitute 43% and 40%, respectively, of total cash and invested assets. As a result of the reinsurance arrangements in place between the Company and AARE, the risks and rewards of such investments are generally borne by AARE.

Apollo's investment team and credit portfolio managers employ their deep experience to assist the Company in sourcing and underwriting these complex asset classes. Apollo has selected a diverse array of primarily high-grade fixed income assets including corporate bonds, structured securities, and commercial and residential real estate loans, among others. The Company also maintains holdings in floating rate and less rate-sensitive investments, including CLOs, non-agency RMBSs and various types of structured products.

The Company opportunistically allocates approximately 5% of the portfolio to alternative investments where the Company primarily focuses on fixed income-like, cash flow-based investments. Individual alternative investments are selected based on the investment's risk-reward profile, incremental effect on diversification and potential for attractive returns due to sector and/or market dislocations. The Company has a strong preference for alternative investments that have some or all of the following characteristics, among others: (1) investments with credit- or debt-like characteristics (for example, a stipulated maturity and par value), or alternatively, investments with reduced

volatility when compared to pure equity; or (2) investments that the Company believes have less downside risk. In general, the Company targets returns for alternative investments of 10% or higher on an internal rate of return basis over the expected lives of such investments.

Apollo manages the asset portfolio within the limits and protocols set forth in the Company's Investment and Credit Risk Policy. Under this policy, the Company sets limits on investments in the portfolio by asset class, such as corporate bonds, emerging markets securities, municipal bonds, non-agency RMBS, CMBS, CLOs, commercial mortgage whole loans and mezzanine loans and investment funds. The Company also sets credit risk limits for exposure to a single issuer, which vary based on the issuers ratings. The Company's strategic investments are also governed by the Strategic Investment Risk Policy which provides for special governance and risk management procedures for these transactions. In addition, the investment portfolio is constrained by scenario-based capital ratio limits and liquidity limits.

Effective January 1, 2025, the Company adopted the PBBD. This adoption clarifies that securities qualifying as issuer credit obligations fall under the scope of SSAP No. 26, *Bonds*, while those qualifying as asset-backed securities fall under SSAP No. 43, *Asset-Backed Securities*. Securities that do not meet these criteria are reported as debt securities that do not qualify as bonds, residual tranches, other invested assets, or non-admitted assets. Changes in the measurement of bonds due to the transition is reported as a change in unrealized gains (losses) and not as a change in accounting principle. Contemporaneous with the January 1, 2025 adoption of the PBBD, the Company made conforming revisions for INT 24-01: *Principles-Based Bond Definition Implementation Questions and Answers*, which provided further clarification on the accounting for hybrid instruments, among other topics. Pursuant to this guidance, the Company reclassified certain hybrid instruments from preferred stock to other invested assets.

Bonds and Short-Term Investments

Bonds consist primarily of highly rated structured securities and marketable corporate debt securities. The Company invests a significant portion of its portfolio in high quality bonds to maintain and manage liquidity.

The SVO of the NAIC is responsible for the credit quality assessment and valuation of securities owned by state regulated insurance companies. Insurance companies report ownership of securities to the SVO when such securities are eligible for filing on the relevant schedule of the NAIC Financial Statement. The SVO conducts credit analysis on these securities for the purpose of assigning an NAIC designation and/or unit price. Generally, the process for assigning an NAIC designation varies based upon whether a security is considered "filing exempt" (the "**General Designation Process**"). Subject to certain exceptions, a security is typically considered "filing exempt" if it has been rated by a NRSRO. For securities that are not "filing exempt," insurance companies assign temporary designations based upon a subjective evaluation of credit quality. The insurance company generally must then submit the securities to the SVO within 120 days of acquisition to receive an NAIC designation. For securities considered "filing exempt," the SVO utilizes the NRSRO rating and assigns an NAIC designation based upon the following system:

NAIC designation	NRSRO equivalent rating
1 A-G	AAA/AA/A
2 A-C	BBB
3 A-C	BB
4 A-C	B
5 A-C	CCC
6	CC and lower

An important exception to the General Designation Process occurs in the case of certain loan-backed and structured securities (“**LBaSS**”). The NRSRO ratings methodology is focused on the likelihood of recovery of all contractual payments, including principal at par, regardless of an investor’s carrying value. In effect, the NRSRO rating assumes that the holder is the original purchaser at par. In contrast, the SVO’s LBaSS methodology is focused on determining the risk associated with the recovery of the amortized cost of each security. Because the NAIC’s methodology explicitly considers amortized cost and the likelihood of recovery of such amount, the Company views the NAIC’s methodology as the most appropriate means of evaluating the credit quality of its fixed maturity portfolio since a large portion of such holdings were purchased and are carried at significant discounts to par.

The SVO has developed a designation process and provides instruction on modeled LBaSS. For modeled LBaSS, the process is specific to the non-agency RMBS and CMBS asset classes. To establish ratings at the individual security level, the SVO obtains loan-level analysis of each RMBS and CMBS using a selected vendor’s proprietary financial model. The SVO ensures that the vendor has extensive internal quality-control processes in place and the SVO conducts its own quality-control checks of the selected vendor’s valuation process. The SVO has retained the services of Blackrock, Inc. (“**Blackrock**”) to model non-agency RMBS and CMBS owned by U.S. insurers for all years presented herein. Blackrock provides five prices (“**breakpoints**”), based on each U.S insurer’s statutory book value price, to utilize in determining the NAIC designation for each modeled LBaSS.

The NAIC designation determines the associated level of RBC that an insurer is required to hold for all securities owned by the insurer. In general, under the modeled LBaSS process, the larger the discount to par value at the time of determination, the higher the NAIC designation the LBaSS will have.

The following sets forth the NAIC designations for the general account bond portfolio, including RMBS and CMBS as of December 31, 2025 and 2024. The Company’s corporate bond portfolio consists of long-term bonds and short-term investments.

NAIC Designation	December 31,			
	2025		2024	
	Carrying Value	% of Total	Carrying Value	% of Total
	(\$ In thousands)			
1	\$ 94,177,106	59 %	\$ 78,533,779	60 %
2	60,099,596	38 %	49,202,031	37 %
3	2,404,314	2 %	2,514,892	2 %
4	1,530,685	1 %	1,230,326	1 %
5	508,316	— %	324,411	— %
6	154,347	— %	174,414	— %
	\$ 158,874,364	100 %	\$ 131,979,853	100 %

The following sets forth the general account bond portfolio by contractual maturity as of December 31, 2025 and 2024. Maturities will differ from contractual maturities because borrowers may have the right to call or prepay obligations with or without call or prepayment penalties:

Bonds and short-term investments by maturity based on anticipated cash flows (statement value)	December 31,	
	2025	2024
	(\$ In thousands)	
Due within one year or less	\$ 16,343,724	\$ 3,370,746
Over 1 year through 5 years	60,315,989	22,604,593
Over 5 years through 10 years	37,075,690	29,205,264
Over 10 years through 20 years	27,248,471	43,848,561
Over 20 years	17,890,490	32,950,689
Total by maturity	<u><u>\$ 158,874,364</u></u>	<u><u>\$ 131,979,853</u></u>

The following sets forth the general account bond portfolio, including short-term investments, by industry category, as of December 31, 2025 and 2024:

Industry Category	Portfolio by Industry			
	December 31, 2025		December 31, 2024	
	Carrying Value	% of Total	Carrying Value	% of Total
	(\$ In thousands)			
Government	\$ 15,805,919	9 %	\$ 7,126,197	5 %
Finance	20,887,789	13 %	18,363,611	14 %
Utilities	8,917,597	6 %	6,272,738	5 %
Energy (Oil & Gas)	4,953,738	3 %	3,895,458	3 %
Capital goods	2,674,710	2 %	2,752,435	2 %
Technology	1,667,810	1 %	1,487,033	1 %
Real estate investment trusts	1,388,143	1 %	1,885,337	1 %
Transportation	2,541,467	2 %	1,829,008	1 %
Consumer goods	7,486,138	5 %	7,313,087	6 %
Communications	2,644,783	2 %	2,005,476	2 %
Other	949,351	1 %	7,662,518	6 %
Asset-backed securities	69,598,805	43 %	54,917,489	42 %
Mortgage-backed securities	19,358,114	12 %	16,469,466	12 %
Total	<u><u>\$ 158,874,364</u></u>	<u><u>100 %</u></u>	<u><u>\$ 131,979,853</u></u>	<u><u>100 %</u></u>

Except for finance, ABS and mortgage-backed securities (“MBS”) holdings, no other asset class exceeded 10% of the total bond portfolio as of December 31, 2025. The Company believes that its holdings in the finance and capital goods sectors and its holdings of ABS and MBS are well-diversified and in the case of ABS and MBS, include a number of issuers that are effectively supported by large pools of assets that are themselves diversified by industry and issuer. Investments in the finance sector consist of diversified issuers from the banking, asset management and insurance industries. The capital goods group holdings are well diversified and consist of issuers that produce a variety of products and services used by consumer goods. The issuers in both the financial and capital goods group include many Fortune 500 companies.

Mortgage Loans

Mortgage loans represented 31% of total invested assets as of December 31, 2025. The Company invests a portion of the investment portfolio in mortgage loans, which are generally comprised of high quality commercial first lien and mezzanine real estate loans. The Company invests in CML on income producing properties including apartments, office, hotel and retail buildings, and other commercial and industrial properties. The RML portfolio primarily consists of first lien RMLs collateralized by properties located in the United States, United Kingdom and the Netherlands. Loan-to-value ratios at the time of loan approval are generally 75% or less.

The following sets forth the mortgage loan portfolio by collateral type as of December 31, 2025 and 2024:

Property type	December 31,			
	2025		2024	
	Carrying Value	% of Total	Carrying Value	% of Total
	(\$ In thousands)			
Office	\$ 4,033,170	5 %	\$ 3,856,576	6 %
Apartments	14,687,233	17 %	11,293,778	19 %
Industrial and other	12,181,418	14 %	9,609,549	16 %
Retail	1,682,891	2 %	2,014,887	3 %
Hotels	1,965,717	2 %	1,931,040	3 %
Residential	52,088,099	60 %	31,520,394	53 %
Total, net of allowances	\$ 86,638,528	100 %	\$ 60,226,224	100 %

The portfolio credit risk for mortgage loans was concentrated in the following geographic regions as of December 31, 2025 and 2024:

	December 31,			
	2025		2024	
	Carrying Value	% of Total	Carrying Value	% of Total
	(\$ In thousands)			
North Central	\$ 2,361,373	3 %	\$ 1,574,213	3 %
South Central	2,765,172	3 %	1,874,323	3 %
South Atlantic	6,523,387	7 %	5,678,365	9 %
Pacific	5,904,984	7 %	5,721,636	10 %
Mountain	1,554,094	2 %	1,345,131	2 %
Atlantic	8,396,296	10 %	7,204,977	12 %
New England	1,002,405	1 %	1,006,741	2 %
International	6,042,718	7 %	4,300,444	7 %
Total commercial mortgage loans	34,550,429	40 %	28,705,830	48 %
Total residential mortgage loans	52,088,099	60 %	31,520,394	52 %
Total mortgage loans	\$ 86,638,528	100 %	\$ 60,226,224	100 %

At December 31, 2025 and 2024, the CML portfolio's loan to value ratios are substantially all less than 80%. At December 31, 2025, the RML portfolio with loan to value ratios less than 80% were \$40,558.6 million, between

80% and 90% were \$8,307.6 million and greater than 90% were \$3,221.9 million. At December 31, 2024, the RML portfolio with loan to value ratios less than 80% were \$28,069.7 million, between 80% and 90% were \$2,216.5 million and greater than 90% were \$1,234.2 million.

Other Invested Assets

The following sets forth the other invested assets by annual statement category as of December 31, 2025 and 2024:

	December 31,	
	2025	2024
	(\$ In thousands)	
Debt securities that do not qualify as bonds	\$ 611,471	\$ —
Partnership and joint venture interests		
Common stock	6,783,103	5,620,49
Preferred stock	37,369	39,019
Real estate	1,077,381	1,103,64
Mortgage loans	422,760	320,685
Other	2,217,533	1,258,35
Surplus and capital notes	3,694,916	878,958
Collateral loans	707,254	900,000
Residual tranches	650,523	598,885
Any other class of assets	1,184,809	848,952
Total	\$ 17,387,119	\$ 11,568,991

Debt securities that do not qualify as bonds and capital notes are new other invested assets categories as a result of the adoption of PBBD discussed above under “Investments–General.”

The Company has no investments in joint ventures, partnerships or limited liability companies that exceed 10% of its admitted assets. During 2025 and 2024, there were impairments of \$11.8 million and \$2.8 million, respectively, on other invested assets. The impairments were based on an assessment that future cash flows of affected investments would be less than the cost basis. Fair value is determined utilizing statements received from the partnerships and limited liability companies or commercial pricing services using a variety of market observable information in their valuation techniques, or an internal model.

Derivatives

The Company holds derivative instruments for economic hedging purposes to reduce the exposure to cash flow variability of assets and liabilities, equity market risk, foreign exchange risk and interest rate risk. The types of derivatives used may include interest rate swaps, foreign currency swaps and forward contracts, total return swaps, credit default swaps, variance swaps, futures and equity options.

The Company regularly monitors counterparty credit ratings and exposures, derivative positions and valuations and the value of collateral posted to ensure counterparties are credit-worthy and the concentration of exposure is minimized. The Company monitors this exposure as part of its management of the Company’s overall credit exposures.

The following sets forth the fair values and notional amounts of the Company's derivative financial instruments as of December 31, 2025 and 2024:

	Contract or Notional Amount		Fair Value	
	December 31,		December 31,	
	2025	2024	2025	2024
	(\$ In thousands)			
Derivative assets:				
Options	\$ 85,967,255	\$ 74,368,184	\$ 6,756,740	\$ 4,835,805
Credit default swaps	510,000	10,000	75,820	(509)
Interest rate swaps	39,746,274	22,535,230	100,683	(231,089)
Total return swaps	388,320	76,507	892	223
Futures	138,587	36,011	189,091	90,665
Currency swaps	11,893,736	18,807,758	557,144	1,077,930
Forwards	7,321,202	9,774,773	207,548	650,475
Swaptions	1,653,069	2,204,092	382	2,136
Equity warrants	—	—	1,148	405
Derivative liabilities:				
Options	5,621,497	3,642,738	168,308	125,578
Interest rate swaps	543,895	550,895	11,469	28,224
Total return swaps	144,462	152,544	1,606	3,593
Futures	445	—	1,031	11,361
Currency swaps	26,443,163	8,361,062	1,237,479	895,773
Forwards	11,950,311	4,715,214	309,962	192,164

Investment Reserves

The Company establishes and records appropriate write-downs or investment reserves in accordance with statutory practice. The Company determines the fair value of bonds in accordance with principles established by the SVO using criteria that include the net worth and capital structure of the borrower, the value of the collateral, the presence of additional credit support, and its evaluation of the borrower's ability to compete in a relevant market. In the case of real estate and commercial mortgage loans, the Company makes borrower and property specific assessments as well.

AVR is a contingency reserve to offset potential losses of stocks, real estate investments, as well as credit-related declines in bonds, mortgage loans and derivatives. As of December 31, 2025, AVR totaled \$5,362.5 million, which represents a 42% increase from December 31, 2024. The increase is primarily due to unrealized gains and an increase in general and separate account invested assets, partially offset by realized losses.

The following represents the change in AVR for the years 2025 and 2024:

	Bonds, Preferred Stocks, Derivatives and Short-term Investments	Mortgage Loans	Common Stock	Real Estate and Other Invested Assets	Total
			(\$ In thousands)		
Balance at December 31, 2023	\$ 836,275	\$ 445,646	\$ 7,987	\$ 1,549,596	\$ 2,839,504
Change in reserve contributions	217,539	249,221	(18)	(91,016)	375,726
Net realized capital gains (losses)	(61,673)	(212,924)	157	(8,970)	(283,410)
Net unrealized capital gains (losses)	614,078	(197,484)	1,436	786,444	1,204,474
Transfer among categories	—	—	2,486	(2,486)	—
Adjustment down to maximum	—	—	—	(370,802)	(370,802)
Net change to AVR	769,944	(161,187)	4,061	313,170	925,988
Balance at December 31, 2024	\$ 1,606,219	\$ 284,459	\$ 12,048	\$ 1,862,766	\$ 3,765,492
Balance at December 31, 2024	\$ 1,606,219	\$ 284,459	\$ 12,048	\$ 1,862,766	\$ 3,765,492
Change in reserve contributions	150,250	161,751	141	(19,762)	292,380
Net realized capital gains (losses)	(442,201)	62,233	(13)	(45,337)	(425,318)
Net unrealized capital gains (losses)	898,794	540,967	(1,491)	818,575	2,256,845
Transfer among categories	—	—	4,370	(4,370)	—
Adjustment down to maximum	(210,956)	(149,415)	—	(166,570)	(526,941)
Net change to AVR	395,887	615,536	3,007	582,536	1,596,966
Balance at December 31, 2025	\$ 2,002,106	\$ 899,995	\$ 15,055	\$ 2,445,302	\$ 5,362,458

Qualitative Disclosures about Market Risk

Market Risk and Management of Market Risk Exposures

Market risk is the risk of incurring losses due to adverse changes in market rates and prices. Included in market risk are potential losses in value due to credit and counterparty risk, interest rate risk, currency risk, commodity price risk, equity price risk and inflation risk. The Company is primarily exposed to credit risk, interest rate risk and equity price risk.

Credit Risk and Counterparty Risk

To operate its business model, which is based on generating spread related earnings, the Company must bear credit risk. However, as the Company assumes credit risk through its investment, reinsurance and hedging activities, the Company endeavors to ensure that risk exposures remain diversified, that it is adequately compensated for the risks it assumes, and that the level of risk is consistent with its risk appetite and objectives.

Credit risk is a key risk taken in the asset portfolio, as the credit spread on the Company's investments is what drives its spread related earnings. The Company manages credit risk by evaluating and calibrating idiosyncratic risk concentrations, understanding and managing its systematic exposure to economic and market conditions through stress testing, monitoring investment activity and distinguishing between price and default risk from credit exposures. Concentration and portfolio limits are designed to ensure that exposure to default and impairment risk is sufficiently modest to not represent a solvency risk to the Company, even in severe economic conditions.

The investment teams within Apollo, which manage substantially all of the Company's investments, focus on in-depth, bottom-up portfolio construction and disciplined risk management. Their approach to taking credit risk is formulated based on:

1. a fundamental view on existing and potential opportunities at the security level;
2. an assessment of the current risk/reward proposition for each market segment;
3. identification of downside risks and assigning a probability for those risks; and
4. establishing a plan for best execution of the investment action.

A dedicated set of AHL risk managers, who are on-site with Apollo, monitor the asset risks to ensure that such risks are consistent with the Company's risk appetite, standards for committing capital, and overall strategic objectives. The risk management team is also a key contributor to the credit impairment evaluation process.

In addition to credit-risk exposures from its investment portfolio, the Company is also exposed to credit risk from its counterparty exposures from its derivative hedging and reinsurance activities. Derivative counterparty risk is managed by trading on a collateralized basis with counterparties under International Swaps and Derivatives Association documents with a credit support annex having zero-dollar collateral thresholds.

The Company utilizes reinsurance to mitigate risks that are inconsistent with its strategy or objectives. For example, the Company has reinsured much of the mortality risk allowing the Company to focus on its core annuity business. These reinsurance agreements expose the Company to the credit risk of its counterparties. The Company manages this risk to avoid counterparty risk concentrations through various mechanisms: utilization of reinsurance structures such as funds withheld or modified coinsurance to retain ownership of the assets and limit counterparty risk to the cost of replacing the counterparty; diversification across counterparties; and when possible, novating policies to eliminate counterparty risk altogether.

Interest Rate Risk

Significant interest rate risk may arise from mismatches in the timing of cash flows from the Company's assets and liabilities. Management of interest rate risk at the company-wide level, and at the various operating company levels, is one of the main risk management activities in which senior management engages.

Depending upon the materiality of the risk and the assessment of how the Company would perform across a spectrum of interest rate environments, the Company may seek to mitigate interest rate risk using on-balance-sheet strategies (portfolio management) or off-balance-sheet strategies (derivative hedges such as interest rate swaps and futures). The Company monitors ALM metrics (such as key-rate durations and convexity) and employs quarterly cash flow testing requirements across all of its insurance companies to assure the asset and liability portfolios are managed to maintain net interest rate exposures at levels that are consistent with the Company's risk appetite. The Company has established a set of exposure and stress limits to communicate its risk tolerance and to ensure adherence to those risk tolerance levels. Risk management personnel and management-level committees that oversee ALM risk are notified in the event that risk tolerance levels are exceeded. Depending on the specific risk threshold that is exceeded, the appropriate management committee then makes a decision as to what actions, if any, should be undertaken.

Active portfolio management is performed by the Company's investment managers at Apollo, with direction from the management committees and ALM risk is also managed by the management committees. The performance of the Company's investment portfolio managed by Apollo, is reviewed periodically by the management committees and board of directors. The management committees strive to improve returns to stockholders and protect policyholders, while dynamically managing the risk within the Company's expectations.

Equity Risk

The Company's indexed annuities require it to make payments to policyholders that are dependent on the performance of equity market indices. The Company seeks to minimize the equity risk from its liabilities by

economically defeating this equity exposure with granular, policy-level-based hedging. In addition, the Company's investment portfolio can be invested in strategies involving public and private equity positions, though in general, the Company has limited appetite for passive, public equity investments.

The equity index hedging framework implemented is one of static and dynamic replication. Unique policy-level liability options are matched with static over-the-counter options and residual risk arising from (1) policyholder behavior and other trading constraints (for example minimum trade size) and (2) the decision by the organization to enhance the value of the product offerings by dynamically managing a small portion of the exposure on custom indices, are managed dynamically by decomposing the risk of the portfolio (asset and liability positions) into market risk measures which are managed to pre-established risk limits. The portfolio risks are measured overnight and rebalanced daily to ensure that the risk profile remains within risk appetite. Valuation is done at the position level, and risks are aggregated and shown at the level of each underlying index. Risk measures that have term structure sensitivity, such as index volatility risk, and interest rate risk, are monitored and risk managed along the term structure.

The Company is also exposed to equity risk in its alternative investment portfolio. The form of those investments is typically a limited partnership interest in a fund. The Company generally targets fund investments that have characteristics resembling fixed income or hybrid investments versus those resembling pure equity investments, but as holders of partnership positions, its investments are generally held as equity positions. Alternative investments are comprised of several categories, including at the most liquid end of the spectrum "liquid strategies" (which is mostly exposure to publicly traded equities), followed by "equity" and "credit" strategies. The Company's alternatives portfolio also includes equity investments in origination platforms, insurance platforms and others.

The Company investment mandate in its alternative investment portfolio is inherently opportunistic. Each investment is examined and analyzed on its own merits to gain a full understanding of the risks present, and with a view toward determining likely return scenarios, including the ability to withstand stress in a downturn. The Company has a strong preference for alternative investments that have some or all of the following characteristics, among others: (1) investments with credit- or debt-like characteristics (for example, a stipulated maturity and par value), or alternatively, investments with reduced volatility when compared to pure equity; or (2) investments that the Company believes have less downside risk.

The alternative investment portfolio is monitored to ensure diversification across asset classes and strategy, and the portfolio's performance under stress scenarios is evaluated routinely as part of management and board reviews. Since alternative investments are marked-to-market on the balance sheet, risk analyses focus on potential changes in valuation across a variety of market stresses.

Currency Risk

The Company manages its currency risk to maintain minimal exposure to currency fluctuations. The Company attempts to hedge completely the currency risk arising on its balance sheet. In general, the Company matches currency exposure of assets and liabilities. When the currency denominations of the assets and liabilities do not match, the Company generally undertakes hedging activities to eliminate or mitigate currency mismatch risk.

Inflation Risk

Exposure to inflation-linked outflows (liabilities) is not a significant risk. These liabilities generally have caps on the amount of inflation applied to annual growth of payments. Additionally, inflation-linked liabilities are priced to parity with other payout options available to the policyholders accounting for the forward-looking risk. The Company attempts to hedge the majority of inflation risk arising from the pension group annuity business that it reinsures.

DESCRIPTION OF THE NOTES

This section provides an overview of the material provisions of the Notes, the Indenture and the form of Series Indenture. It does not purport to be complete and is subject to the applicable Pricing Supplement and to the detailed provisions of the Notes, the Indenture and each applicable Series Indenture, copies of which will be available as provided under “Documents Available.” Capitalized terms used and not otherwise defined herein have the same meanings as those used in the Indenture. The terms and conditions of the Notes described in this section will apply to the Notes of each Series, except that the Issuer will add the specific terms of the Notes of a Series and may modify or replace any of the information provided in this section in each applicable Pricing Supplement. Prospective purchasers should consider the information contained in this Offering Memorandum, the Indenture, the applicable Series Indenture and each applicable Pricing Supplement in making their investment decision.

In this section, references to “the applicable Funding Agreement Provider,” “such Funding Agreement Provider,” “the Funding Agreement Provider” and “the Funding Agreement Providers” or words of similar import shall mean only the Company. The form of Notes, the Indenture, the form of Series Indenture and other operative documents permit the Company to be a Funding Agreement Provider and issue Funding Agreements in respect of a Series of Notes.

General

Series and Tranches of Notes. The Notes will be issued in one or more series. Subject to U.S. federal income tax law, each Series of Notes may be comprised of one or more Tranches issued on different issue dates. The Issuer may only issue a Tranche of Notes if the applicable Funding Agreement Provider has issued or will simultaneously issue one or more Funding Agreements or supplemental Funding Agreements to the Issuer, which will constitute an asset of the applicable Series of the Issuer and will become a part of the applicable Series Collateral. The Notes of a Series will all be subject to identical terms, except that the issue date, the issue price, the amount and date of the first payment of interest and denomination size may be different in respect of different Tranches. Unless otherwise provided in a supplement to this Offering Memorandum, the Notes of each Tranche will all be subject to identical terms in all respects.

Indenture and Series Indenture. Each Series of Notes will be issued under, subject to and entitled to the benefits of the Indenture and a separate Series Indenture by and between the Issuer and the Indenture Trustee. Each Series Indenture will incorporate the Indenture which shall provide the terms that govern each separate Series Indenture thereunder, unless any such Series Indenture specifies otherwise. The Notes issued under a Series Indenture will constitute a single Series, together with any Notes issued in the future under such Series Indenture that are designated by the Issuer as being part of such Series. The aggregate principal amount of Notes that may be authenticated and delivered under the Indenture and each Series Indenture is unlimited.

Security; Limited Recourse. The obligations of the Issuer under each Series of Notes will be secured by a first priority perfected security interest in favor of the Indenture Trustee in the Series Collateral which will consist of:

- each Series Funding Agreement;
- all proceeds in respect of each Series Funding Agreement;
- all books and records of the Issuer pertaining to the foregoing; and
- all benefits, rights, privileges and options of the Issuer pertaining to the foregoing.

The Issuer will be organized in series, as permitted by Sections 3804(a) and 3806(b)(2) of the Trust Act. In connection with the issuance of each Series of Notes, the Issuer will create a separate Series of the Issuer. The applicable Series of Notes and the related liabilities, obligations and expenses will be incurred, contracted for or otherwise existing with respect to such Series of the Issuer, and will be enforceable only against the assets of such Series of the Issuer and not against the assets of the Issuer generally or the assets of any other Series of the Issuer. However, the individual Series of the Issuer are not separate legal entities.

The obligations of the Issuer evidenced by the Notes will not be obligations of, and will not be guaranteed by, any other person, including, but not limited to, the Company, AHL, ALRe, AARe, AUSA or any of their respective subsidiaries or affiliates.

Ranking. The Notes of a Series will be direct, unconditional, secured and unsubordinated non-recourse obligations incurred by the Issuer with respect to the relevant Series of the Issuer and will rank equally among themselves without any preference.

Since the applicable Funding Agreement Provider will be the sole obligor under the Funding Agreements, the ability of the Issuer to meet its obligations, and the ability of the holders of Notes to receive payments from the Issuer, with respect to a particular Series of Notes, will be dependent upon the applicable Funding Agreement Provider's ability to perform its obligations under each applicable Funding Agreement securing the Notes of the relevant Series. However, holders of Notes will have no direct contractual rights against the applicable Funding Agreement Provider under any such Funding Agreement. Pursuant to the terms of each Funding Agreement, only the Issuer, its successors and its permitted assignees (which will include the Indenture Trustee to the extent of its first priority perfected security interest in the Series Collateral), will have recourse rights against the applicable Funding Agreement Provider, and then only with respect to the relevant Series of the Issuer. In connection with the offering and sale of a Series of Notes, the Issuer will pledge, collaterally assign and grant a security interest in the Series Collateral for such Series of Notes to the Indenture Trustee on behalf of the holders of Notes and any other person for whose benefit the Indenture Trustee is or will be holding the applicable Series Collateral. Accordingly, recourse to the applicable Funding Agreement Provider under each such Funding Agreement will be enforceable only by the Indenture Trustee as a secured party for the benefit of the holders of such Series of Notes and any other person for whose benefit the Indenture Trustee is or will be holding the applicable Series Collateral.

The obligations of the applicable Funding Agreement Provider under the Funding Agreements will not be obligations of, and will not be guaranteed by, any other person, including without limitation AHL, ALRe, AARe, AUSA or their respective subsidiaries and affiliates.

Pricing Supplement. The specific terms of each Tranche of Notes will be set forth in the applicable Pricing Supplement.

Pricing Options. Notes that bear interest will either be Fixed Rate Notes or Floating Rate Notes (each as defined below), as specified in the applicable Pricing Supplement. The Issuer may also issue Discount Notes, Amortizing Notes (each as defined below), or any other form of Notes, in each case, as specified in the applicable Pricing Supplement. Additional terms for any such Notes may be specified in a supplement to this Offering Memorandum.

Interest rates offered on the Notes may differ depending upon, among other factors, the aggregate principal amount of Notes purchased in any single transaction as well as market conditions. Notes with variable terms other than interest rates may also be offered concurrently to different investors. The Issuer may change interest rates or formulas and other terms of Notes from time to time, but no change of terms will affect any Note the Issuer has previously issued or as to which it has accepted an offer to purchase.

Maturities. The Notes of each Series will mature on the Stated Maturity Date specified in the applicable Pricing Supplement, unless their principal (or any installment of its principal) becomes due and payable prior to the Stated Maturity Date, whether, as applicable, by the declaration of acceleration of maturity, notice of redemption at the Issuer's option, notice of the holder's option to elect repayment, if any, or otherwise. The Stated Maturity Date or any date prior to the Stated Maturity Date on which the Notes of a particular Series become due and payable, as the case may be, is referred to herein as the "**Maturity Date**" with respect to the principal of the Notes of such Series repayable on that date.

Denominations. Notes may be denominated in any currency or currencies, subject to compliance with all applicable legal and/or regulatory requirements. Subject to the provisions of the applicable Pricing Supplement or as otherwise provided below, the Notes of a Series will be issued, with respect to U.S. dollar-denominated Notes, in minimum denominations of \$2,000 and integral multiples of \$1,000 in excess thereof, or as specified in the applicable Pricing Supplement. Any Notes admitted to the Official List and trading on the GEM or offered in any Member State of the EEA or the United Kingdom will be issued in minimum denominations of €100,000 (or the equivalent thereof

in another currency at the time of issue). Any Notes in respect of which the issue proceeds are received by the Issuer in the United Kingdom or the activity of issuing such Notes is carried on from an establishment maintained by the Issuer in the United Kingdom and which have a maturity of less than one year must (i) (a) have a minimum denomination and redemption value of £100,000 (or its equivalent in other currencies) and (b) be issued only to persons (1) whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of their businesses or (2) who it is reasonable to expect will acquire, hold, manage or dispose of investments (as principal or agent) for the purposes of their businesses; or (ii) be issued in other circumstances that do not constitute a contravention of Section 19 of the FSMA by the Issuer. Subject thereto, the Notes will be issued in such denominations as set forth in the applicable Pricing Supplement, subject to compliance with all applicable legal and/or regulatory and/or requirements of the relevant central bank or equivalent body.

Listing. Application will be made to Euronext Dublin to list certain Series of Notes issued pursuant to the Program on the Official List and to trading on the GEM. If the applicable Pricing Supplement indicates that Notes will be listed on a securities exchange or admitted to trading on any other market, the Issuer shall use reasonable efforts to obtain and maintain approval for the listing of such Series of Notes on such securities exchange or market until such time as none of the Notes of such Series are outstanding; *provided, however*, that if the Issuer cannot reasonably effect or can no longer reasonably maintain such listing, the Issuer shall use its reasonable best efforts to procure and maintain the listing of or quotation for the applicable Series of Notes on such other stock exchange(s) or market(s) or by such other competent authority as the Issuer may decide with the prior approval of the relevant Purchasing Agent(s). If a European or national legislation is adopted and is implemented or takes effect in Ireland in a manner that would require the Issuer to publish or produce its financial statements, or that would otherwise impose requirements on the Issuer or the Funding Agreement Provider that such entity in good faith determines are not reasonable, the Issuer or the Funding Agreement Provider may de-list any Notes admitted to the Official List and admitted to trading on the GEM. The Issuer will use its reasonable best efforts to obtain an alternative admission to listing, trading and/or quotation for the Notes by another listing authority, exchange and/or system, within or outside the EEA, as it may decide. If such an alternative admission is not available the Issuer, or, in the opinion of the Issuer, cannot reasonably be effected or maintained, an alternative admission may not be obtained. Prior notice of any delisting and/or alternative admission will be given by the Issuer to the relevant Purchasing Agents. Notice of any delisting and/or alternative admission will be given as described in the “Description of the Notes.”

Reopenings. The Issuer may, without the consent of any holder of the Notes of such Series, issue one or more additional Tranches of Notes having the same terms as previously issued Notes (other than the issue date, the issue price, the amount and date of the first payment of interest and the denomination size as specified in the applicable Pricing Supplement, all of which may vary) that will form a single Series with the previously issued Notes of such Series; *provided, that*, such additional Tranche of Notes must constitute a “qualified reopening” of the previously issued Tranche of Notes for United States federal income tax purposes. The Issuer may only issue a Tranche of Notes if the applicable Funding Agreement Provider has issued or will simultaneously issue one or more Funding Agreements or supplemental Funding Agreements to the Issuer, which will constitute an asset of the applicable Series of the Issuer and will become a part of the applicable Series Collateral.

Currency. Unless otherwise specified in the applicable Pricing Supplement relating to and the Note Certificate or Series Indenture, the Notes of a Series will be denominated in, and payments of principal of, any premium and interest on, and Additional Amounts with respect to, the Notes of such Series will be made in, U.S. dollars. The Notes of each Series also may be denominated in, and payments of principal of, any premium and interest on, and Additional Amounts with respect to, the Notes of such Series may be made in, Euro or one or more other currencies. The currency in which a particular Series of Notes is denominated (or, if such currency is no longer legal tender for the payment of public and private debts in the country issuing such currency or, in the case of Euro, in the member states of the EU that have adopted the currency introduced at the start of the third stage of European economic and monetary union pursuant to the Treaty on the Functioning of the European Union, as amended (the “TFEU”), such currency which is then such legal tender) is herein referred to as the “Specified Currency” with respect to such Series of Notes. References herein to “United States dollars,” “U.S. dollars” or “\$” are to the lawful currency of the United States, and references herein to “Euro” and “€” are to the currency introduced at the start of the third stage of European economic and monetary union pursuant to the TFEU, and references herein to “£” are to pounds sterling, the lawful currency of the United Kingdom.

Business Day; London Banking Day; Principal Financial Center. “**Business Day**” means, unless otherwise specified in the applicable Pricing Supplement and the Note Certificate or Series Indenture, any day, other than a Saturday or Sunday, that is neither a legal holiday nor a day on which commercial banks are authorized or required by law, regulation or executive order to close in the City of New York or Wilmington, Delaware; *provided* that (i) with respect to Notes denominated in a Specified Currency other than Euro, such day is also a day on which commercial banks and foreign exchange markets settle payments in the Principal Financial Center (as defined below) of the country issuing the Specified Currency and (ii) for the purpose of Interest Determination Dates (as defined herein) with respect to Notes denominated in Euro or as to which EURIBOR is an applicable Interest Rate Basis (as defined herein), such day is also a day on which the Trans-European Automated Real Time Gross Settlement Express Transfer System or any successor thereto or replacement thereof (“**T2**”) is operating (a “**T2 Business Day**”).

“**Principal Financial Center**” means the capital city of the country issuing the Specified Currency; *provided, however*, that with respect to U.S. dollars, Australian dollars, Canadian dollars, Euro, Japanese yen, Norwegian krone, Singapore dollars, South African rand and Swiss francs, the “Principal Financial Center” shall be the City of New York, Sydney, Toronto, a city in which banks have access to T2, Tokyo, Oslo, Singapore, Johannesburg and Zurich, respectively.

Day Count Fraction

“**Day Count Fraction**” means, in respect of the calculation of an amount for any period of time (“**Calculation Period**”), one of the following day count fractions, which will be specified in the applicable Pricing Supplement:

- (i) “Actual/365” or “Actual/Actual (Historical)”: the actual number of days in the Calculation Period divided by 365 (or, if any portion of the Calculation Period falls in a leap year, the sum of (a) the actual number of days in that portion of the Calculation Period falling in a leap year divided by 366 and (b) the actual number of days in that portion of the Calculation Period falling in a non-leap year divided by 365);
- (ii) “Actual/365 (Fixed)”: the actual number of days in the Calculation Period divided by 365;
- (iii) “Actual/360”: the actual number of days in the Calculation Period divided by 360;
- (iv) “30/360”: the number of days in the Calculation Period in respect of which payment is being made divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y2 - Y1)] + [30 \times (M2 - M1)] + (D2 - D1)}{360}$$

where, for purposes of this definition:

“Y1” is the year, expressed as a number, in which the first day of the Calculation Period falls;

“Y2” is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“M1” is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

“M2” is the calendar month, expressed as number, in which the day immediately following the last day included in the Calculation Period falls;

“D1” is the first calendar day, expressed as a number, of the Calculation Period, unless such number would be 31, in which case D1 will be 30; and

“D2” is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless such number would be 31 and D1 is greater than 29, in which case D2 will be 30;

- (v) “30E/360” or “Eurobond Basis”: the number of days in the Calculation Period or Compounding Period in respect of which payment is being made divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y2 - Y1)] + [30 \times (M2 - M1)] + (D2 - D1)}{360}$$

where, for purposes of this definition:

“Y1” is the year, expressed as a number, in which the first day of the Calculation Period falls;

“Y2” is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“M1” is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

“M2” is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“D1” is the first calendar day, expressed as a number, of the Calculation Period, unless such number would be 31, in which case D1 will be 30; and

“D2” is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless such number would be 31, in which case D2 will be 30;

- (vi) “Actual/Actual (Bond)” if the Interest Payment Dates (as defined herein) all fall at regular intervals between the issue date of the relevant Series of Notes and the Maturity Date: the number of days in the Calculation Period divided by the product of (a) the number of days in the Interest Period in which the Calculation Period falls and (b) the number of Interest Periods (as defined herein) in any period of one year; and

- (vii) “Actual/Actual (ICMA)”

(A) in the case of Notes where the number of days in the relevant Calculation Period is equal to or shorter than the Determination Period during which the Calculation Period ends, the number of days in such Calculation Period divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Dates (as specified in the applicable Pricing Supplement) that would occur in one calendar year; or

(B) in the case of Notes where the Calculation Period is longer than the Determination Period during which the Calculation Period ends, the sum of:

- a. the number of days in such Calculation Period falling in the Determination Period in which the Calculation Period begins divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination Dates that would occur in one calendar year; and
- b. the number of days in such Calculation Period falling in the next Determination Period divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination Dates that would occur in one calendar year,

where “**Determination Period**” means each period from (and including) a Determination Date to (but excluding) the next Determination Date (including, where either the Interest Commencement Date or the final Interest Payment Date is not a Determination Date, the period commencing on the first Determination Date prior to, and ending on the first Determination Date falling after, such date).

Form of Notes and Clearance

The Issuer and the relevant Purchasing Agent(s) will agree on the form of Notes to be issued in respect of any Series of Notes. The form of Notes to be issued in relation to any Series of Notes will be specified in the applicable Pricing Supplement.

Registered Notes

The Notes may be offered and sold in the United States only, outside the United States only or in and outside the United States simultaneously as part of a global offering. Notes sold pursuant to an offering made in the United States only will initially be represented by one or more Global Registered Notes deposited with Cede & Co. (in such capacity the “**Custodian**”) as custodian for, and registered in the name of a nominee of, DTC as depository (each Global Registered Note so deposited and registered being referred to herein as a “**DTC Global Note**”) or as specified in the applicable Pricing Supplement.

Notes sold outside of the United States in accordance with Regulation S will initially be represented by one or more temporary Global Registered Notes (each, a “**Temporary Global Registered Note**”) or as provided in the applicable Pricing Supplement. Upon the expiration of the applicable Distribution Compliance Period, beneficial interests in a Temporary Global Registered Note will be exchangeable for beneficial interests in one or more permanent Global Registered Notes (each a “**Permanent Global Registered Note**”), as and to the extent provided in the applicable Temporary Global Registered Note.

Notes sold pursuant to an offering made outside the United States only will initially be represented by one or more Temporary Global Registered Notes, as described above, or as provided in the applicable Pricing Supplement, and upon exchange therefor will be represented by one or more Permanent Global Registered Notes deposited with a common depository (in such capacity, the “**Depository**”) for, and (i) in the case of U.S. Dollar denominated Notes, registered in the name of a nominee of, DTC and (ii) in the case of non-U.S. Dollar denominated Notes, registered in the name of a nominee of, or common depository for, the applicable Clearing Corporation(s).

Subject to the Notes sold outside of the United States in accordance with Regulation S initially being represented by one or more Temporary Global Registered Notes and the subsequent exchange of beneficial interests in each such Temporary Global Registered Note for beneficial interests in one or more Permanent Global Registered Notes, as described above, Notes sold pursuant to an offering made in and outside the United States simultaneously as part of a global offering may be represented (i) solely by one or more DTC Global Notes (a “**Single Global Note Issue**”) or (ii) alternatively, (a) by one or more DTC Global Notes in respect of Notes sold in the United States and (b) by one or more separate Global Registered Notes deposited with the Depository as common depository for, and (1) in the case of U.S. Dollar denominated Notes, registered in the name of a nominee of, DTC and (2) in the case of non-U.S. Dollar denominated Notes, registered in the name of a nominee of, or common depository for, the applicable Clearing Corporation(s), in respect of Notes sold outside the United States (a “**Dual Global Note Issue**”).

Except as described below, owners of beneficial interests (each, a “**Beneficial Note Owner**”) in a Global Registered Note will not be entitled to have Notes registered in their names, will not receive or be entitled to receive physical delivery of Notes in definitive form (each, a “**Definitive Registered Note**”) and will not be considered the owners or holders thereof under the Indenture. Beneficial interests in Global Registered Notes will be represented, and transfers thereof will be effected, only through book-entry accounts of financial institutions acting on behalf of the Beneficial Note Owners, as direct or indirect participants in the relevant Clearing Corporation.

Investors in a global offering may elect to hold interests in a Global Registered Note through any of DTC or any other applicable Clearing Corporation if they are participants in such systems, or indirectly through organizations that are participants in such systems. If the Notes sold pursuant to a global offering are part of a Single Global Note Issue, the applicable Clearing Corporation will hold interests on behalf of their participants through customers’ securities accounts in the applicable Clearing Corporations’ names on the books of the Depository, which in turn will hold such interests in customers’ securities accounts in the Depository’s name on the books of DTC.

The Indenture Trustee will serve initially as registrar (in such capacity, and together with any successor registrar, the “**Registrar**”) for the Registered Notes. In such capacity, with respect to the Registered Notes of each Series, the Indenture Trustee will cause to be kept at its Corporate Trust Office (as defined in the Indenture) a register

(each, a “**Note Register**”), in which, subject to such reasonable regulations as it may prescribe, the Indenture Trustee will provide for the registration of the Registered Notes of such Series and of transfers thereof.

The “**Calculation Agent**” for the Registered Notes of each Series will initially be the Indenture Trustee. In connection with any Series of Notes, the Issuer may appoint an alternate calculation agent or may appoint one or more additional calculation agents for purposes of certain calculations relating to the applicable Series of Notes, upon the terms and conditions set forth in a separate agreement between the Issuer and each such calculation agent(s). The initial Calculation Agent will appoint Citibank Europe PLC as its agent to make certain calculations as requested by the initial Calculation Agent under any applicable Floating Rate Notes or Pricing Supplement. The Calculation Agent may resign at any time with respect to a Series of Notes by giving not less than 60 days prior written notice thereof to the relevant Series of the Issuer. Pursuant to the terms of the Indenture, a successor Calculation Agent will be appointed with respect to the Notes of such Series. The Calculation Agent is not required to determine any interest rate if such determination would require access to any reference rate to which it does not have access. In the event of any conflict or ambiguity relating to the prevailing interest rate on a Series of Notes, the Calculation Agent has the right to request written direction from the Issuer and rely upon that direction without limitation. Absent receipt by the Calculation Agent of such direction, it will determine the interest rate to be the interest rate in effect as of the preceding Interest Reset Date (as defined herein) until the earlier of receipt of written direction from the Issuer or the next Interest Reset Date.

Subject to applicable law and the terms of the Indenture, the applicable Series Indenture and the Notes of a Series, the Issuer, the Indenture Trustee, the Paying Agent, the Calculation Agent, the Registrar and any agent of the Issuer, the Indenture Trustee, the Paying Agent, the Calculation Agent or the Registrar may deem and treat the Holder or Holders of any Registered Note (the “**Registered Holder**”) of such Series as the absolute owner or owners of such Registered Note (whether or not such Registered Note shall be overdue and notwithstanding any notation of ownership or other writing thereon) for the purpose of receiving payment of or on account of the principal of, any premium on, and, subject to the provisions of the Indenture and the applicable Series Indenture, any interest on, and any Additional Amounts with respect to, such Registered Note and for all other purposes, and neither the Issuer nor the Indenture Trustee nor any agent of the Issuer or the Indenture Trustee shall be affected by any notice to the contrary. All such payments so made to, or to the order of, such Registered Holder or Registered Holders will be valid and, to the extent of the sum or sums so paid, effectual to satisfy and discharge the liability for funds payable upon any such Registered Note. So long as DTC, its nominee, any applicable Clearing Corporation, a nominee of any such applicable Clearing Corporation or a successor of such Clearing Corporation or any such nominee is the Registered Holder of a Global Registered Note, such Clearing Corporation, such nominee or such successor of such Clearing Corporation or such nominee, as the case may be, will be considered the sole owner or holder of the Notes represented by such Global Registered Note for all purposes under the Indenture. Accordingly, any Beneficial Note Owner must rely on the procedures of DTC, and/or the applicable Clearing Corporation(s), as the case may be, and, if such person is not a participant in any such Clearing Corporation, on the procedures of the participant therein through which such person owns its interest, to exercise any rights of a holder of Notes. The Issuer understands that, under existing industry practices, in the event that the Issuer requests any action of holders or that Beneficial Note Owners desire to give or take any action which a holder is entitled to give or take under the Indenture, DTC, its nominee or a successor of DTC or its nominee, as the holder of the DTC Global Note, would authorize the participants through which the relevant beneficial interests are held (or persons holding beneficial interests in the Notes through participants) to give or take such action, and such participants would authorize Beneficial Note Owners owning through such participants (or such persons holding beneficial interests in the Notes through participants) to give or take such action and would otherwise act upon the instructions given to such participants (or such persons) by such Beneficial Note Owners.

DTC may grant proxies or otherwise authorize its participants (or persons holding beneficial interests in the Notes through its participants) to exercise any rights of a holder of Notes or take any other actions which a holder is entitled to take under the Indenture or in respect of the Notes. Any applicable Clearing Corporation will take any action permitted to be taken by a holder under the Indenture or the Notes on behalf of such Clearing Corporation’s participant only in accordance with its relevant rules and procedures and, with respect to interests in a DTC Global Note, subject to the Depositary’s ability to effect such actions on its behalf through DTC. Because DTC can act only on behalf of its participants, who in turn act on behalf of indirect participants, the ability of a Beneficial Note Owner to pledge its interest in the Notes to persons or entities that do not participate in the DTC system or otherwise take actions in respect of such interest, may be limited by the lack of a definitive certificate of such interest. The laws of

some jurisdictions may require that certain purchasers of securities take physical delivery of such securities in definitive form. Such limits and such laws may impair the ability to transfer beneficial interests in a DTC Global Note.

The “Record Date” with respect to any Notes which are represented by a Global Registered Note which is registered in the name of, or in the name of a nominee for, a common depositary for and on behalf of Euroclear and Clearstream, Luxembourg is the close of business on the Clearing System Business Day immediately prior to the relevant Interest Payment Date or other date on which payment under the Notes is to be made to Noteholders including, without limitation, in connection with a redemption of the Notes. “Clearing System Business Day,” solely with respect to any such Notes, means Monday to Friday inclusive, except December 25 and January 1.

Ownership positions within each Clearing Corporation will be determined in accordance with the normal conventions observed by such system. The Indenture Trustee will initially act as the Issuer’s paying agent for the Registered Notes pursuant to the Indenture. Payments with respect to a Global Registered Note will be made to DTC, its nominee or a nominee of the applicable Clearing Corporation (or to any successor to such Clearing Corporation or any such nominee), as the Registered Holder of the Notes represented by such Global Registered Note or as provided in the applicable Pricing Supplement. Neither the Issuer nor the Indenture Trustee will have any responsibility or liability for any aspect of the records relating to or payments made on account of beneficial ownership interests in a Global Registered Note or for maintaining, supervising or reviewing any records relating to such beneficial ownership interests.

Upon receipt of any payment of principal of, any premium and interest on, and any Additional Amounts with respect to, a DTC Global Note, DTC will credit its participants’ accounts with payment in amounts proportionate to their respective beneficial interests in the principal amount of such DTC Global Note as shown on the records of DTC. Payments by such participants to owners of beneficial interests in the DTC Global Note held through such participants will be the responsibility of such participants, as is now the case with securities held for the accounts of customers registered in “street name.” Distributions with respect to Notes held through any other applicable Clearing Corporation will be credited to the cash accounts of such Clearing Corporation’s participants in accordance with the relevant system’s rules and procedures to the extent received by the Depositary.

Unless otherwise provided in a supplement to this Offering Memorandum, interests in a Global Registered Note will be exchangeable in whole or in part for Definitive Registered Notes only if such exchange is permitted by applicable law (including, without limitation, Regulation S) and (i) any clearing corporation with which any Global Registered Note is deposited and which is or whose nominee is the holder of such Global Registered Note shall have notified the Issuer that it or its nominee is unwilling or unable to continue as the depositary and Registered Holder of such Global Registered Note and a successor clearing corporation or nominee, as applicable, is not appointed within 90 days; (ii) an Event of Default shall have occurred and the maturity of the Notes of such Series shall have been accelerated in accordance with the terms of the Indenture, the applicable Series Indenture and the Notes of such Series; or (iii) the Issuer shall have decided in its sole discretion that the Notes of such Series should no longer be evidenced solely by one or more Global Registered Notes. The Definitive Registered Notes issued in exchange for beneficial interests in any such Global Registered Note shall be of like tenor and of an equal aggregate principal amount, in authorized denominations. Such Definitive Registered Notes shall be registered in the name or names of such person or persons as the relevant Clearing Corporation shall instruct the Registrar. It is expected that such instructions may be based upon directions received by DTC from DTC participants with respect to ownership of beneficial interests in the DTC Global Notes. Except as provided above, owners of beneficial interests in a Global Registered Note will not be entitled to receive physical delivery of Definitive Registered Notes and will not be considered the registered holders of such Notes for any purpose. No service charge shall be made in connection with any exchange of any Global Registered Note for Definitive Registered Notes, but the Issuer may require payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in connection with any such exchange.

Upon surrender of a Note Certificate for registration of transfer of any Registered Notes represented thereby, together with the form of transfer endorsed thereon duly completed and executed, at the designated office of the Registrar or of any applicable transfer agent, each as provided in an applicable Note Certificate or Series Indenture, the Issuer shall execute, and upon the written instruction of the Issuer, the Indenture Trustee shall authenticate and deliver, in the name of the designated transferee or transferees, one or more new Note Certificates representing an aggregate principal amount of Registered Notes equal to the aggregate principal amount of the Registered Notes represented by such Note Certificate surrendered for registration of transfer.

Payments of principal of, and any premium on, Definitive Registered Notes shall be made as provided in or pursuant to the Indenture against presentation and surrender of the applicable Note Certificate or Note Certificates at the designated office of the Registrar or of any applicable transfer agent, each as provided in the applicable Pricing Supplement, or made as provided in the applicable Pricing Supplement. Payments of interest on, and any Additional Amounts with respect to, Definitive Registered Notes shall be paid to the person shown on the applicable Note Register at the close of business on the date specified as the regular interest record date for such Series in an applicable Note Certificate or Series Indenture or, if no such date is specified, the date 15 days preceding the applicable Interest Payment Date (the “**Regular Interest Record Date**”) or, when established by the Indenture Trustee, a special interest record date not more than 15 nor less than 10 days prior to the date of proposed payment (the “**Special Interest Record Date**”) set as provided in or pursuant to the Indenture and the applicable Series Indenture before the due date for payment thereof, or made as provided in the applicable Pricing Supplement. Payments of interest on, and any Additional Amounts with respect to, each Definitive Registered Note shall be made in the currency in which such payments are due by check drawn on a bank in the Principal Financial Center of the country of the currency concerned and mailed to the holder (or the first named of joint holders) of such Definitive Registered Note at its address appearing in the applicable Note Register. Upon application by the holder of a Definitive Registered Note or Notes with an outstanding principal balance of not less than \$10 million (or its equivalent in the Specified Currency other than U.S. dollars) to the specified office of the Registrar or any transfer agent before the applicable Regular Interest Record Date or Special Interest Record Date, such payment of interest may be made by transfer to an account in the relevant currency maintained by the payee with a bank in the Principal Financial Center of the country of that currency.

Global Clearance and Settlement

General

Notes issued pursuant to the Program may be held through one or more international and domestic clearing systems, principally the book-entry systems operated by DTC in the United States, and Euroclear and Clearstream, Luxembourg in Europe. Electronic securities and payment transfer, processing, depositary and custodial links have been established among these systems and others, either directly or through custodians and depositaries, which enable Notes to be issued, held and transferred among the clearing systems through these links. The Paying Agent will have direct electronic links with DTC, Euroclear and Clearstream, Luxembourg. Special procedures have been established among these clearing systems and the Indenture Trustee to facilitate clearance and settlement of certain Notes traded across borders in the secondary market. Cross-market transfers of Notes in respect of which payments will be made in U.S. dollars and which will be issued in global form may be cleared and settled using these procedures on a delivery against payment basis. Cross-market transfers of Notes in other than global form may be cleared and settled in accordance with other procedures established among the Indenture Trustee and the clearing systems concerned for this purpose.

Although DTC, Euroclear and Clearstream, Luxembourg have agreed to the procedures described below in order to facilitate transfers of Notes among participants of DTC, Euroclear and Clearstream, Luxembourg, they are under no obligation to perform or continue to perform such procedures and such procedures may be modified or discontinued at any time. Neither the Issuer nor the Indenture Trustee will have any responsibility for the performance by DTC, Euroclear or Clearstream, Luxembourg or any other applicable Clearing Corporation or their respective participants or indirect participants of the respective obligations under the rules and procedures governing their operations.

The Clearing Systems

The Clearing Systems have advised the Issuer as follows:

DTC. DTC is a limited-purpose trust company organized under the New York Banking Law, a “banking organization” within the meaning of the New York Banking Law, a member of the Federal Reserve System, a “clearing corporation” within the meaning of the New York Uniform Commercial Code and a “clearing agency” registered pursuant to the provisions of Section 17A of the Exchange Act. DTC holds securities that DTC participants deposit with DTC. DTC also facilitates the settlement among DTC participants of securities transactions, such as transfers and pledges, in deposited securities through electronic computerized book-entry changes in DTC participants’ accounts, thereby eliminating the need for physical movement of securities certificates. DTC participants who maintain accounts directly with DTC include securities brokers and dealers, banks, trust companies, clearing

corporations and certain other organizations (“**direct participants**”). DTC is owned by a number of its direct participants and by the New York Stock Exchange, Inc., the American Stock Exchange, Inc. and FINRA. Access to DTC’s system is also available to others such as securities brokers and dealers, banks and trust companies that clear through or maintain a custodial relationship with a direct participant, either directly or indirectly. The rules applicable to DTC and DTC participants are on file with the SEC.

Euroclear. Euroclear was created in 1968 to hold securities for its participants and to clear and settle transactions between its participants through simultaneous electronic book-entry delivery against payment, thereby eliminating the need for physical movement of certificates and any risk from lack of simultaneous transfers of securities and cash. Euroclear provides various other services, including securities lending and borrowing, and interfaces with domestic markets in several countries. Euroclear participants include banks (including central banks), securities brokers and dealers and other professional financial intermediaries. Indirect access to Euroclear is also available to others that clear through or maintain a custodial relationship with a Euroclear participant, either directly or indirectly.

Notes clearance accounts and cash accounts with Euroclear are governed by the Terms and Conditions Governing Use of Euroclear and the related Operating Procedures of the Euroclear System and applicable Belgian law (collectively, the “**Euroclear Terms and Conditions**”). The Euroclear Terms and Conditions govern transfers of securities and cash with Euroclear, withdrawals of securities and cash from Euroclear, and receipts of payments with respect to securities in Euroclear. All securities in Euroclear are held on a fungible basis without attribution of specific certificates to specific securities clearance accounts. Euroclear acts under the Euroclear Terms and Conditions only on behalf of Euroclear participants, and has no record of or relationship with persons holding through Euroclear participants.

Distributions with respect to Notes held beneficially through Euroclear will be credited to the cash accounts of Euroclear participants in accordance with the Euroclear Terms and Conditions, to the extent received by the Depositary.

Clearstream, Luxembourg. Clearstream, Luxembourg is a company with limited liability under Luxembourg law (a *société anonyme*).

Clearstream, Luxembourg holds securities for its customers and facilitates the clearance and settlement of securities transactions between Clearstream, Luxembourg customers through electronic book-entry changes in accounts of Clearstream, Luxembourg customers, thereby eliminating the need for physical movement of certificates. Transactions may be settled by Clearstream, Luxembourg in any of 36 currencies, including U.S. dollars. Clearstream, Luxembourg provides to its customers, among other things, services for safekeeping, administration, clearance and settlement of internationally traded securities and securities lending and borrowing. Clearstream, Luxembourg also deals with domestic securities markets in over 30 countries through established depository and custodial relationships. Clearstream, Luxembourg is registered as a bank in Luxembourg, and as such is subject to regulation by the Commission de Surveillance du Secteur Financier, which supervises Luxembourg banks. Clearstream, Luxembourg’s customers are worldwide financial institutions including underwriters, securities brokers and dealers, banks, trust companies and clearing corporations. Clearstream, Luxembourg’s U.S. customers are limited to securities brokers and dealers and banks. Indirect access to Clearstream, Luxembourg is available to other institutions that clear through or maintain a custodial relationship with an account holder of Clearstream, Luxembourg. Clearstream, Luxembourg has established an electronic bridge with Euroclear to facilitate settlement of trades between Clearstream, Luxembourg and Euroclear.

Distributions with respect to Notes held beneficially through Clearstream, Luxembourg will be credited to cash accounts of Clearstream, Luxembourg participants in accordance with its rules and procedures, to the extent received by the Depositary.

Other Clearing Systems. Any other clearing system which the Issuer, the Indenture Trustee, the Paying Agent and each relevant Purchasing Agent agree shall be available for a particular issuance of Notes, including the clearance and settlement procedures for such clearing system, will be described in the applicable Pricing Supplement.

Primary Distribution

Notes will be distributed through one or more of the Clearing Corporations described above or any other Clearing Corporation specified in the applicable Pricing Supplement. Payment for Notes will be made on a delivery versus payment or free delivery basis, as more fully described in the applicable Pricing Supplement.

Registered Notes. The Issuer and each relevant Purchasing Agent shall agree that either global clearance and settlement procedures or specific clearance and settlement procedures should be available for the Notes of any Series, as specified in the applicable Pricing Supplement. Clearance and settlement procedures may vary from one Series of Notes to another according to the Specified Currency of the Notes of such Series. Customary clearance and settlement procedures are described under the specific clearance and settlement procedures below. Application may be made to the relevant Clearing Corporation(s) for the Notes of the relevant Series to be accepted for clearing and settlement and the applicable security identification numbers will be specified in the applicable Pricing Supplement.

Clearance and Settlement Procedures—DTC. DTC participants holding Registered Notes through DTC on behalf of investors will follow the settlement practices applicable to United States corporate debt obligations in DTC's Same-Day Funds Settlement System. Registered Notes will be credited to the securities custody accounts of such DTC participants against payment in same-day funds on the settlement date.

Clearance and Settlement Procedures—Euroclear and Clearstream, Luxembourg. Investors electing to hold their Notes through Euroclear or Clearstream, Luxembourg accounts will follow the settlement procedures applicable to conventional Eurobonds in registered form. Notes will be credited to the securities custody accounts of Euroclear and Clearstream, Luxembourg participants on the business day following the settlement date against payment for value on the settlement date.

Secondary Market Trading

Trading between DTC participants. Secondary market trading between DTC participants will occur in the ordinary way in accordance with DTC's rules and will be settled using procedures applicable to United States corporate debt obligations in DTC's Same-Day Funds Settlement System in same-day funds, if payment is made in U.S. dollars, or free of payment if payment is made in a currency other than U.S. dollars. In the latter case, separate payment arrangements outside of the DTC system are required to be made between DTC participants.

Trading between Euroclear and/or Clearstream, Luxembourg participants. Secondary market trading between Euroclear and/or Clearstream, Luxembourg participants will occur in the ordinary way in accordance with the applicable rules and operating procedures of Euroclear and Clearstream, Luxembourg and will be settled using procedures applicable to conventional Eurobonds in registered form.

Trading between DTC seller and Euroclear or Clearstream, Luxembourg purchaser

Single Global Note Issues. When Notes represented by a DTC Global Note are to be transferred from the account of a DTC participant (other than the Depository) to the account of a Euroclear participant or Clearstream, Luxembourg participant, the purchaser must send instructions to Euroclear or Clearstream, Luxembourg through a participant at least one business day prior to settlement. Euroclear or Clearstream, Luxembourg, as the case may be, will instruct the Depository to receive the Notes against payment or free of payment, as the case may be. After settlement has been completed, the Notes will be credited to the respective Clearing Corporation and by the Clearing Corporation, in accordance with its usual procedures, to the account of the relevant Euroclear or Clearstream, Luxembourg participant. Credit for the Notes will appear on the next day (European time) and cash debit will be back-valued to, and the interest on the Notes will accrue from, the value date (which would be the preceding day, when settlement occurs in New York). If settlement is not completed on the intended value date (i.e., the trade fails), the Euroclear or Clearstream, Luxembourg cash debit will be valued instead as of the actual settlement date.

Euroclear participants or Clearstream, Luxembourg participants will need to make available to the respective Clearing Corporation the funds necessary to process same-day funds settlement. The most direct means of doing so is to pre-position funds for settlement, either from cash on hand or existing lines of credit, as they would for any settlement occurring within Euroclear or Clearstream, Luxembourg. Under this approach, participants may take on credit exposure to Euroclear or Clearstream, Luxembourg until the Notes are credited to their accounts one day later.

As an alternative, if Euroclear or Clearstream, Luxembourg has extended a line of credit to them, participants can elect not to pre-position funds and allow that credit line to be drawn upon to finance settlement. Under this procedure, Euroclear participants or Clearstream, Luxembourg participants purchasing Notes would incur overdraft charges for one day, assuming they cleared the overdraft when the Notes were credited to their accounts. However, interest on the Notes would accrue from the value date. Therefore, in many cases, the investment income on Notes earned during that one-day period may substantially reduce or offset the amount of such overdraft charges, although this result will depend on each participant's particular cost of funds.

Because the settlement will take place during New York business hours, DTC participants can employ their usual procedures for delivering Notes to the Depository for the benefit of Euroclear participants or Clearstream, Luxembourg participants. The sale proceeds will be available to the DTC seller on the settlement date. Thus, to the DTC participants, a cross-market transaction will settle no differently than a trade between two DTC participants.

Dual Global Note Issues. When Notes are to be transferred from the account of a DTC participant to the account of a Euroclear or Clearstream, Luxembourg participant, the DTC participant will deliver the Notes free of payment to the appropriate account of the Custodian at DTC by 11:00 A.M. (New York time) on the settlement date together with instructions for delivery to the relevant Euroclear or Clearstream, Luxembourg participant. Separate payment arrangements are required to be made between the Euroclear or Clearstream, Luxembourg participant and the DTC participant. The Custodian will instruct the Registrar to (i) decrease the amount of Notes registered in the name of the nominee of DTC and represented by the DTC Global Note and (ii) increase the amount of Notes registered in the name of the nominee of Euroclear or Clearstream, Luxembourg and represented by the Global Registered Note. The Depository will deliver such Notes free of payment to Euroclear or Clearstream, Luxembourg, as the case may be, for credit to the relevant participant in such Clearing Corporation on the business day following the settlement date.

Trading between a Euroclear or Clearstream, Luxembourg seller and a DTC purchaser

Single Global Note Issues. Due to time zone differences in their favor, Euroclear participants or Clearstream, Luxembourg participants may employ their customary procedures for transactions in which Notes represented by a DTC Global Note are to be transferred by the respective Clearing Corporation through the Depository to another DTC participant. The seller must send instructions to Euroclear or Clearstream, Luxembourg through a participant at least one business day prior to settlement. In these cases, Euroclear or Clearstream, Luxembourg will instruct the Depository to credit the Notes to the DTC participant's account against payment. The payment will then be reflected in the account of the Euroclear participant or Clearstream, Luxembourg participant the following day, and receipt of the cash proceeds in the Euroclear or Clearstream, Luxembourg participant's account will be back-valued to the value date (which would be the preceding day, when settlement occurs in New York). If the Euroclear participant or Clearstream, Luxembourg participant has a line of credit with its respective Clearing Corporation and elects to draw on such line of credit in anticipation of receipt of the sale proceeds in its account, the back-valuation may substantially reduce or offset any overdraft charges incurred over the one-day period. If settlement is not completed on the intended value date (i.e., the trade fails), receipt of the cash proceeds in the Euroclear or Clearstream, Luxembourg participant's account would instead be valued as of the actual settlement date.

As is the case with sales of Notes represented by a DTC Global Note by a DTC participant to a Euroclear or Clearstream, Luxembourg participant, participants in Euroclear and Clearstream, Luxembourg will have their accounts credited the day after their settlement date.

Dual Global Note Issues. When Notes are to be transferred from the account of a Euroclear or Clearstream, Luxembourg participant to the account of a DTC participant, the relevant Euroclear or Clearstream, Luxembourg participant must provide settlement instructions for delivery of the Notes free of payment to Euroclear or Clearstream, Luxembourg, as the case may be, by 7:45 p.m. (Brussels or Luxembourg time) one business day prior to the settlement date. Euroclear or Clearstream, Luxembourg, as the case may be, will in turn provide appropriate settlement instructions to the Depository for delivery to the DTC participant. Separate payment arrangements are required to be made between the DTC participant and the relevant Euroclear or Clearstream, Luxembourg participant. On the settlement date, the Custodian will deliver the Notes free of payment to the appropriate DTC account of the DTC participant and will instruct the Registrar to (i) decrease the amount of Notes registered in the name of the nominee for Euroclear and Clearstream, Luxembourg and represented by the Global Registered Note and (ii) increase the amount of Notes registered in the name of the nominee of DTC and represented by the DTC Global Note.

Payments

Principal. The principal amount of the Notes of any Series will be payable at par on their Maturity Dates or as specified in the applicable Pricing Supplement.

Interest. Each Series of interest-bearing Notes will bear interest from its date of issue at the rate per annum, in the case of a Fixed Rate Note, or pursuant to the interest rate formula, in the case of a Floating Rate Note, in each case as specified in the applicable Pricing Supplement, or bear interest as specified in the applicable Pricing Supplement, until the principal thereof is paid or duly made available for payment. See also “—Discount Notes” and “—Amortizing Notes.” Accrued but unpaid interest, if any, on the principal amount of the Notes of any Series will be payable on the Maturity Dates, or as specified in the applicable Pricing Supplement.

Interest Periods. Interest payable with respect to a Series of interest-bearing Notes on each Interest Payment Date (as defined therein) will be the interest accrued from and including the later of (1) the issue date and (2) the immediately preceding Interest Payment Date with respect to which interest on such Series of Notes has been fully paid or duly provided for, to but excluding such Interest Payment Date or Maturity Date, as the case may be, or as specified in the applicable Pricing Supplement (“**Interest Period**”). For any Series of Floating Rate Notes listed on Euronext Dublin, at a time no later than the commencement of each Interest Period, the relevant Paying Agent shall provide a notice to Euronext Dublin stating the rate of interest, the amount of interest payable for a specific denomination and the Interest Period, if applicable.

Payment Procedures. The Issuer will discharge each of its payment obligations under such Series of Notes and the Indenture by causing the payment amount to be tendered to the Registered Holder or Registered Holders, in the case of Notes in registered form, of such Series of Notes, or as specified in the applicable Pricing Supplement. All amounts payable to any Registered Holder of any Note issued in registered form will be paid to the account of such Registered Holder at such bank or other financial institution as the Registered Holder of such Note in registered form shall notify the Paying Agent in accordance with the terms of the Indenture; *provided, that*, payments with respect to Notes in definitive form will be made only against presentation of the applicable Note Certificate or Note Certificates as provided in the Indenture.

Unavailability of Specified Currency. If the principal of, any premium or interest on, and any Additional Amounts with respect to, any Note is payable in a Specified Currency other than U.S. dollars which is not available due to the imposition of exchange controls or other circumstances beyond the control of the Issuer, the Issuer will be entitled to satisfy its obligations to holders of the Notes by making such payment in U.S. dollars on the basis of the most recently available bid quotation determined on the applicable determination date related to such payment from a leading foreign exchange bank in London or New York City selected by the Paying Agent (in consultation with the Issuer or its designee), for the purchase of U.S. dollars with the Specified Currency for settlement on such payment date of the aggregate amount of the Specified Currency payable to all holders of Notes denominated other than in U.S. dollars scheduled to receive U.S. dollar payments. Any payment made under such circumstances in U.S. dollars where the required payment is other than in U.S. dollars will not constitute an “Event of Default” under the Notes.

Redenomination. The Issuer may (if so specified in the applicable Pricing Supplement) without the consent of the holder of any Note or coupon, redenominate all, but not less than all, of the Notes of any series into Euro on or after the date on which the member state of the EU in whose national currency such Notes are denominated has become a participant member in the third stage of the European economic and monetary union, as more fully set out in the applicable Pricing Supplement.

Redemption, Repayment and Repurchase of Notes

Unless otherwise specified in a supplement to this Offering Memorandum, and except as provided with respect to a tax redemption under “—Tax Redemption,” the Notes of a Series will not be redeemable, except at the applicable Maturity Date, when all Notes of such Series will be redeemed.

Optional Redemption. If an optional redemption date is specified in the applicable Pricing Supplement relating to a Series of Notes and the applicable Funding Agreement Provider has redeemed the related Funding Agreement in full or in part in accordance with its terms, as applicable, the Issuer will redeem the Series of Notes secured by such Funding Agreement, in full or in part, as applicable, prior to the stated maturity date of such Series

of Notes. Further, if any Notes to be redeemed as provided in this paragraph are listed on Euronext Dublin, notice of such redemption shall also be made in a leading daily newspaper having general circulation in Ireland (expected to be the *Irish Times*). If so specified, the Issuer will give a notice of redemption to each holder of the Notes to be redeemed not less than 30 days nor more than 60 days prior to the date fixed for redemption, or as specified in the applicable Pricing Supplement.

Repayment at Option of Noteholder. Except upon the occurrence of an Event of Default or as specified in the applicable Pricing Supplement, the Notes will not provide any holder with the option to have the Issuer repay the Note on a date or dates specified prior to its Maturity Date. See “—Events of Default.”

Repurchase of Notes. The Issuer may purchase some or all Notes of any Series in the open market pursuant to tender offer or otherwise at any time, and from time to time, with the prior written consent of the applicable Funding Agreement Provider as to both the making of such purchase and the purchase price to be paid for such Notes. If the applicable Funding Agreement Provider, in its sole discretion, consents to such purchase of Notes by the Issuer, then the Issuer and the Indenture Trustee (as directed by the Issuer) agree to take such actions as may be necessary or desirable to effect the prepayment of such portion, or the entirety, of the current balance of the Funding Account under each applicable Funding Agreement as may be necessary to provide for the payment of the purchase price for such Notes. Upon such payment, the balance of the Funding Account shall be reduced (i) with respect to any purchase of Fixed Rate Notes or Floating Rate Notes, by an amount equal to the aggregate principal amount of the Notes as purchased (or the portion thereof applicable to such Funding Agreement) and (ii) with respect to any purchase of Notes other than Fixed Rate Notes or Floating Rate Notes, by an amount to be agreed between the Issuer and the applicable Funding Agreement Provider to reflect such prepayment under the Funding Agreement.

Replacement of Notes

At the expense of the applicable holder or holders, the Issuer will replace any Note Certificate that becomes mutilated, destroyed, lost or stolen or is apparently destroyed, lost or stolen. Each mutilated Note Certificate must be surrendered to the Indenture Trustee or the Issuer, or the Indenture Trustee and the Issuer must each receive evidence to their satisfaction of the destruction, loss or theft of each applicable Note Certificate and there must be delivered to the Issuer and the Indenture Trustee such security or indemnity as may be required by them to save each of them harmless and the Issuer or the Indenture Trustee must not have received notice that such Note Certificate has been acquired by a protected purchaser (as defined in the Uniform Commercial Code as currently in effect).

Prescription

Any funds deposited with or paid to the Indenture Trustee or the Paying Agent for the payment of the principal of any premium or interest on, or any Additional Amounts, or any other amounts payable with respect to any Note of any Series and not applied but remaining unclaimed for three years after the date upon which such principal, premium, interest, Additional Amount or any other amount shall have become due and payable, shall, upon the written request of the Issuer and unless otherwise required by mandatory provisions of applicable escheat or abandoned or unclaimed property law, be repaid to the Issuer by the Indenture Trustee or the Paying Agent and the holder of any such Note of such Series shall, unless otherwise required by mandatory provisions of applicable escheat or abandoned or unclaimed property laws, thereafter look only to the Issuer for any payment which such holder may be entitled to collect, and all liability of the Indenture Trustee or the Paying Agent with respect to such funds shall thereupon cease.

Withholding Tax and Payments of Additional Amounts

All payments in respect of the Notes will be made without any withholding or deduction for or on account of any present or future taxes, duties, levies, assessments or other governmental charges of whatever nature imposed or levied by or on behalf of any governmental authority in the United States having the power to tax, unless such withholding or deduction is required by law.

Unless otherwise specified in the applicable Note (including on the face of the applicable Note Certificate) or related Pricing Supplement, the Issuer will not pay any Additional Amounts (as defined in “Description of Certain Terms and Conditions of the Funding Agreements—Payments of Additional Amounts.”) to the holder of such Note in the event that any withholding or deduction is so required by law, and the imposition of a requirement to make any such withholding or deduction will not give rise to an Event of Default under such Note or any obligation to redeem

such Note and the Noteholder will be deemed for all purposes to have received cash in an amount equal to the portion of such withholding or deduction that is attributable to such Noteholder's interest in such Note as equitably determined by the Issuer. Notwithstanding anything herein to the contrary, to the extent the Issuer is required to pay Additional Amounts with respect to Notes of any Series as specified in the applicable Note or related Pricing Supplement, no such Additional Amounts shall be required for or on account of:

(i) any tax, duty, levy, assessment or other governmental charge imposed which would not have been imposed but for (a) any present or former connection between any Noteholder and the United States, including, without limitation, being or having been a citizen or resident thereof, or having been present, having been incorporated in, having engaged in a trade or business therein, or having (or having had) a permanent establishment or principal office therein, (b) such Noteholder's status as a controlled foreign corporation for United States federal income tax purposes within the meaning of Section 957(a) of the Code, related within the meaning of Section 864(d)(4) of the Code to the applicable Funding Agreement Provider, (c) such Noteholder being a bank for United States federal income tax purposes whose receipt of interest on a Note is described in Section 881(c)(3) of the Code, (d) such Noteholder being or having been an actual or constructive "10-percent shareholder" of the applicable Funding Agreement Provider within the meaning of Section 871(h)(3) of the Code, or (e) such Noteholder being subject to income tax withholding or backup withholding as of the date of purchase by such Noteholder;

(ii) any tax, duty, levy, assessment or other governmental charge imposed which would not have been imposed but for the presentation of the Notes (where presentation is required) for payment on a date more than 30 days after the date on which such payment becomes due and payable or the date on which payment is duly provided for, whichever occurs later;

(iii) any tax, duty, levy, assessment or other governmental charge which is imposed or withheld solely by reason of the failure of a Noteholder of Notes to comply with certification, identification or information reporting requirements concerning the nationality, residence, identity or connection with the United States of a Noteholder, if compliance is required or permitted by statute, by regulation, judicial or administrative interpretation, by other law or by an applicable income tax treaty to which the United States is a party as a condition to exemption from or reduction of such tax, duty, levy, assessment or other governmental charge;

(iv) any inheritance, gift, estate, personal property, sales, or transfer tax;

(v) any tax, duty, levy, assessment or governmental charge that is payable otherwise than by withholding from payments in respect of the Notes;

(vi) any tax, duty, levy, assessment or other governmental charge imposed by reason of payments on the Notes being treated as contingent interest described in Section 871(h)(4) of the Code for United States federal income tax purposes, but only to the extent such treatment was disclosed in writing to the Noteholder at the time such Noteholder became a Noteholder;

(vii) any tax, duty, levy, assessment or governmental charge that would not have been imposed but for an election by a Noteholder, the effect of which is to make payment in respect of the Notes subject to United States federal income tax;

(viii) any tax, duty, levy, assessment or governmental charge imposed by Sections 1471 through 1474 of the Code, any applicable United States Treasury Regulations promulgated thereunder, any intergovernmental agreement or implementing legislation with respect thereto or any judicial or administrative interpretation of any of the foregoing as a result of a Noteholder, intermediary or other payee not being entitled to receive payment free of any such tax, duty, levy, assessment or governmental charge imposed; or

(ix) any combination of items (i), (ii), (iii), (iv), (v), (vi), (vii) or (viii).

The obligation to pay Additional Amounts shall not apply unless the applicable Funding Agreement Provider is similarly obligated to pay Additional Amounts under the applicable Series Funding Agreement.

The Notes are subject in all cases to any tax, fiscal or other law or regulation or administrative or judicial interpretation applicable thereto. Except as specifically provided under "—Withholding Tax and Payments of

Additional Amounts,” the Issuer shall not be required to make any payment with respect to any tax, assessment or governmental charge imposed by any government or a political subdivision or taxing authority thereof or therein.

Tax Redemption

Any time upon or after the occurrence of a “Tax Event” (as defined below) as to a Funding Agreement, the applicable Funding Agreement Provider will have the right to terminate and redeem such Funding Agreement by giving not less than thirty-five (35) and no more than seventy-five (75) calendar days prior written notice to the Issuer and by paying to the Issuer an amount equal to the Funding Account and Additional Amounts, if any, with respect to the applicable Funding Agreement. Upon receipt of such notice from the applicable Funding Agreement Provider, the Issuer shall provide a copy of such notice to the Indenture Trustee. If the applicable Funding Agreement Provider redeems such Funding Agreement upon the occurrence of a Tax Event, the Issuer shall redeem all of the Notes of the related Series in accordance with the terms of such Funding Agreement and the Indenture in the same manner described under “—Redemption, Repayment and Repurchase of Notes—Optional Redemption.” If any Notes to be redeemed as provided in this paragraph are listed on Euronext Dublin, notice of such tax redemption shall be made in a leading daily newspaper having general circulation in Ireland (expected to be the *Irish Times*). For further discussion of “Tax Event” redemption, see “Description of Certain Terms and Conditions of the Funding Agreements—Tax Redemption.”

Pricing Options

Fixed Rate Notes

Interest Payment Dates. Interest on the Fixed Rate Notes of a Series will be payable semiannually each year on such date or dates as may be specified in the applicable Pricing Supplement (each, an “**Interest Payment Date**” with respect to such Series of Fixed Rate Notes) and on the Maturity Date, or payable as specified in the applicable Pricing Supplement.

Payment Date Not a Business Day. If the date on which any principal, premium, interest, Additional Amount or other payment obligation with respect to the Fixed Rate Notes of a Series is due, including any Interest Payment Date, falls on a day that is not a Business Day, the required payment of principal, any premium and interest and any Additional Amounts, will be made on the next succeeding Business Day as if made on the date such payment was due, or as provided in the applicable Pricing Supplement, and no interest will accrue in respect of such payment made on that next succeeding Business Day.

Method of Calculating Interest. Interest on the Fixed Rate Notes of a Series will be computed on the basis of a 360-day year of twelve 30-day months or as specified in the applicable Pricing Supplement.

Floating Rate Notes

Generally. Interest on a Series of Floating Rate Notes will be determined by reference to one or more of BBSW, the CMT Rate, the Commercial Paper Rate, SOFR, Compounded SOFR (including Compounded SOFR (Formula) or Compounded SOFR (Index)), Compounded Daily SONIA (Index Determination), Compounded Daily SONIA (Non-Index Determination), CORRA, the Eleventh District Cost of Funds Rate, the Federal Funds Rate, HIBOR, the Prime Rate, Compounded Daily SORA, Compounded Index SORA, the Tokyo Overnight Average Rate or the Treasury Rate (each, an “**Interest Rate Compounded Basis**”), or such other Interest Rate Compounded Basis or interest rate formula as may be specified in the applicable Note and Pricing Supplement.

The applicable Pricing Supplement will specify certain terms of a Series of Floating Rate Notes, including: whether such Series of Floating Rate Notes is a Series of “Regular Floating Rate Notes” or “Floating Rate/Fixed Rate Notes,” the Fixed Rate Commencement Date, if applicable, Fixed Interest Rate, if applicable, Interest Rate Basis or Bases, Initial Interest Rate, if any, the first Interest Reset Date, Interest Reset Dates, Interest Payment Dates, Index Maturity, Maximum Interest Rate and/or Minimum Interest Rate, if any, and Spread Multiplier and/or Spread, if any, as such terms are defined below. If one or more of the Interest Rate Bases for any Series of Floating Rate Notes is the CMT Rate, the applicable Pricing Supplement will also specify the CMT Maturity Index and CMT Reuters Page, respectively, as such terms are defined below.

The rate at which a Series of Floating Rate Notes will bear interest will be determined as follows:

(i) unless such Series of Floating Rate Notes is designated as a Series of “Floating Rate/Fixed Rate Notes” or a Series of “Inverse Floating Rate Notes,” or as having an Addendum attached or having “Other/Additional Provisions” apply, in each case relating to a different interest rate formula, such Series of Floating Rate Notes will be designated as a Series of “**Regular Floating Rate Notes**” and, except as described below or in the applicable Pricing Supplement, will bear interest at the rate determined by reference to the Interest Rate Basis or Bases for such Series (a) multiplied by the applicable Spread Multiplier, if any, and/or (b) plus or minus the applicable Spread, if any. Commencing on the first Interest Reset Date, the rate at which interest on such Regular Floating Rate Note shall be payable shall be reset as of each Interest Reset Date; *provided, however*, that the interest rate in effect for the period, if any, from the date of issue to the first Interest Reset Date will be the Initial Interest Rate.

(ii) if such Series of Floating Rate Notes is designated as a Series of “**Floating Rate/Fixed Rate Notes**,” then, except as described below or in the applicable Pricing Supplement, such Series of Floating Rate Notes will bear interest at the rate determined by reference to the Interest Rate Basis or Bases for such Series (a) multiplied by the applicable Spread Multiplier, if any, and/or (b) plus or minus the applicable Spread, if any. Commencing on the first Interest Reset Date, the rate at which interest on such Series of Floating Rate/Fixed Rate Notes shall be payable shall be reset as of each Interest Reset Date; *provided, however*, that (y) the interest rate in effect for the period, if any, from the date of issue to the first Interest Reset Date will be the Initial Interest Rate and (z) the interest rate in effect (the “**Fixed Interest Rate**”) for the period commencing on the date specified therefor in the applicable Pricing Supplement (the “**Fixed Rate Commencement Date**”) to the Stated Maturity Date shall be the interest rate so specified in such applicable Pricing Supplement or, if no such rate is specified, the interest rate in effect thereon on the day immediately preceding the Fixed Rate Commencement Date. For the period during which the Fixed Interest Rate is in effect, interest shall be calculated and paid as specified above under “—Fixed Rate Notes.”

The “**Spread**” for a Series of Floating Rate Notes is the number of basis points to be added to or subtracted from the related Interest Rate Basis or Bases applicable to such Series of Floating Rate Notes. The “**Spread Multiplier**” is the percentage of the related Interest Rate Basis or Bases applicable to such Series of Floating Rate Notes by which such Interest Rate Basis or Bases will be multiplied to determine the applicable interest rate on such Series of Floating Rate Notes. The “**Index Maturity**” is the period to maturity of the instrument or obligation with respect to which the related Interest Rate Basis or Bases will be calculated.

The interest rate with respect to each Interest Rate Basis for a Series of Floating Rate Notes will be determined in accordance with the applicable provisions below or as specified in the applicable Pricing Supplement. Except as set forth above or in the applicable Pricing Supplement, the interest rate in effect on each day shall be (i) if such day is an Interest Reset Date, the interest rate determined as of the Interest Determination Date (defined herein) immediately preceding such Interest Reset Date or (ii) if such day is not an Interest Reset Date, the interest rate determined as of the Interest Determination Date immediately preceding the most recent Interest Reset Date.

The applicable Pricing Supplement will specify the dates on which the rate of interest on a Series of Floating Rate Notes will be reset daily, weekly, monthly, quarterly, semiannually or annually or on such other specified basis (each, an “**Interest Reset Period**”) and the dates on which such rate of interest will be reset (each, an “**Interest Reset Date**”). The Interest Reset Dates will be as specified in the applicable Pricing Supplement or, in the case of a Series of Floating Rate Notes which reset:

- daily, each Business Day;
- weekly, the Wednesday of each week (with the exception of weekly reset Floating Rate Notes as to which the Treasury Rate is an applicable Interest Rate Basis, which will reset the Tuesday of each week);
- monthly, the third Wednesday of each month (with the exception of monthly reset Floating Rate Notes as to which the Eleventh District Cost of Funds Rate is an applicable Interest Rate Basis, which will reset on the first calendar day of the month);

- quarterly, the third Wednesday of every third calendar month, beginning in the third calendar month following the date the Note was issued;
- semiannually, the third Wednesday of the two months specified in the applicable Pricing Supplement; and
- annually, the third Wednesday of the month specified in the applicable Pricing Supplement;

provided, however, that with respect to each Series of Floating Rate/Fixed Rate Notes, the rate of interest thereon will not reset after the applicable Fixed Rate Commencement Date. If any Interest Reset Date for any Series of Floating Rate Notes would otherwise be a day that is not a Business Day, such Interest Reset Date will be postponed to the next succeeding Business Day.

Interest Determination Date. The interest rate applicable to an Interest Reset Period commencing on the related Interest Reset Date will be the rate determined by the Calculation Agent (as hereinafter defined) as of the applicable “**Interest Determination Date**” (determined as provided below) and calculated on or prior to the Calculation Date (as hereinafter defined), except with respect to the Eleventh District Cost of Funds Rate, which will be calculated on such Interest Determination Date. The “Interest Determination Date” with respect to the Commercial Paper Rate, the Federal Funds Rate and the Prime Rate will be the Business Day immediately preceding the related Interest Reset Date; the “Interest Determination Date” with respect to the CMT Rate will be the second Business Day immediately preceding the applicable Interest Reset Date; the “Interest Determination Date” with respect to the Eleventh District Cost of Funds Rate will be the last working day of the month immediately preceding the applicable Interest Reset Date on which the Federal Home Loan Bank of San Francisco (the “**FHLB of San Francisco**”) publishes the Eleventh District Index (as hereinafter defined); the “Interest Determination Date” with respect to EURIBOR will be the second T2 Business Day immediately preceding each Interest Reset Date; and the “Interest Determination Date” with respect to SOFR or Compounded SOFR will be as specified in the applicable Pricing Supplement. With respect to the Treasury Rate, the “Interest Determination Date” will be the day in the week in which the applicable Interest Reset Date falls on which day Treasury Bills (as hereinafter defined) are normally auctioned (Treasury Bills are normally sold at an auction held on Monday of each week, unless such Monday is a legal holiday, in which case the auction is normally held on the immediately succeeding Tuesday although such auction may be held on the preceding Friday); *provided, however*, that if an auction is held on the Friday of the week preceding the applicable Interest Reset Date, the “Interest Determination Date” will be such preceding Friday. The “Interest Determination Date” pertaining to any Series of Floating Rate Notes the interest rate of which is determined by reference to two or more Interest Rate Bases will be the most recent Business Day which is at least two Business Days prior to the applicable Interest Reset Date for such Series of Floating Rate Notes on which each Interest Rate Basis is determinable. Each Interest Rate Basis will be determined as of such date, and the applicable interest rate will take effect on the applicable Interest Reset Date.

Notwithstanding the foregoing, any Series of Floating Rate Notes may also have either or both of the following: (i) a Maximum Interest Rate, or ceiling, that may accrue during any Interest Period and (ii) a Minimum Interest Rate, or floor, that may accrue during any Interest Period. In addition to any Maximum Interest Rate that may apply to any Series of Floating Rate Notes, the interest rate on such Series of Floating Rate Notes will in no event be higher than the maximum rate permitted by New York law, as the same may be modified by United States law of general application.

Interest Payment Dates. Except as provided below or in the applicable Pricing Supplement, the date(s) on which interest on a Series of Floating Rate Notes is payable (each, an Interest Payment Date with respect to such Series of Floating Rate Notes) will be, in the case of a Series of Floating Rate Notes which reset:

- daily, weekly or monthly, the third Wednesday of each month or the third Wednesday of every third calendar month, beginning in the third calendar month following the date the Note was issued, as specified in the applicable Pricing Supplement;
- quarterly, the third Wednesday of each month or the third Wednesday of every third calendar month, beginning in the third calendar month following the date the Note was issued;

- semiannually, the third Wednesday of the two months of each year specified in the applicable Pricing Supplement; and
- annually, the third Wednesday of the month of each year specified in the applicable Pricing Supplement.

In each of these cases, interest will also be payable on the Maturity Date.

Payment Date not a Business Day. (i) Subject to the provisions of the applicable Pricing Supplement, if any Interest Payment Date other than the Stated Maturity Date for a Series of Floating Rate Notes would otherwise be a day that is not a Business Day, such Interest Payment Date will be postponed to the next succeeding Business Day, except that in the case of a Series of Floating Rate Notes as to which SOFR or Compounded SOFR is an applicable Interest Rate Basis, and such Business Day falls in the next succeeding calendar month, such Interest Payment Date will be the immediately preceding Business Day and (ii) if the Stated Maturity Date of any Series of Floating Rate Notes falls on a day that is not a Business Day, the required payment of principal, any premium and interest and any Additional Amounts, will be made on the next succeeding Business Day, as if made on the date such payment was due, and no interest will accrue in respect of such payment made on that next succeeding Business Day.

Calculations. All percentages resulting from any calculation on any Series of Floating Rate Notes will be rounded to the nearest one hundred-thousandth of a percentage point, with five-one millionths of a percentage point rounded upwards (e.g., 9.876545% (or .09876545) would be rounded to 9.87655% (or .0987655)), and all amounts used in or resulting from such calculation on such Series of Floating Rate Notes will be rounded, in the case of U.S. dollars, to the nearest cent or, in the case of Euro or other currency, to the nearest unit (with one-half cent or unit being rounded upwards).

With respect to each Series of Floating Rate Notes, accrued interest is calculated by multiplying its principal amount by an accrued interest factor. Such accrued interest factor is computed by adding the interest factor calculated for each day in the applicable Interest Period. The interest factor for each such day will be computed in the manner set forth in the applicable Pricing Supplement.

The applicable Pricing Supplement will specify the Calculation Agent for a Series of Floating Rate Notes. Upon request of the Registered Holder of any Floating Rate Note in registered form, the Calculation Agent will disclose the interest rate then in effect and, if determined, the interest rate that will become effective as a result of a determination made for the next succeeding Interest Reset Date with respect to such Floating Rate Note. The “**Calculation Date**,” if applicable, pertaining to any Interest Determination Date will be the earlier of (i) the tenth calendar day after such Interest Determination Date or, if such day is not a Business Day, the next succeeding Business Day or (ii) the Business Day immediately preceding the applicable Interest Payment Date or the Maturity Date, as the case may be.

With respect to each Series of Floating Rate Notes, the Calculation Agent shall determine each Interest Rate Basis in accordance with the applicable Pricing Supplement or with the following provisions.

CMT Rate Basis Notes:

“**CMT Rate**” means:

- (1) If CMT Reuters Page FRBCMT is specified in the applicable Pricing Supplement:
 - (a) the percentage equal to the yield for United States Treasury securities at “constant maturity” having the Index Maturity specified in the applicable Pricing Supplement as published in H.15 under the caption “Treasury Constant Maturities,” as the yield is displayed on Reuters, Inc. (or any successor service) on page FRBCMT (or any other page as may replace the specified page on that service) (“**Reuters Page FRBCMT**”), for the particular Interest Determination Date, or
 - (b) if the rate referred to in clause (a) does not so appear on Reuters Page FRBCMT, the percentage equal to the yield for United States Treasury securities at “constant maturity” having the particular Index Maturity and for the particular Interest Determination Date as published in H.15 under the caption “Treasury Constant Maturities,” or

(c) if the rate referred to in clause (b) does not so appear in H.15, the rate on the particular Interest Determination Date for the period of the particular Index Maturity as may then be published by either the Federal Reserve System Board of Governors or the United States Department of the Treasury that the Calculation Agent determines to be comparable to the rate which would otherwise have been published in H.15, or

(d) if the rate referred to in clause (c) is not so published, the rate on the particular Interest Determination Date calculated by the Calculation Agent as a yield to maturity based on the arithmetic mean of the secondary market bid prices at approximately 3:30 P.M., New York City time, on that Interest Determination Date of three leading primary United States government securities dealers in the United States (which may include a Purchasing Agent or its affiliates) (each, a “**Reference Dealer**”), selected by the Calculation Agent from five Reference Dealers selected by the Calculation Agent (in consultation with the Issuer or its designee) and eliminating the highest quotation, or, in the event of equality, one of the highest, and the lowest quotation or, in the event of equality, one of the lowest, for United States Treasury securities with an original maturity equal to the particular Index Maturity, a remaining term to maturity no more than one year shorter than that Index Maturity and in a principal amount that is representative for a single transaction in the securities in that market at that time, or

(e) if fewer than five but more than two of the prices referred to in clause (d) are provided as requested, the rate on the particular Interest Determination Date calculated by the Calculation Agent based on the arithmetic mean of the bid prices obtained and neither the highest nor the lowest of the quotations shall be eliminated, or

(f) if fewer than three prices referred to in clause (d) are provided as requested, the rate on the particular Interest Determination Date calculated by the Calculation Agent as a yield to maturity based on the arithmetic mean of the secondary market bid prices as of approximately 3:30 P.M., New York City time, on that Interest Determination Date of three Reference Dealers selected by the Calculation Agent from five Reference Dealers selected by the Calculation Agent (in consultation with the Issuer or its designee) and eliminating the highest quotation or, in the event of equality, one of the highest and the lowest quotation or, in the event of equality, one of the lowest, for United States Treasury securities with an original maturity greater than the particular Index Maturity, a remaining term to maturity closest to that Index Maturity and in a principal amount that is representative for a single transaction in the securities in that market at that time, or

(g) if fewer than five but more than two prices referred to in clause (f) are provided as requested, the rate on the particular Interest Determination Date calculated by the Calculation Agent based on the arithmetic mean of the bid prices obtained and neither the highest nor the lowest of the quotations will be eliminated, or

(h) if fewer than three prices referred to in clause (f) are provided as requested, the CMT Rate in effect on the particular Interest Determination Date.

(2) if CMT Reuters Page FEDCMT is specified in the applicable Pricing Supplement:

(a) the percentage equal to the one-week or one-month, as specified in the applicable Pricing Supplement, average yield for United States Treasury securities at “constant maturity” having the Index Maturity specified in the applicable Pricing Supplement as published in 102 H.15 opposite the caption “Treasury Constant Maturities,” as the yield is displayed on Reuters, Inc., (or any successor service) (on page FEDCMT or any other page as may replace the specified page on that service) (“**Reuters Page FEDCMT**”), for the week or month, as applicable, ended immediately preceding the week or month, as applicable, in which the particular Interest Determination Date falls, or

(b) if the rate referred to in clause (a) does not so appear on Reuters Page FEDCMT, the percentage equal to the one-week or one-month, as specified in the applicable Pricing Supplement, average yield for United States Treasury securities at “constant maturity” having the

particular Index Maturity and for the week or month, as applicable, preceding the particular Interest Determination Date as published in H.15 opposite the caption “Treasury Constant Maturities,” or

(c) if the rate referred to in clause (b) does not so appear in H.15, the one-week or one-month, as specified in the applicable Pricing Supplement, average yield for United States Treasury securities at “constant maturity” having the particular Index Maturity as otherwise announced by the FRBNY for the week or month, as applicable, ended immediately preceding the week or month, as applicable, in which the particular Interest Determination Date falls, or

(d) if the rate referred to in clause (c) is not so published, the rate on the particular Interest Determination Date calculated by the Calculation Agent as a yield to maturity based on the arithmetic mean of the secondary market bid prices at approximately 3:30 P.M., New York City time, on that Interest Determination Date of three Reference Dealers selected by the Calculation Agent from five Reference Dealers selected by the Calculation Agent (in consultation with the Issuer or its designee) and eliminating the highest quotation, or, in the event of equality, one of the highest, and the lowest quotation or, in the event of equality, one of the lowest, for United States Treasury securities with an original maturity equal to the particular Index Maturity, a remaining term to maturity no more than one year shorter than that Index Maturity and in a principal amount that is representative for a single transaction in the securities in that market at that time, or

(e) if fewer than five but more than two of the prices referred to in clause (d) are provided as requested, the rate on the particular Interest Determination Date calculated by the Calculation Agent based on the arithmetic mean of the bid prices obtained and neither the highest nor the lowest of the quotations shall be eliminated, or

(f) if fewer than three prices referred to in clause (d) are provided as requested, the rate on the particular Interest Determination Date calculated by the Calculation Agent as a yield to maturity based on the arithmetic mean of the secondary market bid prices as of approximately 3:30 P.M., New York City time, on that Interest Determination Date of three Reference Dealers selected by the Calculation Agent from five Reference Dealers selected by the Calculation Agent (in consultation with the Issuer or its designee) and eliminating the highest quotation or, in the event of equality, one of the highest and the lowest quotation or, in the event of equality, one of the lowest, for United States Treasury securities with an original maturity greater than the particular Index Maturity, a remaining term to maturity closest to that Index Maturity and in a principal amount that is representative for a single transaction in the securities in that market at the time, or

(g) if fewer than five but more than two prices referred to in clause (f) are provided as requested, the rate on the particular Interest Determination Date calculated by the Calculation Agent based on the arithmetic mean of the bid prices obtained and neither the highest or the lowest of the quotations will be eliminated, or

(h) if fewer than three prices referred to in clause (f) are provided as requested, the CMT Rate in effect on that Interest Determination Date.

If two United States Treasury securities with an original maturity greater than the Index Maturity specified in the applicable Pricing Supplement have remaining terms to maturity equally close to the particular Index Maturity, the quotes for the United States Treasury security with the shorter original remaining term to maturity will be used.

“H.15” means the statistical release designated as such, or any successor publication, published by the Board of Governors of the Federal Reserve System.

“H.15 Daily Update” means the daily update of H.15, available through the internet site of the Board of Governors of the Federal Reserve System at <http://www.federalreserve.gov/releases/h15/update>, or any successor site or publication.

Commercial Paper Rate Basis Notes:

“**Commercial Paper Rate**” means, with respect to any Interest Determination Date relating to a Series of Floating Rate Notes for which the interest rate is determined with reference to the Commercial Paper Rate (a “**Commercial Paper Rate Interest Determination Date**”), the Money Market Yield (as hereinafter defined) on such date of the rate for commercial paper having the Index Maturity specified in the applicable Pricing Supplement as published in H.15 under the caption “Commercial Paper-Nonfinancial” or, if not so published by 3:00 P.M., New York City time, on the related Calculation Date, the rate on such Commercial Paper Rate Interest Determination Date for commercial paper having the Index Maturity specified in the applicable Pricing Supplement as published in H.15 Daily Update, or such other recognized electronic source used for the purpose of displaying such rate, under the caption “Commercial Paper-Nonfinancial.” If such rate is not yet published in H.15, H.15 Daily Update or another recognized electronic source by 3:00 P.M., New York City time, on the related Calculation Date, then the Commercial Paper Rate on such Commercial Paper Rate Interest Determination Date will be calculated by the Calculation Agent and will be the Money Market Yield of the arithmetic mean of the offered rates at approximately 11:00 A.M., New York City time, on such Commercial Paper Rate Interest Determination Date of three leading dealers of United States dollar commercial paper in the United States (which may include the Purchasing Agents or their affiliates) selected by the Calculation Agent (in consultation with the Issuer or its designee) for commercial paper having the Index Maturity specified in the applicable Pricing Supplement placed for industrial issuers whose bond rating is “Aa,” or the equivalent, from a nationally recognized statistical rating organization; *provided, however*, that if the dealers so selected by the Calculation Agent are not quoting as mentioned in this sentence, the Commercial Paper Rate determined as of such Commercial Paper Rate Interest Determination Date will be the Commercial Paper Rate in effect on such Commercial Paper Rate Interest Determination Date.

“**Money Market Yield**” means a yield (expressed as a percentage) calculated in accordance with the following formula:

$$\text{Money Market Yield} = \frac{D \times 360}{360 - (D \times M)} \times 100$$

where “D” refers to the applicable per annum rate for commercial paper quoted on a bank discount basis and expressed as a decimal, and “M” refers to the actual number of days in the applicable Interest Reset Period.

SOFR Basis Notes

“**SOFR**,” unless otherwise specified in the applicable Note and related Pricing Supplement, means, with respect to any Interest Reset Date, the daily secured overnight financing rate in respect of such U.S. Government Securities Business Day:

- (1) as such rate appears on the SOFR Administrator’s Website at 3:00 p.m. (New York time) on the immediately following U.S. Government Securities Business Day (the “**SOFR Determination Time**”); or
- (2) if the rate specified in (1) above does not so appear on such U.S. Government Securities Business Day, unless a Benchmark Transition Event and its related Benchmark Replacement Date with respect to SOFR have occurred, “SOFR” means the daily Secured Overnight Financing Rate as published in respect of the last U.S. Government Securities Business Day for which the Secured Overnight Financing Rate was last published on the SOFR Administrator’s Website.

“**SOFR Administrator**” means the Federal Reserve Bank of New York (or a successor administrator of the Secured Overnight Financing Rate); and

“**SOFR Administrator’s Website**” means the website of the Federal Reserve Bank of New York, or any successor source.

“**Compounded SOFR**” means, unless otherwise specified in the applicable Note and related Pricing Supplement, either: (i) “Compounded SOFR (Formula)” (as defined below) or (ii) “Compounded SOFR (Index)” (as defined below).

“**Compounded SOFR (Formula)**” means, unless otherwise specified in the applicable Note and related Pricing Supplement, with respect to any Interest Period, the rate of return of a daily compound interest investment computed in accordance with the following formula (and the resulting percentage will be rounded, if necessary, to the nearest one hundred-thousandth of a percentage point, e.g., 9.876541% (or 0.09876541) being rounded down to 9.87654% (or 0.0987654) and 9.876545% (or 0.09876545) being rounded up to 9.87655% (or 0.0987655)):

$$\left[\prod_{i=1}^{d_0} \left(1 + \frac{\text{SOFR}_i \times n_i}{360} \right) - 1 \right] \times \frac{360}{d}$$

where, for purposes of this definition:

- (1) “**d₀**,” for any Observation Period, is the number of U.S. Government Securities Business Days in the relevant Observation Period;
- (2) “**i**” is a series of whole numbers from one to d₀, each representing the relevant U.S. Government Securities Business Day in chronological order from, and including, the first U.S. Government Securities Business Day in the relevant Observation Period;
- (3) “**SOFR**” is the daily Secured Overnight Financing Rate provided by the SOFR Administrator on the SOFR Administrator’s Website;
- (4) “**SOFR_i**,” for any day “i” in the relevant Observation Period, is a reference rate equal to SOFR in respect of that day as published on or about 3:00 p.m., New York City time, on the U.S. Government Securities Business Day immediately following that day “i”. If, by 5:00 p.m., New York City time, on the U.S. Government Securities Business Day immediately following any day “i”, SOFR in respect of such day “i” has not been published and a Benchmark Transition Event and its related Benchmark Replacement Date with respect to SOFR has not occurred, then SOFR_i for that day “i” will be SOFR as published in respect of the first preceding U.S. Government Securities Business Day for which SOFR was published on the SOFR Administrator’s Website;
- (5) “**n_i**,” for any U.S. Government Securities Business Day “i” in the relevant Observation Period, is the number of calendar days from, and including, such U.S. Government Securities Business Day “i” to, but excluding, the following U.S. Government Securities Business Day (“i+1”); and
- (6) “**d**” is the number of calendar days in the relevant Observation Period, *provided, that*,
- (7) Solely for the purposes of this provision, if SOFR_i does not so appear for any day “i” in the Observation Period, SOFR_i for such day “i” shall be SOFR published in respect of the first preceding U.S. Government Securities Business Day for which SOFR was published on the SOFR Administrator’s Website.

“**Compounded SOFR (Index)**” means, unless otherwise specified in the applicable Note and related Pricing Supplement, the rate computed in accordance with the following formula (and the resulting percentage will be rounded, if necessary, to the nearest one hundred-thousandth of a percentage point, e.g., 9.876541% (or 0.09876541) being rounded down to 9.87654% (or 0.0987654) and 9.876545% (or 0.09876545) being rounded up to 9.87655% (or 0.0987655)):

$$\left(\frac{SOFR\ Index_{End}}{SOFR\ Index_{Start}} - 1 \right) \times \left(\frac{360}{d_c} \right)$$

where, for purposes of this definition:

- (1) **“SOFR (Index)”** means, unless otherwise specified in the applicable Note and related Pricing Supplement, the SOFR Index value as published by the FRBNY, as the administrator of such rate (or a successor administrator) on the SOFR Administrator’s Website at 3:00 p.m., New York City time, on such U.S. Government Securities Business Day (the **“SOFR Determination Time”**);
- (2) **“SOFR Index_{Start}”** is the SOFR Index value for the day which is two U.S. Government Securities Business Days preceding the first date of the relevant Interest Period;
- (3) **“SOFR Index_{End}”** is the SOFR Index value for the day which is two U.S. Government Securities Business Days preceding the Interest Payment Date relating to such Interest Period; and
- (4) **“d_c”** is the number of calendar days from (and including) the date related to SOFR Index_{Start} to (but excluding) the date related to SOFR Index_{End} (the number of calendar days in the applicable Observation Period), *provided, that*

Solely for purposes of this provision, if SOFR Index_{Start} or SOFR Index_{End} is not published on the associated Interest Determination Date and a Benchmark Transition Event and its related Benchmark Replacement Date have not occurred with respect to SOFR, **“Compounded SOFR (Index)”** means, for the applicable Interest Period for which such index is not available, the rate of return on a daily compounded interest investment calculated in accordance with the formula for SOFR Averages, and definitions required for such formula, published on the SOFR Administrator’s Website. For the purposes of this provision, references in the SOFR Averages compounding formula and related definitions to “calculation period” shall be replaced with “Observation Period” and the words “that is, 30-, 90-, or 180- calendar days” shall be removed. If the daily SOFR (i.e., SOFR_i) does not so appear for any day, “i” in the Observation Period, SOFR_i for such day “i” shall be SOFR published in respect of the first preceding U.S. Government Securities Business Day for which SOFR was published on the SOFR Administrator’s Website.

“Observation Period” means, in respect of each Interest Period, the period from, and including, the date two U.S. Government Securities Business Days (as defined below) preceding the first date in such Interest Period to, but excluding, the date two U.S. Government Securities Business Days preceding the Interest Payment Date for such Interest Period.

“U.S. Government Securities Business Day” means any day except for a Saturday, a Sunday or a day on which the SIFMA recommends that the fixed income departments of its members be closed for the entire day for purposes of trading in U.S. government securities.

If the Issuer or its designee determines that a Benchmark Transition Event and its related Benchmark Replacement Date have occurred prior to the Reference Time in respect of any determination of SOFR, Compounded SOFR (Formula) or Compounded SOFR (Index) on any date, the Benchmark Replacement will replace such rate for all purposes relating to the relevant Series of Floating Rate Notes in respect of such determination on such date and all determinations on all subsequent dates. In connection with the implementation of a Benchmark Replacement, the Issuer or its designee will have the right to make Benchmark Replacement Conforming Changes from time to time. Any determination, decision or election that may be made by the Issuer or its designee pursuant to this clause, including any determination with respect to a tenor, rate or adjustment or of the occurrence or non-occurrence of an event, circumstance or date and any decision to take or refrain from taking any action or any selection, will be conclusive and binding absent manifest error, may be made in the Issuer’s or its designee’s sole discretion, and, notwithstanding anything to the contrary in the documentation relating to the relevant Series of Floating Rate Notes, shall become effective without consent from any other party. In connection with any such variation to SOFR, Compounded SOFR (Formula) or Compounded SOFR (Index) in accordance with this clause, the Issuer or its

designee, as applicable, shall comply with the rules of any stock exchange on which the Notes are for the time being listed or admitted to trading.

For the avoidance of doubt, neither the Calculation Agent nor the Administrative Trustee shall have any liability for (x) the selection of reference banks whose quotations may be requested and used for purposes of calculating SOFR or for the failure or unwillingness of any reference banks to provide a quotation or (y) any quotations received from such reference banks, as applicable.

Eleventh District Cost of Funds Rate Basis Notes:

“Eleventh District Cost of Funds Rate” means, with respect to any Interest Determination Date relating to a Series of Floating Rate Notes for which the interest rate is determined with reference to the Eleventh District Cost of Funds Rate (an **“Eleventh District Cost of Funds Rate Interest Determination Date”**), the rate equal to the monthly weighted average cost of funds for the calendar month immediately preceding the month in which such Eleventh District Cost of Funds Rate Interest Determination Date falls as set forth under the caption “11th District” on the display on Reuters, Inc. (or any successor service) on page COFI/ARMS (or any other page as may replace such page on such service) (**“Reuters Page COFI/ARMS”**) as of 11:00 A.M., San Francisco time, on such Eleventh District Cost of Funds Rate Interest Determination Date. If such rate does not appear on Reuters Page COFI/ARMS on such Eleventh District Cost of Funds Rate Interest Determination Date, then the Eleventh District Cost of Funds Rate on such Eleventh District Cost of Funds Rate Interest Determination Date shall be the monthly weighted average cost of funds paid by member institutions of the Eleventh Federal Home Loan Bank District that was most recently announced (the **“Eleventh District Index”**) by the FHLB of San Francisco as such cost of funds for the calendar month immediately preceding such Eleventh District Cost of Funds Rate Interest Determination Date. If the FHLB of San Francisco fails to announce the Eleventh District Index on or prior to such Eleventh District Cost of Funds Rate Interest Determination Date for the calendar month immediately preceding such Eleventh District Cost of Funds Rate Interest Determination Date, the Eleventh District Cost of Funds Rate determined as of such Eleventh District Cost of Funds Rate Interest Determination Date will be the Eleventh District Cost of Funds Rate in effect on such Eleventh District Cost of Funds Rate Interest Determination Date.

EURIBOR Basis Notes:

EURIBOR Notes will bear interest at the rates (calculated with reference to the European inter-bank offered rate for deposits in Euro, or “EURIBOR,” and the Spread Multiplier and/or Spread, if any) specified in such EURIBOR Note and any applicable Pricing Supplement.

“EURIBOR” means, unless otherwise specified in the applicable Note and related Pricing Supplement, the rate determined in accordance with the following provisions:

(i) With respect to any Interest Determination Date relating to a Series of EURIBOR Notes or a Series of Floating Rate Notes for which the interest rate is determined with reference to EURIBOR (a **“EURIBOR Interest Determination Date”**), the rate for deposits in Euro as sponsored, calculated and published jointly by the European Banking Federation and ACI—The Financial Market Association, or any company established by the joint sponsors for purposes of compiling and publishing those rates, having the Index Maturity specified in the applicable Pricing Supplement, commencing on the applicable Interest Reset Date, as that rate appears on Reuters, Inc., or any successor service, on page EURIBOR01 (or any other page as may replace that specified page on that service) (**“Reuters Page EURIBOR01”**) as of the Reference Time (as defined below).

(ii) If such rate does not appear on Reuters Page EURIBOR01, or is not so published by the Reference Time on the applicable EURIBOR Interest Determination Date, except as provided in clause (iii) below, such rate will be calculated by the Calculation Agent and will be the arithmetic mean of at least two quotations obtained by the Issuer or its designee after requesting the principal Euro-zone (as defined below) offices of four major banks in the Euro-zone interbank market to provide the Issuer or its designee with its offered quotation for deposits in Euro for the period of the Index Maturity specified in the applicable Pricing Supplement, commencing on the applicable Interest Reset Date, to prime banks in the Euro-zone interbank market at the Reference Time and in a principal amount not less than the equivalent of \$1 million in Euro that is representative for a single transaction in Euro in that market at that time. If fewer than two such

quotations are so provided, the rate on the applicable EURIBOR Interest Determination Date will be calculated by the Calculation Agent and will be the arithmetic mean of the rates quoted at the Reference Time by four major banks in the Euro-zone for loans in Euro to leading European banks, having the Index Maturity specified in the applicable Pricing Supplement, commencing on the applicable Interest Reset Date and in a principal amount not less than the equivalent of \$1 million in Euro that is representative for a single transaction in Euro in that market at that time. If the banks so selected by the Issuer or its designee are not quoting as mentioned above, EURIBOR will be EURIBOR in effect on the applicable EURIBOR Interest Determination Date.

(iii) Notwithstanding clause (ii) above, if the Issuer or its designee determines that a Benchmark Transition Event (as defined below) and its related Benchmark Replacement Date (as defined below) have occurred prior to the Reference Time in respect of any determination of EURIBOR on any date, the Benchmark Replacement (as defined below) will replace EURIBOR for all purposes relating to the relevant Series of Floating Rate Notes in respect of such determination on such date and all determinations on all subsequent dates. In connection with the implementation of a Benchmark Replacement, the Issuer or its designee will have the right to make Benchmark Replacement Conforming Changes (as defined below) from time to time. Any determination, decision or election that may be made by the Issuer or its designee pursuant to this clause (iii) including any determination with respect to a tenor, rate or adjustment or of the occurrence or non-occurrence of an event, circumstance or date and any decision to take or refrain from taking any action or any selection, will be conclusive and binding absent manifest error, may be made in the Issuer's or its designee's sole discretion, and, notwithstanding anything to the contrary in the documentation relating to the relevant Series of Floating Rate Notes, shall become effective without consent from any other party. In connection with any such variation to EURIBOR in accordance with this clause (iii), the Issuer or its designee, as applicable, shall comply with the rules of any exchange on which the Notes are for the time being listed or admitted to trading.

"Euro-zone" means the region comprised of member states of the EU that have adopted the single currency in accordance with the treaty establishing the European Community, as amended by the treaty on EU.

Federal Funds Rate Basis Notes:

"Federal Funds Rate" means, with respect to any Interest Determination Date relating to a Series of Floating Rate Notes for which the interest rate is determined with reference to the Federal Funds Rate (a **"Federal Funds Rate Interest Determination Date"**), the rate with respect to such date for United States dollar Federal funds as published in H.15 under the heading "Federal Funds (Effective)," as such rate is displayed on Reuters, Inc. (or any successor service) on page FEDFUND 1 (or any other page as may replace such page on such service) (**"Reuters Page FEDFUND 1"**), or, if such rate does not appear on Reuters Page FEDFUND 1 or is not so published by 3:00 P.M., New York City time, on the related Calculation Date, the rate with respect to such Federal Funds Rate Interest Determination Date for United States dollar Federal funds as published in H.15 Daily Update, or such other recognized electronic source used for the purpose of displaying such rate, under the caption "Federal Funds (Effective)." If such rate does not appear on Reuters Page FEDFUND 1 or is not yet published in H.15, H.15 Daily Update or another recognized electronic source by 3:00 P.M., New York City time, on the related Calculation Date, then the Federal Funds Rate with respect to such Federal Funds Rate Interest Determination Date will be calculated by the Calculation Agent and will be the arithmetic mean of the rates for the last transaction in overnight United States dollar Federal funds arranged by three leading brokers of United States dollar Federal funds transactions in the United States (which may include the Purchasing Agents or their affiliates) selected by the Calculation Agent (in consultation with the Issuer or its designee) prior to 9:00 A.M., New York City time, on the Business Day following such Federal Funds Rate Interest Determination Date; *provided, however*, that if the brokers so selected by the Calculation Agent are not quoting as mentioned in this sentence, the Federal Funds Rate determined as of such Federal Funds Rate Interest Determination Date will be the Federal Funds Rate in effect on such Federal Funds Rate Interest Determination Date.

Prime Rate Basis Notes:

"Prime Rate" means, with respect to any Interest Determination Date relating to a Series of Floating Rate Notes for which the interest rate is determined with reference to the Prime Rate (a **"Prime Rate Interest Determination Date"**), the rate on such date as such rate is published in H.15 under the caption "Bank Prime Loan" or, if not published by 3:00 P.M., New York City time, on the related Calculation Date, the rate on such Prime Rate

Interest Determination Date as published in H.15 Daily Update, or such other recognized electronic source used for the purpose of displaying such rate, under the caption “Bank Prime Loan.” If such rate is not yet published in H.15, H.15 Daily Update or another recognized electronic source by 3:00 P.M., New York City time, on the related Calculation Date, then the Prime Rate shall be the arithmetic mean of the rates of interest publicly announced by each bank that appears on the Reuters Screen U.S. PRIME 1 Page (as hereinafter defined) as such bank’s prime rate or base lending rate as of 11:00 A.M., New York City time, on such Prime Rate Interest Determination Date. If fewer than four such rates so appear on the Reuters Screen U.S. PRIME 1 Page for such Prime Rate Interest Determination Date, then the Prime Rate shall be the arithmetic mean of the prime rates or base lending rates quoted on the basis of the actual number of days in the year divided by a 360-day year as of the close of business on such Prime Rate Interest Determination Date by three major banks (which may include affiliates of the Purchasing Agents) in the United States selected by the Calculation Agent (in consultation with the Issuer or its designee); *provided, however*, that if the banks so selected by the Calculation Agent are not quoting as mentioned in this sentence, the Prime Rate determined as of such Prime Rate Interest Determination Date will be the Prime Rate in effect on such Prime Rate Interest Determination Date.

“**Reuters Screen U.S. PRIME 1 Page**” means the display on the Reuter Money 3000 Service (or any successor service) on the “US PRIME 1” page (or such other page as may replace the U.S. PRIME 1 page on such service) for the purpose of displaying prime rates or base lending rates of major United States banks.

Treasury Rate Basis Notes:

“**Treasury Rate**” means, with respect to any Interest Determination Date relating to a Series of Floating Rate Notes for which the interest rate is determined by reference to the Treasury Rate (a “**Treasury Rate Interest Determination Date**”), the rate from the auction held on such Treasury Rate Interest Determination Date (the “**Auction**”) of direct obligations of the United States (“**Treasury Bills**”) having the Index Maturity specified in the applicable Pricing Supplement under the caption “INVESTMENT RATE” on the display on Reuters, Inc. (or any successor service) on page USAUCTION 10 (or any other page as may replace such page on such service) (“**Reuters Page USAUCTION 10**”) or page USAUCTION 11 (or any other page as may replace such page on such service) (“**Reuters Page USAUCTION 11**”) or, if not so published by 3:00 P.M., New York City time, on the related Calculation Date, the Bond Equivalent Yield (as hereinafter defined) of the rate for such Treasury Bills as published in H.15 Daily Update, or such other recognized electronic source used for the purpose of displaying such rate, under the caption “U.S. Government Securities/Treasury Bills/Auction High” or, if not so published by 3:00 P.M., New York City time, on the related Calculation Date, the Bond Equivalent Yield of the auction rate of such Treasury Bills as announced by the United States Department of the Treasury. In the event that the auction rate of Treasury Bills having the Index Maturity specified in the applicable Pricing Supplement is not so announced by the United States Department of the Treasury, or if no such Auction is held, then the Treasury Rate will be the Bond Equivalent Yield of the rate on such Treasury Rate Interest Determination Date of Treasury Bills having the Index Maturity specified in the applicable Pricing Supplement as published in H.15 under the caption “U.S. Government Securities/Treasury Bills/Secondary Market” or, if not yet published by 3:00 P.M., New York City time, on the related Calculation Date, the rate on such Treasury Rate Interest Determination Date of such Treasury Bills as published in H.15 Daily Update, or such other recognized electronic source used for the purpose of displaying such rate, under the caption “U.S. Government Securities/Treasury Bills/Secondary Market.” If such rate is not yet published in H.15, H.15 Daily Update or another recognized electronic source, then the Treasury Rate will be calculated by the Calculation Agent and will be the Bond Equivalent Yield of the arithmetic mean of the secondary market bid rates, as of approximately 3:30 P.M., New York City time, on such Treasury Rate Interest Determination Date, of three primary United States government securities dealers (which may include the Purchasing Agents or their affiliates) selected by the Calculation Agent (in consultation with the Issuer or its designee), for the issue of Treasury Bills with a remaining maturity closest to the Index Maturity specified in the applicable Pricing Supplement; *provided, however*, that if the dealers so selected by the Calculation Agent are not quoting as mentioned in this sentence, the Treasury Rate determined as of such Treasury Rate Interest Determination Date will be the Treasury Rate in effect on such Treasury Rate Interest Determination Date.

“Bond Equivalent Yield” means a yield (expressed as a percentage) calculated in accordance with the following formula:

$$\text{Bond Equivalent Yield} = \left(\frac{D \times 360}{360 - (D \times M)} \right) \times 100$$

where “D” refers to the applicable per annum rate for Treasury Bills quoted on a bank discount basis, “N” refers to 365 or 366, as the case may be, and “M” refers to the actual number of days in the applicable Interest Reset Period.

BBSW Notes:

“BBSW Rate” means, unless otherwise specified in the applicable Note and related Pricing Supplement, for an Interest Period, the rate for prime bank eligible securities having a tenor closest to the term of that Interest Period, which is designated as the “AVG MID” on the Bloomberg Screen BBSW Page (or any designation which replaces that designation on that page, or any replacement page) at approximately 10:30 A.M. (Sydney time) (or such other time at which such rate customarily appears on that page, including, if corrected, as recalculated and republished by the relevant administrator) (**“BBSW Publication Time”**) on the relevant Interest Determination Date.

However, if such rate does not appear on the Bloomberg Screen BBSW Page (or any replacement page) by 10:45 A.M. (Sydney time) on the relevant Interest Determination Date (or such other time that is 15 minutes after the then prevailing BBSW Publication Time), or, if it does appear but there is an obvious error in that rate or the rate is permanently or indefinitely discontinued,

- (1) the Issuer or its designee will, as soon as reasonably practicable (and in any event prior to the next relevant Interest Payment Determination Date) appoint an agent (the **“BBSW Alternative Rate Determination Agent”**), which will determine, acting in good faith and in a commercially reasonable manner and as an independent expert in the performance of its duties, whether any Recommended Alternative Rate (as defined below) is available. If a Recommended Alternative Rate is available, such Recommended Alternative Rate shall be applicable to calculate the Rate of Interest (together with any other adjustment, as the case may be, as provided below) as from the next Interest Payment Determination Date; or
- (2) (a) if the Issuer or its designee is unable to appoint a BBSW Alternative Rate Determination Agent, or (b) if the BBSW Alternative Rate Determination Agent is unable to or does not determine a Recommended Alternative Rate, then the BBSW Confirmed Value offered or published for the Australian Banking Day immediately preceding such Tokyo Banking Day shall be deemed as the BBSW Confirmed Value for such Australian Banking Day.

The rate determined by such BBSW Alternative Rate Determination Agent will be expressed as a percentage rate per annum and will be rounded up, if necessary, to the next higher one ten-thousandth of a percentage point (0.0001%). Each Noteholder shall be deemed to acknowledge, accept and agree to be bound by, and consents to, such determination of, substitution for and adjustments made to the BBSW Rate, as applicable, in each case as described above (in all cases without the need for consent from any other party, including the Noteholders or the Indenture Trustee). Any determination of, substitution for and adjustments made to the BBSW Rate, as applicable, in each case described above will be binding on the Issuer, the Noteholder and the Calculation Agent.

“Recommended Alternative Rate” means the rate approved, designated or recommended by the Relevant Administrator as an alternative rate for BBSW (including any and all spread or adjustment). In case there are two or more such rates, the BBSW Alternative Rate Determination Agent shall determine which of those rates is most appropriate, having regard to, *inter alia*, the particular features of the Notes and the nature of the Issuer.

Daily Compounded CORRA Notes:

Daily Compounded CORRA Notes will bear interest at the rates specified in such Daily Compounded CORRA Notes and any applicable Pricing Supplement.

“**Daily Compounded CORRA**” means, with respect to any Series of Floating Rate Notes for which the interest rate is determined with reference to Daily Compounded CORRA, the rate determined in accordance with the following formula:

$$\text{Daily Compounded CORRA} = \left(\frac{\text{CORRA Compounded Index}_{\text{end}}}{\text{CORRA Compounded Index}_{\text{start}}} - 1 \right) \times \left(\frac{365}{d} \right)$$

where, for purposes of this definition:

- (1) “**CORRA Compounded Index_{start}**” is equal to the CORRA Compounded Index value on the date that is two Bank of Canada Business Days preceding the first date of the relevant Interest Period;
- (2) “**CORRA Compounded Index_{end}**” is equal to the CORRA Compounded Index value on the date that is two Bank of Canada Business Days preceding the Interest Payment Date relating to such Interest Period (or, in the case of the final Interest Payment Date, the Maturity Date (as defined in the applicable Pricing Supplement) or, if Notes are redeemed prior to the Maturity Date, the date of redemption of such Notes, as applicable); and
- (3) “**d**” is the number of calendar days in the relevant CORRA Observation Period.

“**CORRA Observation Period**” means in respect of each Interest Period, the period from, and including, the date that is two Bank of Canada Business Days preceding the first date in such Interest Period to, but excluding, the date that is two Bank of Canada Business Days preceding the Interest Payment Date for such Interest Period.

With respect to any Series of Floating Rate Notes for which the interest rate is determined with reference to Daily Compounded CORRA “**Business Day Convention**” means, if any Interest Payment Date for any Interest Period would otherwise fall on a day that is not a Bank of Canada Business Day and the next day that is a Bank of Canada Business Day falls in the next calendar month, then the Interest Payment Date for such Interest Period will be the immediately preceding day that is a Bank of Canada Business Day. If the Maturity Date falls on a day that is not a Bank of Canada Business Day, the Trust will make the required payment of principal and interest on the next succeeding day that is a Bank of Canada Business Day.

If, on or after the Interest Reset Date (i) the CORRA Compounded Index_{start} or the CORRA Compounded Index_{end} is not published or displayed by the Relevant Administrator or an authorized distributor by 11:30 a.m. Toronto time (or an amended publication time, if any, as specified in the Relevant Administrator’s methodology for calculating the CORRA Compounded Index) on the Interest Determination Date for such Interest Period, but a Benchmark Replacement Date with respect to the CORRA Compounded Index has not occurred, or (ii) a Benchmark Replacement Date with respect to the CORRA Compounded Index has occurred, then Daily Compounded CORRA will be calculated by the Calculation Agent as follows:

$$\text{Daily Compounded CORRA} = \left(\prod_{i=1}^{d_0} \left(1 + \frac{\text{CORRA}_i \times n_i}{365} \right) - 1 \right) \times \frac{365}{d}$$

where, for purposes of this definition:

- (1) “**d₀**” for any CORRA Observation Period is the number of Bank of Canada Business Days in the relevant CORRA Observation Period;
- (2) “**i**” is a series of whole numbers from one to **d₀**, each representing the relevant Bank of Canada Business Day in chronological order from, and including, the first Bank of Canada Business Day in the relevant CORRA Observation Period;
- (3) “**CORRA_i**” means, in respect of any Bank of Canada Business Day “**i**” in the relevant CORRA Observation Period, a reference rate equal to the daily CORRA rate for that day, as published or displayed by the Relevant Administrator or an authorized distributor at 11:00 a.m. Toronto time (or an amended publication time, if any, as specified in the Relevant Administrator’s methodology for calculating CORRA) on the immediately following Bank of Canada Business Day, which is Bank of Canada Business Day “**i**” + 1;
- (4) “**n_i**” means, for any Bank of Canada Business Day “**i**” in the relevant CORRA Observation Period, the number of calendar days from, and including, such Bank of Canada Business Day “**i**” to, but excluding, the following Bank of Canada Business Day, which is Bank of Canada Business Day “**i**” + 1; and
- (5) “**d**” is the number of calendar days in the relevant CORRA Observation Period.

If neither the Relevant Administrator nor authorized distributors provide or publish CORRA and a Benchmark Replacement Date with respect to CORRA has not occurred, then, in respect of any day for which CORRA is required, references to CORRA will be deemed to be references to the last provided or published CORRA.

If a Benchmark Replacement Date occurs with respect to CORRA, the terms of the Notes will provide that the interest rate for an Interest Determination Date which occurs on or after such Benchmark Replacement Date will be the CAD Recommended Rate, to which the Calculation Agent will apply the most recently published spread and make such adjustments as are necessary to account for any difference in the term, structure or tenor of the CAD Recommended Rate in comparison to CORRA.

If there is a CAD Recommended Rate before the end of the first Bank of Canada Business Day following the Benchmark Replacement Date with respect to CORRA, but neither the Relevant Administrator nor authorized distributors provide or publish the CAD Recommended Rate and a Benchmark Replacement Date with respect to the CAD Recommended Rate has not occurred, then, in respect of any day for which the CAD Recommended Rate is required, references to the CAD Recommended Rate will be deemed to be references to the last provided or published CAD Recommended Rate.

If: (a) there is no CAD Recommended Rate before the end of the first Bank of Canada Business Day following the Benchmark Replacement Date with respect to CORRA; or (b) there is a CAD Recommended Rate and a Benchmark Replacement Date subsequently occurs with respect to the CAD Recommended Rate, the terms of the Notes will provide that the interest rate for an Interest Determination Date which occurs on or after such applicable Benchmark Replacement Date will be the BOC Target Rate, to which the Calculation Agent will apply the most recently published spread and make such adjustments as are necessary to account for any difference in the term, structure or tenor of the BOC Target Rate in comparison to CORRA.

In respect of any day for which the BOC Target Rate is required, references to the BOC Target Rate will be deemed to be references to the last provided or published BOC Target Rate as of the close of business in Toronto on that day.

In connection with the implementation of an Applicable Rate, the Company may make such adjustments to the Applicable Rate or the spread thereon, if any, as well as the business day convention

(including the Business Day Convention as described above), the calendar day count convention, Interest Determination Dates, and related provisions and definitions (including observation dates for reference rates), in each case as are consistent with accepted market practice for the use of the Applicable Rate for debt obligations such as the Notes in such circumstances.

Any determination, decision or election that may be made by the Company in relation to the Applicable Rate, including any determination with respect to an adjustment or the occurrence or non-occurrence of an event, circumstance or date and any decision to take or refrain from taking any action or any selection: (i) will be conclusive and binding, absent manifest error; and (ii) shall become effective without consent from the holders of the Notes or any other party.

“Applicable Rate” means one of CORRA Compounded Index, CORRA, the CAD Recommended Rate or the BOC Target Rate, as applicable.

“Bank of Canada Business Day” means a day that Schedule I banks under the *Bank Act* (Canada) are open for business in Toronto, Ontario, Canada, other than a Saturday or a Sunday or a public holiday in Toronto (or such revised regular publication calendar for an Applicable Rate as may be adopted by the Relevant Administrator from time to time).

“BOC Target Rate” means the Bank of Canada’s Target for the overnight rate as set by the Bank of Canada and published on the Bank of Canada’s website.

“CAD Recommended Rate” means the rate (inclusive of any spreads or adjustments) recommended as the replacement for CORRA by a committee officially endorsed or convened by the Bank of Canada for the purpose of recommending a replacement for CORRA (which rate may be produced by the Bank of Canada or another applicable Relevant Administrator) and as provided by the Relevant Administrator of that rate or, if that rate is not provided by the Relevant Administrator thereof (or a successor Relevant Administrator), published by an authorized distributor.

“CORRA” means the Canadian Overnight Repo Rate Average, as published by the Bank of Canada, as the Relevant Administrator of CORRA (or any successor Relevant Administrator), on the website of the Bank of Canada or any successor website.

“CORRA Compounded Index” means the measure of the cumulative impact of CORRA compounding over time administered and published by the Bank of Canada (or any successor Relevant Administrator).

Compounded Daily SONIA Notes:

Compounded Daily SONIA (Index Determination. **“Compounded Daily SONIA (Index Determination)”** means, with respect to any Series of Floating Rate Notes for which the interest rate is determined with reference to Compounded Daily SONIA (Index Determination), the rate determined in accordance with the following formula:

$$\text{Compounded Daily SONIA Rate} = \left(\frac{\text{SONIA Compounded Index}_{\text{End}}}{\text{SONIA Compounded Index}_{\text{Start}}} - 1 \right) \times \frac{365}{d}$$

where, for purposes of this definition:

“d” means the number of calendar days from (and including) the day in relation to which “SONIA Compounded Index Start” is determined to (but excluding) the day in relation to which “SONIA Compounded Index_{End}” is determined;

“Index Determination Date” means a day on which the SONIA Compounded Index is determined pursuant to **“SONIA Compounded Index_{Start}”** or **“SONIA Compounded Index_{End}”** clauses below;

“London Banking Day” means any day on which commercial banks are open for general business (including dealing in foreign exchange and foreign currency deposits) in London;

“Relevant Number” means the number specified as such in the applicable Pricing Supplement (or, if no such number is specified, two);

“SONIA Compounded Index” means:

- (1) the screen rate or index for Compounded Daily SONIA rates administered by the central bank for the currency of SONIA of the SONIA reference rate that is published or displayed by such central bank or other information service at the relevant time on the relevant Index Determination Date specified below and as further specified in the applicable Pricing Supplement; *provided that*
- (2) if the relevant SONIA Compounded Index is not published or displayed by the central bank for the currency of SONIA of the SONIA reference rate or other information service at the relevant time on the relevant Index Determination Date as specified in the applicable Pricing Supplement, the Compounded Daily SONIA (Index Determination) rate for the applicable Interest Period for which the SONIA Compounded Index is not available shall be “Compounded Daily SONIA” determined as set out under the section entitled Compounded Daily SONIA (Non-Index Determination) below, and for these purposes: (i) the “Observation Method” shall be deemed to be “Shift” and (ii) the “Observation Look-Back Period” shall be deemed to be equal to the Relevant Number of London Banking Days.

“SONIA Compounded Index_{Start}” means, with respect to an Interest Period, the SONIA Compounded Index determined in relation to the day falling the Relevant Number of London Banking Days prior to the first day of such Interest Period; and

“SONIA Compounded Index_{End}” means, with respect to an Interest Period, the SONIA Compounded Index determined in relation to the day falling the Relevant Number of London Banking Days prior to (i) the Interest Payment Date for such Interest Period, or (ii) such other date on which the relevant payment of interest falls due (but which by its definition or the operation of the relevant provisions is excluded from such Interest Period).

Compounded Daily SONIA (Non-Index Determination). **“Compounded Daily SONIA (Non-Index Determination)”** means, with respect to any Series of Floating Rate Notes for which the interest rate is determined with reference to Compounded Daily SONIA (Non-Index Determination), the rate determined in accordance with the following formula:

$$\text{Compounded Daily SONIA} = \left(\prod_{i=1}^{d_0} \left(1 + \frac{\text{Relevant SONIA}_i \times n_i}{365} \right) - 1 \right) \times \frac{365}{d}$$

where, for purposes of this definition:

“**d**” means the number of calendar days (a) in the relevant Interest Period (where in the applicable Pricing Supplement “Lag” is specified as the Observation Method) or (b) in the relevant SONIA Observation Period (where in the applicable Pricing Supplement “Shift” is specified as the Observation Method);

“**do**” means (a) for any Interest Period (where in the applicable Pricing Supplement “Lag” is specified as the Observation Method), the number of London Banking Days in the relevant Interest Period or (b) for any SONIA Observation Period (where in the applicable Pricing Supplement “Shift” is specified as the Observation Method), the number of London Banking Days in the relevant SONIA Observation Period;

“**i**” means a series of whole numbers from 1 to d_0 , each representing the relevant London Banking Day in chronological order from, and including, the first London Banking Day (a) in the relevant Interest Period (where in the applicable Pricing Supplement “Lag” is specified as the Observation Method) or (b) in the relevant SONIA Observation Period (where in the applicable Pricing Supplement “Shift” is specified as the Observation Method);

“**London Banking Day**” or “**LBD**” means any day on which commercial banks are open for general business (including dealing in foreign exchange and foreign currency deposits) in London;

“**ni**”, for any London Banking Day “**i**”, means the number of calendar days from and including such London Banking Day “**i**” up to but excluding the following London Banking Day;

“**Observation Method**” means the method specified as such in the applicable Pricing Supplement.

“**Observation Period (SONIA)**” means:

- (a) Where “**lag**” is specified as the Observation Method in the applicable Pricing Supplement, the Interest Period; or
- (b) Where “**shift**” is specified as the Observation Method in the applicable Pricing Supplement, the Observation Shift Period.

“**Observation Shift Period**” means, in respect of each Interest Period, the period from, and including, the date falling “**p**” London Banking Days preceding the first date in such Interest Period to, but excluding, the date falling “**p**” London Banking Days preceding the Interest Payment Date for such Interest Period.

“**p**” means the number of London Banking Days included in the “Observation Look-Back Period” as specified in the applicable Pricing Supplement;

“**Relevant SONIA_i**” means, in respect of any London Banking Day “**i**” (a) where “Lag” is specified as the Observation Method in the applicable Pricing Supplement, SONIA_{i-pLBD} or (b) where “Shift” is specified as the Observation Method in the applicable Pricing Supplement, SONIA_{iLBD};

“**SONIA reference rate**”, in respect of any London Banking Day, is a reference rate equal to

- (1) the daily SONIA rate for such London Banking Day as provided by the central bank for the currency of SONIA to authorized distributors and as then published on the Screen Rate Determination (as specified in the applicable Pricing Supplement) or, if the Screen Rate Determination is unavailable, as otherwise published by such authorized distributors, in each case on the day following such London Banking Day; *provided that*
- (2) if, in respect of any London Banking Day in the relevant Interest Period, the SONIA reference rate is not available on the Screen Rate Determination or has not otherwise been published by the relevant authorized distributors, such SONIA reference rate shall be the sum of (i) the central bank for the currency of SONIA's rate prevailing at close of business on the relevant London Banking Day; and (ii) the mean of the spread of the SONIA reference rate to the central bank for the currency of SONIA's rates over the previous five London Banking Days on which a SONIA reference rate has been published, excluding the highest spread (or, if there is more than one highest spread, one only of those highest spreads) and lowest spread (or, if there is more than one lowest spread, one only of those lowest spreads) to the central bank for the currency of SONIA's rate; and
- (3) notwithstanding clause (ii) above, in the event the Bank of England publishes guidance as to (a) how the SONIA reference rate is to be determined or (b) any rate that is to replace the SONIA reference rate, the Issuer or its designee shall, to the extent reasonably practicable, follow such guidance in order to determine the SONIA reference rate for any London Banking Day "i", for so long as the SONIA reference rate is not available or has not been published by the authorized distributors.

"SONIAiLBD" means, where in the applicable Pricing Supplement "Shift" is specified as the Observation Method, in respect of any London Banking Day "i" falling in the relevant SONIA Observation Period, the SONIA reference rate for such London Banking Day "i";

"SONIAi-pLBD" means, where in the applicable Pricing Supplement "Lag" is specified as the Observation Method, in respect of any London Banking Day "i" falling in the relevant Interest Period, the SONIA reference rate for the London Banking Day falling "p" London Banking Days prior to such London Banking Day "i";

"SONIA Observation Period" means the period from and including the date falling "p" London Banking Days prior to the first day of the relevant Interest Period (and the first Interest Period shall begin on and include the Interest Commencement Date as defined in the applicable Pricing Supplement) and ending on, but excluding, the date falling "p" London Banking Days prior to the Interest Payment Date for such Interest Period (or the date falling "p" London Banking Days prior to such earlier date, if any, on which the Series of Floating Rate Notes become due and payable).

Notwithstanding the foregoing, if the Issuer or its designee determines that a Benchmark Transition Event and its related Benchmark Replacement Date have occurred prior to the Reference Time in respect of any determination of SONIA on any date, the Benchmark Replacement will replace Compounded Daily SONIA (Index Determination) or Compounded Daily SONIA (Non-Index Determination), as applicable, for all purposes relating to the relevant Series of Floating Rate Notes in respect of such determination on such date and all determinations on all subsequent dates.

Moreover, all references throughout this Offering Memorandum to "Compounded Daily

SONIA” shall be deemed to mean “Compounded Daily SONIA (Index Determination)” or “Compounded Daily SONIA (Non-Index Determination),” as applicable.

Compounded Daily SORA Notes:

“**Compounded Daily SORA**” means, with respect to any Series of Floating Rate Notes for which the interest rate is determined with reference to Compounded Index SORA, one of the formulas referenced below depending upon which is specified in the applicable Pricing Supplement:

- (1) where “**SORA Observation Lag**” is specified as the calculation method in the applicable Pricing Supplement, the rate of return of a daily compound interest investment during the Observation Period corresponding to such Interest Period (with the reference rate for the calculation of interest being the daily Singapore Overnight Rate Average) calculated in accordance with the formula set forth below by the Calculation Agent on the Interest Determination Date, with the resulting percentage being rounded, if necessary, to the nearest one ten-thousandth of a percentage point (0.0001%), with 0.00005% being rounded upwards:

$$\left[\prod_{i=1}^{d_o} \left(1 + \frac{SORA_{i-xSBD} \times n_i}{365} \right) - 1 \right] \times \frac{365}{d}$$

where, for purposes of this definition:

“**d**” is the number of calendar days in the relevant Interest Period;

“**d_o**”, for any Interest Period, is the number of Singapore Business Days in the relevant Interest Period;

“**i**”, for the relevant Interest Period, is a series of whole numbers from one to d_o, each representing the relevant Singapore Business Days in chronological order from, and including, the first Singapore Business Day in such Interest Period to the last Singapore Business Day in such Interest Period;

“**Interest Determination Date**” means, the date falling one Singapore Business Day after the end of each Observation Period;

“**n_i**”, for any Singapore Business Day “i”, is the number of calendar days from and including such Singapore Business Day “i” up to but excluding the following Singapore Business Day;

“**Observation Period**” means, the date falling “x” Singapore Business Days, prior to the first day of such Interest Period (and the first Interest Period shall begin on and include the Interest Commencement Date) and to, but excluding, the date falling “x” Singapore Business Days prior to the Interest Payment Date at the end of such Interest Period (or the date falling “x” Singapore Business Days prior to such earlier date, if any, on which the Instruments become due and payable);

“**Singapore Business Day**” or “**SBD**” means any day (other than a Saturday, Sunday or gazetted public holiday) on which commercial banks settle payments in Singapore;

“**SORA**” means, in respect of any Singapore Business Day “i”, a reference rate

equal to the daily Singapore Overnight Rate Average provided by the Monetary Authority of Singapore (or a successor administrator), as the administrator of the benchmark, on the Monetary Authority of Singapore's website currently at <https://www.mas.gov.sg>, or any successor website officially designated by the Monetary Authority of Singapore (or as published by its authorized distributors) (the **"Relevant SORA Screen Page"**) on the Singapore Business Day immediately following such Singapore Business Day "i";

"SORA_i – x SBD" means, in respect of any Singapore Business Day "i" falling in the relevant Interest Period, the reference rate equal to SORA in respect of the Singapore Business Day falling "x" Singapore Business Days prior to the relevant Singapore Business Day "i"; and

"x" means number of Singapore Business Days specified in the applicable Pricing Supplement.

- (2) where **"SORA Observation Shift"** is specified as the calculation method in the applicable Pricing Supplement, the rate of return of a daily compound interest investment during the Observation Period corresponding to such Interest Period (with the reference rate for the calculation of interest being the daily Singapore Overnight Rate Average) calculated in accordance with the formula set forth below by the Calculation Agent on the Interest Determination Date, with the resulting percentage being rounded, if necessary, to the nearest one ten-thousandth of a percentage point (0.0001%), with 0.00005% being rounded upwards:

$$\left[\prod_{i=1}^{d_o} \left(1 + \frac{SORA_i \times n_i}{365} \right) - 1 \right] \times \frac{365}{d}$$

where, for purposes of this definition:

"d" is the number of calendar days in the relevant Observation Period;

"d_o", for any Interest Period, is the number of Singapore Business Days in the relevant Observation Period;

"i", for the relevant Interest Period, is a series of whole numbers from one to d_o, each representing the relevant Singapore Business Days in chronological order from, and including, the first Singapore Business Day in such Observation Period to the last Singapore Business Day in such Observation Period;

"Interest Determination Date" means, the date falling one Singapore Business Day (or such other number of Singapore Business Days as specified in the applicable Pricing Supplement) after the end of each Observation Period;

"n_i", for any Singapore Business Day "i", is the number of calendar days from and including such Singapore Business Day "i" up to but excluding the following Singapore Business Day;

"Observation Period" means, the date falling "x" Singapore Business Days prior to the first day of such Interest Period (and the first Interest Period shall begin on and include the Interest Commencement Date) and to, but excluding, the date falling "x" Singapore Business Days prior to the Interest Payment Date at the end of such Interest Period (or the date falling "x" Singapore Business Days prior to such earlier date, if any, on which the Instruments become due and payable);

“**Singapore Business Day**” or “**SBD**” means any day (other than a Saturday, Sunday or gazetted public holiday) on which commercial banks settle payments in Singapore;

“**SORA**” means, a reference rate equal to the daily Singapore Overnight Rate Average provided by the Monetary Authority of Singapore (or a successor administrator), as the administrator of the benchmark, on the Monetary Authority of Singapore’s website currently at <https://www.mas.gov.sg>, or any successor website officially designated by the Monetary Authority of Singapore (or as published by its authorized distributors) (the “**Relevant Screen Page**”) on the Singapore Business Day immediately following such Singapore Business Day “i”;

“**SORA_i**” means, the reference rate equal to SORA in respect of that Singapore Business Day;

“**x**” means five Singapore Business Days (or such other number of Singapore Business Days as specified in the applicable Pricing Supplement).

(3) where “**SORA Payment Delay**” is specified as the calculation method in the applicable Pricing Supplement, the rate of return of a daily compound interest investment during such Interest Period (with the reference rate for the calculation of interest being the daily Singapore Overnight Rate Average) calculated in accordance with the formula set forth below by the Calculation Agent on the Interest Determination Date, with the resulting percentage being rounded, if necessary, to the nearest one ten-thousandth of a percentage point (0.0001%), with 0.00005% being rounded upwards:

$$\left[\prod_{i=1}^{d_0} \left(1 + \frac{SORA_i \times n_i}{365} \right) - 1 \right] \times \frac{365}{d}$$

where, for purposes of this definition:

“**d**” is the number of calendar days in the relevant Interest Period;

“**d₀**”, for any Interest Period, is the number of Singapore Business Days in the relevant Interest Period;

“**i**”, for the relevant Interest Period, is a series of whole numbers from one to d₀, each representing the relevant Singapore Business Days in chronological order from, and including, the first Singapore Business Day in such Interest Period to the last Singapore Business Day in such Interest Period;

“**Interest Determination Date**” means, Interest Determination Date relating to a Series of Floating Rate Notes for which the interest rate is determined with reference to SORA, provided that the Interest Determination Date with respect to the final Interest Period will be the SORA Rate Cut-Off Date;

“**Interest Payment Date**” shall, unless otherwise specified in the applicable Pricing Supplement, be the date falling the number of Business Days equal to the Interest Payment Delay Days following each Interest Payment Date; *provided, that*, the Interest Payment Date with respect to the Interest Period ending on the Maturity Date will be the Maturity Date;

“Interest Payment Delay Days” means five Singapore Business Days (or such other number of Singapore Business Days as specified in the applicable Pricing Supplement);

“ n_i ”, for any Singapore Business Day “ i ”, is the number of calendar days from and including such Singapore Business Day “ i ” up to but excluding the following Singapore Business Day;

“Singapore Business Day” or **“SBD”** means any day (other than a Saturday, Sunday or gazetted public holiday) on which commercial banks settle payments in Singapore;

“SORA” means, in respect of any Singapore Business Day “ i ”, a reference rate equal to the daily Singapore Overnight Rate Average provided by the Monetary Authority of Singapore (or a successor administrator), as the administrator of the benchmark, on the Monetary Authority of Singapore’s website currently at <https://www.mas.gov.sg>, or any successor website officially designated by the Monetary Authority of Singapore (or as published by its authorized distributors) on the Singapore Business Day immediately following such Singapore Business Day “ i ”;

“SORA $_i$ ” means, in respect of any Singapore Business Day “ i ” falling in the relevant Interest Period, the reference rate equal to SORA in respect of that Singapore Business Day;

“SORA Rate Cut-Off Date” means the date falling “ x ” Singapore Business Days prior to the end of each Interest Period, the Maturity Date or the relevant redemption date, as applicable, as specified in the applicable Pricing Supplement; and

“ x ” means five Singapore Business Days (or such other number of Singapore Business Days as specified in the applicable Pricing Supplement).

For the purposes of calculating Compounded Daily SORA with respect to the Interest Period ending on the Maturity Date or the redemption date, the level of SORA for each Singapore Business Day in the period from (and including) the SORA Rate Cut-Off Date to (but excluding) the Maturity Date or the relevant redemption date, as applicable, shall be the level of SORA in respect of such SORA Rate Cut-Off Date.

- (4) where **“SORA Lockout”** is specified as the calculation method in the applicable Pricing Supplement, the rate of return of a daily compound interest investment during such Interest Period (with the reference rate for the calculation of interest being the daily Singapore Overnight Rate Average) calculated in accordance with the formula set forth below by the Calculation Agent on the Interest Determination Date, with the resulting percentage being rounded, if necessary, to the nearest one ten-thousandth of a percentage point (0.0001%), with 0.00005% being rounded upwards:

$$\left[\prod_{i=1}^{d_0} \left(1 + \frac{SORA_i \times n_i}{365} \right) - 1 \right] \times \frac{365}{d}$$

where, for purposes of this definition:

“ d ” is the number of calendar days in the relevant Interest Period;

“**d₀**”, for any Interest Period, is the number of Singapore Business Days in the relevant Interest Period;

“**i**”, for the relevant Interest Period, is a series of whole numbers from one to d₀, each representing the relevant Singapore Business Days in chronological order from, and including, the first Singapore Business Day in such Interest Period to the last Singapore Business Day in such Interest Period;

“**Interest Determination Date**” means the Singapore Business Day immediately following the SORA Rate Cut-Off Date;

“**n_i**”, for any Singapore Business Day “**i**”, is the number of calendar days from and including such Singapore Business Day “**i**” up to but excluding the following Singapore Business Day;

“**Singapore Business Day**” or “**SBD**” means a day (other than a Saturday, Sunday or gazetted public holiday) on which commercial banks settle payments in Singapore;

“**SORA**” means, in respect of any Singapore Business Day “**i**”, a reference rate equal to the daily Singapore Overnight Rate Average published by the Monetary Authority of Singapore (or a successor administrator), as the administrator of the benchmark, on the Monetary Authority of Singapore’s website currently at <https://www.mas.gov.sg>, or any successor website officially designated by the Monetary Authority of Singapore (or as published by its authorized distributors) (the “**Relevant Screen Page**”) on the Singapore Business Day immediately following such Singapore Business Day “**i**”;

“**SORA_i**” means, in respect of any Singapore Business Day “**i**” falling in the relevant Interest Period: (A) if such Singapore Business Day is a SORA Reset Date, the reference rate equal to SORA in respect of that Singapore Business Day, and (B) if such Singapore Business Day is not a SORA Reset Date (being a Singapore Business Day falling in the Suspension Period), the reference rate equal to SORA in respect of the first Singapore Business Day falling in the Suspension Period (the “**Suspension Period SORA_i**”) (such first day of the Suspension Period coinciding with the SORA Rate Cut-Off Date). For the avoidance of doubt, the Suspension Period SORA_i shall apply to each day falling in the relevant Suspension Period;

“**SORA Rate Cut-Off Date**” means, with respect to a Rate of Interest and Interest Period, the date falling “**x**” Singapore Business Days prior to the end of each Interest Period, the Maturity Date or the relevant redemption date, as applicable, as specified in the applicable Pricing Supplement (or the date falling “**x**” Singapore Business Days prior to such date, if any, on which the Instruments become due and payable);

“**SORA Reset Date**” means, in relation to any Interest Period, each Singapore Business Day during such Interest Period, other than any Singapore Business Day falling in the Suspension Period corresponding with such Interest Period;

“**Suspension Period**” means, in relation to any Interest Period, the period from (and including) the date falling “**x**” Singapore Business Days prior to the Interest Payment Date in respect of the relevant Interest Period or such other date specified in the applicable Pricing Supplement (such Singapore Business Day coinciding with the SORA Rate Cut-Off Date) to (but excluding) the Interest Payment Date of such Interest Period; and

“**x**” means five Singapore Business Days (or such other number of Singapore Business Days as specified in the applicable Pricing Supplement)..

Compounded Index SORA Notes:

“**Compounded Index SORA**” means, with respect to any Series of Floating Rate Notes for which the interest rate is determined with reference to Compounded Index SORA, the rate determined in accordance with the following formula:

$$\left(\frac{SORA\ Index_{End}}{SORA\ Index_{Start}} - 1 \right) \times \left(\frac{365}{d} \right)$$

where, for purposes of this definition:

“**d**” means the number of calendar days in the relevant Observation Period;

“**Observation Period**” means, for the relevant Interest Period, the period from (and including) the date falling “x” Singapore Business Days prior to the first day of such Interest Period (and the first Interest Period shall begin on and include the Interest Commencement Date) to (but excluding) the date falling “x” Singapore Business Days prior to the Interest Payment Date at the end of such Interest Period (or the date falling “x” Singapore Business Days prior to such earlier date, if any, on which the Instruments become due and payable);

“**Singapore Business Day**” means a day (other than a Saturday, Sunday or gazetted public holiday) on which commercial banks settle payments in Singapore;

“**SORA Index Value**” means, with respect to any Singapore Business Day:

(i) the value of the index known as the “SORA Index” administered by the Monetary Authority of Singapore (or any successor administrator thereof) as published by the Monetary Authority of Singapore (or any successor administrator) on the Monetary Authority of Singapore’s website currently at <http://www.mas.gov.sg>, or any successor website officially designated by the Monetary Authority of Singapore (or as published by its authorised distributors) on such Singapore Business Day provided, however, that in the event that the value originally published is subsequently corrected and such corrected value is published by the Monetary Authority of Singapore, as the administrator of SORA (or any successor administrator of SORA) on the original date of publication, then such corrected value, instead of the value that was originally published, shall be deemed the SORA Index Value in relation to such Singapore Business Day; or

(ii) if the index in sub-paragraph (i) is not published or displayed by the administrator of SORA or other information service on the relevant Interest Determination Date as specified in the applicable Pricing Supplement, the Reference Rate for the applicable Interest Period for which the index is not available shall be Compounded Daily SORA, and for these purposes, the Observation Method shall be deemed to be “SORA Observation Shift” as if Index Determination had been specified as being “Not Applicable” and these alternative elections had been made;

“**SORA Index_{End}**” means the SORA Index Value on the Singapore Business Day falling “x” Singapore Business Days preceding:

(i) the Interest Payment Date for the relevant Interest Period,

(ii) in the final Interest Period, the Maturity Date, or

(iii) the date on which the relevant Series of Instruments becomes

due and payable;

“**SORA Index_{Start}**” means the SORA Index Value on the Singapore Business Day falling “x” Singapore Business Days before the first date of the relevant Interest Period; and

“x” means number of Singapore Business Days specified in the applicable Pricing Supplement.

Moreover, all references throughout this Offering Memorandum to “SORA” shall be deemed to mean “Compounded Daily SORA or Compounded Index SORA, as applicable”.

HIBOR Notes:

“**HIBOR**” means, with respect to any Interest Determination Date relating to a Series of Floating Rate Notes for which the interest rate is determined with reference to HIBOR (a “**HIBOR Interest Determination Date**”):

- (1) if, at or about 11:00 a.m. (or as soon as available after that time) on the HIBOR Interest Determination Date, an averaged offered rate for Hong Kong dollar deposits for the same period as the relevant Interest Period “(or, if the periods are not the same, such period, if any, as the Issuer or its designee determines to be substantially the same) is quoted on the fixing line of the page “HKABHIBOR” of Reuters Markets 3000, if the Interest Basis is “HIBOR” (or such other page or service as may replace the appropriate page or service for the purpose of displaying Hong Kong inter-bank offered rates of leading banks for Hong Kong dollars), then HIBOR for the relevant Interest Period will, except as provided below, be that rate.
- (2) if on any HIBOR Interest Determination Date the average offered rate so appearing is replaced by the corresponding rates of more than one bank or financial institution the rate will be the arithmetic mean of the respective rates so appearing (rounded, if necessary, to five decimal places).
- (3) if on any HIBOR Interest Determination Date the rates described in (1) or (2) above do not appear, the Issuer or its designee will request each of the reference banks to provide the Issuer with its offered quotation to leading banks for Hong Kong dollar deposits in Hong Kong for a period equivalent or approximately equivalent to the relevant Interest Period in the amount equal or approximately equal to the principal amount of the applicable Series of Floating Rate Notes as at or about 11:00 a.m. on the HIBOR Interest Determination Date in question and HIBOR for the relevant Interest Period will, subject as provided below, be the arithmetic mean (rounded, if necessary, to five decimal places) of those offered quotations, as determined by the Issuer or its designee.
- (4) if on any HIBOR Interest Determination Date one or two only of the reference banks, when requested to do so, provide(s) the Issuer or its designee with such offered quotations HIBOR for the Interest Period concerned will, subject as provided below, be determined as in (3) above on the basis of the offered quotations of those reference banks providing those quotations.
- (5) if on any HIBOR Interest Determination Date none of the reference banks when requested to do so provides the Issuer or its designee with the offered quotations, HIBOR will, subject as provided below, be HIBOR in effect for the last preceding Interest Period to which (1) to (4) above applied; provided that at any time during the relevant Interest Period, the Issuer or its designee determines that a rate can once again be determined in accordance with any of (1) or (4) above, the Issuer or its designee will determine the rate and references to an Interest Period will be construed as being references to the period from such date of determination until the next succeeding Interest Payment Date.

TONA Notes:

“**TONA**” means, with respect to any Series of Floating Rate Notes for which the interest rate is determined with reference to TONA, the rate determined in accordance with the following formula:

$$\left(\prod_{i=1}^{d_0} \left(1 + \frac{\text{TONA}_i \times n_i}{365} \right) - 1 \right) \times \frac{365}{d}$$

with the resulting percentage being rounded, if necessary, to the third decimal place, with 0.0005 being rounded upwards, where, for purposes of this definition:

“**d**” means the number of calendar days in the relevant Observation Period;

“**d₀**” for any Observation Period, means the number of Tokyo Banking Days in the relevant Observation Period;

“**i**” is a series of whole numbers from one to d₀, each representing the relevant of Tokyo Banking Day in chronological order from (and including) the first Tokyo Banking Day in the relevant Observation Period;

“**n_i**” for any Tokyo Banking Day, “**i**” in the relevant Observation Period, means the number of calendar days from (and including) such day “**i**” up to (but excluding) the following Tokyo Banking Day (“**i+1**”);

“**Observation Period**” means, in respect of each Interest Period, the period from (and including) the date falling a number of Tokyo Banking Days equal to the Observation Shift Days preceding the first day of such Interest Period to (but excluding) the date falling a number of Tokyo Banking Days equal to the Observation Shift Days preceding the Interest Payment Date for such Interest Period;

“**Observation Shift Days**” means the number of Tokyo Banking Days specified in this Pricing Supplement;

“**Tokyo Banking Day**” means any day on which commercial banks are open for general business (including dealing in foreign exchange and foreign currency deposits) in Tokyo;

“**TONA**” means the Tokyo Overnight Average Rate administered by the Bank of Japan (or any successor administrator); and

“**TONA_i**”, for any Tokyo Banking Day, “**i**” in the relevant Observation Period, is equal to TONA in respect of that day “**i**”.

If the confirmed value (published as an average) of TONA offered or published by the Bank of Japan (or any successor administrator) in respect of that Tokyo Banking Day (the “**TONA Confirmed Value**”) is not offered or published by the Bank of Japan (or any successor administrator) in respect of any Tokyo Banking Day within an Interest Period, Observation Period or Interest Accrual Period, as applicable:

- (1) the Issuer or its designee will, as soon as reasonably practicable (and in any event prior to the next relevant Interest Payment Determination Date) appoint an agent (the **“TONA Alternative Rate Determination Agent”**), which will determine, acting in good faith and in a commercially reasonable manner and as an independent expert in the performance of its duties, whether any Recommended Alternative Rate (as defined below) is available. If a Recommended Alternative Rate is available, such Recommended Alternative Rate shall be applicable to calculate the Rate of Interest (together with any other adjustment, as the case may be, as provided below) as from the next Interest Payment Determination Date; or
- (2) (a) if the Issuer or its designee is unable to appoint a TONA Alternative Rate Determination Agent, or (b) if the TONA Alternative Rate Determination Agent is unable to or does not determine a Recommended Alternative Rate, then the TONA Confirmed Value offered or published for the Tokyo Banking Day immediately preceding such Tokyo Banking Day shall be deemed as the TONA Confirmed Value for such Tokyo Banking Day.

If a Recommended Alternative Rate (as defined below) is determined in accordance with paragraph (1) above, (i) the TONA Alternative Rate Determination Agent will also determine changes (if any) that it deems reasonably necessary and appropriate to reflect the replacement of TONA with the Recommended Alternative Rate in respect of the provisions in the terms of the Notes (including, but not limited to, the provisions on the day count fraction or the business day convention, or the definitions of Tokyo Banking Day or Observation Period) and take any and all relevant actions, in each case in a manner that is consistent with industry-accepted practices for such Recommended Alternative Rate; (ii) references to TONA in the Conditions and this Pricing Supplement will be deemed to be references to the Recommended Alternative Rate, including any alternative method for determining such rate as described in (i) above; (iii) the TONA Alternative Rate Determination Agent will notify the Issuer of the foregoing as soon as reasonably practicable; and (iv) the Issuer will give notice as soon as reasonably practicable to the holders of the Notes and the Paying Agent specifying the Recommended Alternative Rate, as well as the details described in (i) above.

The determination of the Recommended Alternative Rate and the other matters referred to above by the TONA Alternative Rate Determination Agent will (in the absence of manifest error) be final and binding on the Issuer, the Calculation Agent, the Indenture Trustee, the Paying Agent and the Noteholders, unless the TONA Alternative Rate Determination Agent, acting in good faith, in a commercially reasonable manner and as an independent expert in the performance of its duties, considers at a later date that the Recommended Alternative Rate is no longer substantially comparable to TONA or does not constitute an industry accepted successor rate, in which case the Issuer or its designee shall re-appoint a TONA Alternative Rate Determination Agent (which may or may not be the same entity as the original TONA Alternative Rate Determination Agent) for the purpose of confirming the Recommended Alternative Rate or determining a substitute Recommended Alternative Rate in an identical manner as described in this paragraph (2). If the TONA Alternative Rate Determination Agent is unable to or otherwise does not determine a substitute Recommended Alternative Rate, then the Recommended Alternative Rate will remain unchanged.

Each Noteholder shall be deemed to have accepted the Recommended Alternative Rate and changes to be made pursuant to the provisions of the above paragraphs in advance. The TONA Alternative Rate Determination Agent may be a leading bank or a broker-dealer in Tokyo as appointed by the Issuer or its designee.

“Recommended Alternative Rate” means the rate approved, designated or recommended by the Relevant Administrator as an alternative rate for TONA (including any and all spread or adjustment). In case there are two or more such rates, the TONA Alternative Rate Determination Agent shall determine which of those rates is most appropriate, having regard to, *inter alia*, the particular features of the Notes and the nature of the Issuer.

Benchmark Replacement Provisions Relating to Floating Rate Notes

“Benchmark” means (i) with respect to BBSW, initially, BBSW, (ii) with respect to EURIBOR, initially, EURIBOR, (iii) with respect to SOFR, initially, Compounded SOFR, as such term is defined above; (iv) with respect to CORRA, initially, Daily Compounded CORRA; (v) with respect to HIBOR, initially, HIBOR, (vi) with respect to SONIA, initially, Compounded Daily SONIA (Non-Index Determination) or Compounded Daily SONIA (Index Determination); (vii) with respect to SORA, initially, Compounded Daily SORA or Compounded Index SORA and (viii) with respect to TONA, initially, TONA (each, a **“Floating Benchmark”**), as applicable; provided that if the Issuer or its designee determines on or prior to the Reference Time that a Benchmark Transition Event and its related Benchmark Replacement Date have occurred with respect to any Floating Benchmark (or the published benchmark used in the calculation thereof) or the then-current Benchmark, then **“Benchmark”** means the applicable Benchmark Replacement.

“Benchmark Replacement” means (i) with respect to the SOFR Notes, the SOFR Benchmark Replacement (as defined below) or (ii) with respect to any Series of Notes, the first alternative set forth in the order below that can be determined by the Issuer or its designee as of the Benchmark Replacement Date (as may be further specified in this Offering Memorandum or the applicable Pricing Supplement).

- (i) the sum of: (a) the alternate rate of interest that has been selected or recommended by the Relevant Administrator as the replacement for the then-current Benchmark and (b) the Benchmark Replacement Adjustment; or
- (ii) the sum of: (a) the alternate rate of interest that has been selected by the Issuer or its designee as the replacement for the then-current Benchmark giving due consideration to any industry-accepted rate of interest as a replacement for the then-current Benchmark for the applicable Floating Rate Notes at such time and (b) the Benchmark Replacement Adjustment.

“SOFR Benchmark Replacement” means the first alternative set forth in the order below that can be determined by the Issuer or its designee as of the Benchmark Replacement Date.

- (i) the sum of: (a) the alternate rate of interest that has been selected or recommended by the Relevant Governmental Body as the replacement for the then-current Benchmark and (b) the Benchmark Replacement Adjustment;
- (ii) the sum of: (a) the ISDA Fallback Rate and (b) the Benchmark Replacement Adjustment; or
- (iii) the sum of: (a) the alternate rate of interest that has been selected by the Issuer or its designee as the replacement for the then-current Benchmark giving due consideration to any industry-accepted rate of interest as a replacement for the then-current Benchmark for U.S. dollar-denominated floating rate notes at such time and (b) the Benchmark Replacement Adjustment.

“Benchmark Replacement Adjustment” means the first alternative set forth in the order below that can be determined by the Issuer or its designee as of the Benchmark Replacement Date:

- (i) the spread adjustment, or method for calculating or determining such spread adjustment, (which may be a positive or negative value or zero) that has been selected or recommended by the Relevant Administrator for the applicable Unadjusted Benchmark Replacement;
- (ii) if the applicable Unadjusted Benchmark Replacement is equivalent to the ISDA Fallback Rate, then the ISDA Fallback Adjustment;

- (iii) the spread adjustment (which may be a positive or negative value or zero) that has been selected by the Issuer or its designee giving due consideration to any industry-accepted spread adjustment, or method for calculating or determining such spread adjustment, for the replacement of the then-current Benchmark with the applicable Unadjusted Benchmark Replacement for the applicable floating rate notes at such time.

“Benchmark Replacement Conforming Changes” means, with respect to any Benchmark Replacement, any technical, administrative or operational changes (including changes to the definition of “Interest Period,” timing and frequency of determining rates and making payments of interest, changes to the definition of “Corresponding Index Maturity” solely when such Index Maturity is longer than the Interest Period and other administrative matters) that the Issuer or its designee decides may be appropriate to reflect the adoption of such Benchmark Replacement in a manner substantially consistent with market practice (or, if the Issuer or its designee decides that adoption of any portion of such market practice is not administratively feasible or if the Issuer or its designee determines that no market practice for use of the Benchmark Replacement exists, in such other manner as the Issuer or its designee determines is reasonably necessary).

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

- (i) in the case of clause (i) or (ii) of the definition of “Benchmark Transition Event,” the later of (a) the date of the public statement or publication of information referenced therein and (b) the date on which the Relevant Administrator of the Benchmark permanently or indefinitely ceases to provide the Benchmark; or
- (ii) in the case of clause (iii) of the definition of “Benchmark Transition Event,” the date of the public statement or publication of information referenced therein.

For the avoidance of doubt, if the event giving rise to the Benchmark Replacement Date occurs on the same day as, but earlier than, the Reference Time in respect of any determination, the Benchmark Replacement Date will be deemed to have occurred prior to the Reference Time for such determination.

“Benchmark Transition Event” means the occurrence of one or more of the following events with respect to the then-current Benchmark:

- (ii) a public statement or publication of information by or on behalf of the Relevant Administrator of the Benchmark announcing that such Relevant Administrator has ceased or will cease to provide the Benchmark, permanently or indefinitely, *provided, that*, at the time of such statement or publication, there is no successor administrator that will continue to provide the Benchmark;
- (iii) a public statement or publication of information by the regulatory supervisor for the Relevant Administrator of the Benchmark, the Relevant Administrator, an insolvency official with jurisdiction over the Relevant Administrator for the Benchmark, a resolution authority with jurisdiction over the Relevant Administrator for the Benchmark or a court or an entity with similar insolvency or resolution authority over the Relevant Administrator for the Benchmark, which states that the Relevant Administrator of the Benchmark has ceased or will cease to provide the Benchmark permanently or indefinitely, *provided, that*, at the time of such statement or publication, there is no successor administrator that will continue to provide the Benchmark; or
- (iv) a public statement or publication of information by the regulatory supervisor for the Relevant Administrator of the Benchmark announcing that the Benchmark is no longer representative.

“Fallback Compounded SOFR” means the compounded average of SOFRs for the applicable Corresponding Index Maturity, with the rate, or methodology for this rate, and conventions for this rate (which will be compounded in arrears with a lookback and/or suspension period as a mechanism to determine the interest amount payable prior to the end of each Interest Period) being established by the Issuer or its designee in accordance with:

- (i) the rate, or methodology for this rate, and conventions for this rate selected or recommended by the Relevant Governmental Body for determining compounded SOFR; *provided, that:*
- (ii) if, and to the extent that, the Issuer or its designee determines that Fallback Compounded SOFR cannot be determined in accordance with clause (i) above, then the rate, or methodology for this rate, and conventions for this rate that have been selected by the Issuer or its designee giving due consideration to any industry-accepted market practice for U.S. dollar denominated floating rate notes at such time.

“Corresponding Index Maturity” with respect to a Benchmark Replacement means an Index Maturity (including overnight) having approximately the same length (disregarding Business Day adjustment) as the applicable Index Maturity for the then-current Benchmark.

“Interpolated Benchmark” with respect to the Benchmark means the rate determined for the Corresponding Index Maturity by interpolating on a linear basis between: (1) the Benchmark for the longest period (for which the Benchmark is available) that is shorter than the Corresponding Index Maturity and (2) the Benchmark for the shortest period (for which the Benchmark is available) that is longer than the Corresponding Index Maturity.

“ISDA Definitions” means the 2021 ISDA Definitions published by ISDA or any successor thereto, as amended or supplemented from time to time, or any successor definitional booklet for interest rate derivatives published from time to time.

“ISDA Fallback Adjustment” means the spread adjustment, (which may be a positive or negative value or zero) that would apply for derivatives transactions referencing the ISDA Definitions to be determined upon the occurrence of an index cessation event with respect to the Benchmark for the applicable Index Maturity.

“ISDA Fallback Rate” means the rate that would apply for derivatives transactions referencing the ISDA Definitions to be effective upon the occurrence of an index cessation date with respect to the Benchmark for the applicable Index Maturity excluding the applicable ISDA Fallback Adjustment.

“Reference Time” with respect to any determination of the Benchmark means (1) if the Interest Rate Compounded Basis is EURIBOR, 11:00 A.M., Brussels time, on the applicable EURIBOR Interest Determination Date and (2) if the Interest Rate Compounded Basis is not EURIBOR, the time determined by the Issuer or its designee in accordance with the Benchmark Replacement Conforming Changes.

“Relevant Administrator” means the central bank for the currency of the applicable Benchmark, or a committee officially endorsed or convened by such central bank or any successor thereto, as may be specified in this Offering Memorandum. For the avoidance of doubt, (i) if the Benchmark is SOFR, Relevant Administrator shall mean the Federal Reserve Board and/or the FRBNY, or a committee officially endorsed or convened by the Federal Reserve Board and/or the FRBNY or any successor thereto; (ii) if the Benchmark is EURIBOR, Relevant Administrator shall mean the European Central Bank, or a committee officially endorsed or convened by the European Central Bank or any successor thereto; (iii) if the Benchmark is Daily Compounded CORRA, Relevant Administrator shall mean the Bank of Canada, or a committee officially endorsed or convened by the Bank of Canada or any successor thereto; (iv) if the Benchmark is SONIA, Relevant Administrator shall mean the Bank of England, or a committee officially endorsed or convened by the Bank of England or any successor thereto; (v) if the Benchmark is BBSW, Relevant Administrator shall mean the Australian Securities Exchange, or a committee officially endorsed or convened by the Australian Securities Exchange or any successor thereto; (vi) if the Benchmark is TONA, Relevant Administrator shall mean (1) the central bank or any monetary authority or financial authority of Japan, or (2) any meeting structure (including any working group, committee and study session) formally approved, hosted or of which management and administration is governed by the central bank or any monetary authority or financial authority of Japan, or established upon request by any thereof; and (vii) if the Benchmark is HIBOR, Relevant Administrator shall mean the Hong Kong Association of Banks (“**HKAB**”) and/or Hong Kong Monetary Authority (“**HKMA**”), or a committee officially endorsed or convened by the HKAB and/or the HKMA or any successor thereto.

“Secured Overnight Financing Rate” means the reference rate provided by the FRBNY, as the administrator of such reference rate (or a successor administrator) on the SOFR Administrator’s Website.

“Unadjusted Benchmark Replacement” means the Benchmark Replacement excluding the Benchmark Replacement Adjustment.

Solely for purposes of the preceding definition of “Fallback Compounded SOFR,” **“SOFR”** with respect to any day means the secured overnight financing rate published for such day by the FRBNY, as the administrator of the benchmark, (or a successor administrator) on the SOFR Administrator’s Website.

Neither the Indenture Trustee, the Calculation Agent nor the Paying Agent shall have any duty or liability in connection with the determination of any Benchmark Transition Event, Benchmark Replacement, Benchmark Replacement Conforming Changes, or any other related matter as provided in this section. For the avoidance of doubt, neither the Indenture Trustee, the Calculation Agent nor the Paying Agent shall be under any obligation to (i) monitor, determine or verify the unavailability or cessation of the applicable Benchmark, or whether or when there has occurred, or to give notice to any other transaction party of the occurrence of, any Benchmark Transition Event or Benchmark Replacement Date, or (ii) select, determine or designate any Alternative Rate or Benchmark Replacement, or other successor or replacement benchmark index, or whether any conditions to the designation of such a rate have been satisfied, or (iii) to select, determine or designate any Benchmark Replacement Adjustment, or other modifier to any replacement or successor index, if any, in connection with any of the foregoing. Neither the Indenture Trustee, the Calculation Agent nor the Paying Agent shall be liable for any inability, failure or delay on its part to perform any of its duties solely as a result of the unavailability of the applicable Benchmark and absence of a designated replacement Benchmark, including as a result of any inability, delay, error or inaccuracy on the part of any other transaction party in providing any required or contemplated direction, instruction, notice or information relating to the determination of a Benchmark Transition Event, Benchmark Replacement, Benchmark Replacement Conforming Changes, or any other matter related thereto as is reasonably required or needed by the Calculation Agent for the performance of its duties.

Discount Notes

The Issuer may issue one or more Series of Notes that have an Issue Price (as specified in the applicable Pricing Supplement) that is less than 100% of the principal amount thereof (i.e., par) by more than a percentage equal to the product of 0.25% and the number of full years to the Stated Maturity Date (**“Discount Notes”**). A Series of Discount Notes may not bear any interest currently or may bear interest at a rate that is below market rates at the time of issuance. The difference between the Issue Price of a Series of Discount Notes and par is referred to as the **“Discount.”** In the event of redemption, repayment or acceleration of maturity of a Series of Discount Notes, the amount payable to the holders of such Discount Notes will be equal to the sum of:

- the Issue Price (increased by any accruals of Discount) and, in the event of any redemption of such Series of Discount Notes, if applicable, multiplied by the Initial Redemption Percentage (as adjusted by the Annual Redemption Percentage Reduction, if applicable);
- any unpaid interest accrued on such Series of Discount Notes to the date of the redemption, repayment or acceleration of maturity, as the case may be; and
- for purposes of any Series of Discount Notes, **“Initial Redemption Percentage”** and **“Annual Redemption Percentage Reduction”** shall have the meaning as described in the applicable Pricing Supplement.

For purposes of determining the amount of Discount that has accrued as of any date on which a redemption, repayment or acceleration of maturity occurs for a Series of Discount Notes, a Discount will be accrued using a constant yield method. The constant yield will be calculated using a 30-day month, 360-day year convention, a compounding period that, except for the Initial Period (as defined below), corresponds to the shortest period between Interest Payment Dates for the applicable Series of Discount Notes (with ratable accruals within a compounding period), a coupon rate equal to the initial coupon rate applicable to the applicable Series of Discount Notes and an assumption that the maturity of such Series of Discount Notes will not be accelerated. If the period from the date of issue to the first Interest Payment Date for a Series of Discount Notes (the **“Initial Period”**) is shorter than the compounding period for such Series of Discount Notes, a proportionate amount of the yield for an entire compounding period will be accrued. If the Initial Period is longer than the compounding period, then the period will be divided

into a regular compounding period and a short period with the short period being treated as provided in the preceding sentence. The accrual of the applicable Discount may differ from the accrual of original issue discount for purposes of the Code, certain Series of Discount Notes may not be treated as having original issue discount within the meaning of the Code, and certain Series of Notes other than United States Federal Income Discount Notes may be treated as issued with original issue discount for federal income tax purposes. See “Certain Tax Considerations.”

Amortizing Notes

The Issuer may issue one or more Series of Notes with the amount of principal thereof and interest thereon payable in installments over their terms (“**Amortizing Notes**”). Interest on each Series of Amortizing Notes will be computed on the basis of a 360-day year of twelve 30-day months or as specified in a supplement to this Offering Memorandum. Payments with respect to a Series of Amortizing Notes will be applied first to interest due and payable thereon and then to the reduction of the unpaid principal amount thereof. Further information concerning additional terms and provisions of a particular Series of Amortizing Notes will be specified in a supplement to this Offering Memorandum, including a table setting forth repayment information for such Series of Amortizing Notes.

Covenants

Under the Indenture, the Issuer has made certain covenants regarding payment of principal, any premium and interest, and any Additional Amounts, maintenance of offices or agencies, holding in trust money for Note payments, protection of the Series Collateral and delivery of an annual statement as to compliance with conditions, performance of obligations and adherence to covenants under the Indenture. Among other covenants, the Issuer has agreed that it will not, so long as any Notes of a Series are Outstanding (as defined in the Indenture):

- sell, transfer, exchange, assign, lease, convey or otherwise dispose of any of its assets generally or assets of the relevant Series of the Issuer (whenever acquired), including, without limitation, any portion of the Series Collateral securing its obligations with respect to the Notes of such Series, except as otherwise permitted by the Indenture, the relevant Series Indenture, the Declaration of Trust or the relevant Series Trust Supplement;
- engage in any business or activity other than in connection with, or relating to (1) the execution and delivery of, and the performance of its obligations under, this Offering Memorandum, each Pricing Supplement, the Notes, the Declaration of Trust, any Series Trust Supplement, the Indenture, any Series Indenture, the Purchase Agreement, any Terms Agreement, the License Agreement, each Funding Agreement, each Closing Instrument, each Omnibus Instrument and any other documents or instruments related to the foregoing (the “**Program Documents**”); (2) the issuance and sale of any Notes pursuant to the Indenture and any Series Indenture; holding the Contribution (as defined in the Declaration of Trust); and (3) the transactions contemplated by, and the activities necessary or incidental to, any of the foregoing, except as otherwise permitted by the Indenture, any Series Indenture, the Declaration of Trust, any Series Trust Supplement or any Funding Agreement;
- incur or otherwise become liable for, directly or indirectly, any debt except for the Notes or as otherwise contemplated under the Indenture, any Series Indenture, the Declaration of Trust or any Series Trust Supplement;
- (1) permit the validity or effectiveness of the Indenture, the relevant Series Indenture, or the security interest in or assignment for collateral purposes of the applicable Series Collateral to be impaired, or permit such security interest to be amended, hypothecated, subordinated, terminated or discharged; (2) permit any person to be released from any covenants or obligations under any relevant Funding Agreement securing the Notes of any Series, except as expressly permitted by the Indenture, the relevant Series Indenture, the Declaration of Trust, the relevant Series Trust Supplement or any relevant Funding Agreement; (3) create, incur, assume, or permit any lien or other encumbrance (other than a lien with respect to the Series Collateral securing the Notes of any Series) on any of its properties or assets owned on the date of the relevant Series Indenture or thereafter acquired, or any interest therein or the proceeds thereof; or (4) permit the lien with respect to the applicable Series Collateral not to constitute a valid first priority perfected security interest in the Series Collateral securing the Notes of such Series;

- amend, modify or fail to comply with any material provision of the Declaration of Trust or the relevant Series Trust Supplement except for any amendment or modification of the Declaration of Trust or the relevant Series Trust Supplement permitted thereunder or under the Indenture or the relevant Series Indenture;
- own any subsidiary or lend or advance any funds to, or make any investment in, any person, except for the Funding Agreements and investment of any of its funds held by the Indenture Trustee, the Paying Agent or the Administrative Trustee as provided in the Indenture, any Series Indenture, the Declaration of Trust or any Series Trust Supplement;
- exercise any rights with respect to the Series Collateral except as permitted by the Indenture, any Series Indenture, the Declaration of Trust or any Series Trust Supplement;
- directly or indirectly declare or pay a distribution or make any distribution or other payment to the Series Beneficial Owner, or redeem or otherwise acquire or retire for value any debt other than the Notes; provided that the Issuer may declare or pay a distribution or make any distribution or other payment to the Series Beneficial Owner in compliance with the Declaration of Trust or any Series Trust Supplement if the Issuer has paid or made provision for the payment of all amounts due to be paid on the Notes of such Series prior to the next scheduled payment under the relevant Funding Agreement(s);
- become, or take any action that would cause it or the relevant Series of the Issuer to be, required to register as an “investment company” under, and as such term is defined in, the Investment Company Act of 1940, as amended (the “1940 Act”);
- enter into any transaction of merger or consolidation, or liquidate or dissolve itself (or, to the fullest extent permitted by law, suffer any liquidation or dissolution), or acquire by purchase or otherwise all or substantially all the business or assets of, or any stock or other evidence of beneficial ownership of, any other person, except as otherwise permitted by the Indenture, any Series Indenture, the Declaration of Trust, or any Series Trust Supplement;
- take any action that would cause the Issuer or any Series of the Issuer not to be either ignored or treated as a grantor trust (assuming it were not ignored) for United States federal income tax purposes;
- issue any Notes unless:
 - the Issuer has purchased or will simultaneously purchase the related Funding Agreement from the applicable Funding Agreement Provider;
 - such Funding Agreement Provider has affirmed in writing to the Issuer that it has made, or will simultaneously make, changes to its books and records to reflect the grant by the Issuer of a security interest in, and an assignment for collateral purposes by the Issuer of, the relevant Funding Agreement by the Issuer to the Indenture Trustee in accordance with the terms of such Funding Agreement;
 - the Issuer has taken or will simultaneously take such other steps as may be necessary to cause the Indenture Trustee’s security interest in, or assignment to the Indenture Trustee for collateral purposes of, the relevant Series Collateral to be perfected for purposes of the UCC (as defined below), subject to no prior lien, encumbrance or claim, or effective against the Issuer’s creditors and subsequent purchasers of such Series Collateral pursuant to insurance or other state laws; and
 - issue any Series of Notes for which the relevant Series Collateral consists of Funding Agreements from more than one Funding Agreement Provider;
- make any deduction or withholding from the principal of, or any premium or interest on, the Notes of any Series (other than amounts that may be required to be withheld or deducted from such payments under the Code or any other applicable tax law, including without limitation by reason of the treatment

of the Notes or any Series of Notes for U.S. federal income tax purposes as representing an interest in the Issuer or Series of the Issuer) by reason of the payment of any taxes levied or assessed upon any portion of any relevant Series Collateral except to the extent specified in the Indenture, or such applicable Pricing Supplement, Series Indenture or Note Certificate;

- have any employees or agents other than the Administrative Trustee or any other persons necessary to conduct its business and enter into transactions contemplated under the Program Documents;
- have an interest in any bank account other than:
 - the accounts required under or permitted by the Program Documents; and
 - other accounts expressly permitted by the Indenture Trustee; provided that any such further accounts or such interest of the Series of the Issuer therein shall be charged or otherwise secured in favor of the Indenture Trustee on terms acceptable to the Indenture Trustee;
- permit any affiliate, employee or officer of any Funding Agreement Provider or any Purchasing Agent to be a trustee of the Issuer; or
- commingle the assets of any Series of the Issuer with the Issuer's assets generally, any assets of any other Series of the Issuer or any assets of any of the Issuer's affiliates, or guarantee any obligation of any of the Issuer's affiliates.

“UCC” means, with respect to any applicable jurisdiction, the Uniform Commercial Code as in effect from time to time in the applicable jurisdiction.

Events of Default

Each of the following events which shall have occurred and be continuing will be “**Events of Default**” under the Notes of a particular Series (whatever the reason for such Event of Default and whether it shall be voluntary or involuntary or be effected by operation of law or pursuant to any judgment, decree or order of any court or any order, rule or regulation of any administrative or governmental body):

- default in the payment when due and payable of the principal of, or any premium on, any Note of such Series and continuance of such default for a period of one Business Day;
- default in the payment when due and payable of any interest on, or any Additional Amounts with respect to, any Note of such Series and continuance of such default for a period of five Business Days;
- any “Event of Default,” as such term is defined in any Funding Agreement securing the Notes of such Series, by the applicable Funding Agreement Provider under such Funding Agreement;
- failure by the Issuer to observe or perform any covenant contained in the Notes of such Series, in the Indenture or in the applicable Series Indenture (other than a covenant, default in performance or breach which is specifically addressed elsewhere in this section) for a period of 30 days (or such other time period as specifically set forth in the Indenture or an applicable Note Certificate or Series Indenture) after the date on which written notice specifying such failure, stating that such notice is a “Notice of Default” thereunder and demanding that the Issuer remedy the same, shall have been given by registered or certified mail, return receipt requested, to the Issuer by the Indenture Trustee, or to the Issuer and the Indenture Trustee by the holder or holders of at least 25% of the aggregate principal amount of the Notes of all Series affected thereby at the time Outstanding (as defined in the Indenture);
- the Indenture or the applicable Series Indenture for any reason shall cease to be in full force and effect (other than in accordance with its terms) or shall be declared null and void, or the Indenture Trustee shall fail to have or maintain a validly created and first priority perfected security interest (or the equivalent thereof) in the Series Collateral required to secure the Notes of such Series, except as expressly permitted by the Indenture or the applicable Series Indenture; or any person shall successfully claim, as finally

determined by a court of competent jurisdiction, that any lien for the benefit of the holder or holders of the Notes of such Series and any other person for whose benefit the Indenture Trustee is or will be holding the applicable Series Collateral is void, junior to any other lien or that the enforcement thereof is materially limited because of any preference, fraudulent transfer, conveyance or similar law;

- an involuntary case or other proceeding shall be commenced against the Issuer seeking liquidation, reorganization or other relief with respect to the Issuer or its debts under any bankruptcy, insolvency, reorganization or other similar law now or hereafter in effect or seeking the appointment of a trustee, receiver, liquidator, custodian or other similar official of the Issuer or any substantial part of its property, and such involuntary case or other proceeding shall remain undismissed and unstayed for a period of 60 days; or an order for relief shall be entered against the Issuer under the Federal bankruptcy laws as now or hereafter in effect;
- the Issuer shall commence a voluntary case or other proceeding seeking liquidation, reorganization or other relief with respect to itself or its debts under any bankruptcy, insolvency, reorganization or other similar law now or hereafter in effect or seeking the appointment of a trustee, receiver, liquidator, custodian or other similar official of it or any substantial part of its property, or shall consent to any such relief or to the appointment of or taking possession by any such official in an involuntary case or other proceeding commenced against it, or shall make a general assignment for the benefit of creditors, or shall fail generally to pay its debts as they become due, shall admit in writing any of the foregoing, or shall take any trust action to authorize any of the foregoing; or
- any other Event of Default provided in any supplemental indenture or the applicable Series Indenture.

If one or more Events of Default shall have occurred and be continuing with respect to the Notes of such Series, then, and in every such event, unless the principal of all of the Notes of such Series shall have already become due and payable, either the Indenture Trustee or the holder or holders of not less than 25% of the aggregate principal amount of the Notes of such Series then Outstanding (with such Series voting as a separate class) by notice in writing to the Issuer (and to the Indenture Trustee if given by such holder or holders), may declare the entire principal and premium (if any) of all the Notes of such Series, any interest accrued thereon and any Additional Amounts due and owing, and any other amounts payable with respect thereto, to be due and payable immediately, and upon any such declaration the same shall become immediately due and payable; *provided* that, if any Event of Default specified in the sixth or seventh bullets above occurs with respect to the Issuer, or if any Event of Default specified in the third bullet above that would cause any Funding Agreement securing the Notes of a Series to become automatically and immediately due and payable occurs with respect to the applicable Funding Agreement Provider, then without any notice to the Issuer (or the Indenture Trustee) or any other act by the Indenture Trustee or any holder of any Notes of such Series, the entire principal and premium (if any) of all the Notes of such Series and any interest accrued thereon and any Additional Amounts due and owing, and any other amounts payable with respect thereto, shall become immediately due and payable without presentment, demand, protest or other notice of any kind, all of which are waived by the Issuer under the Indenture; and *provided, further*, that if any Event of Default specified in the third or fifth bullets above shall have occurred and be continuing with respect to all Series of Notes secured by a Funding Agreement of any Funding Agreement Provider then Outstanding, either the Indenture Trustee or the holder or holders of not less than 25% of the aggregate principal amount of the Notes of all Series secured by such Funding Agreement such Funding Agreement Provider then Outstanding (treated as a single class) by notice in writing to the Issuer (and to the Indenture Trustee if given by such holder or holders), may declare the entire principal and premium (if any) of all the Notes of all Series secured by such Funding Agreement of such Funding Agreement Provider, any interest accrued thereon and any Additional Amounts due and owing, and any other amounts payable with respect thereto to be due and payable immediately, and upon any such declaration the same shall become immediately due and payable.

Notwithstanding the preceding paragraph, if at any time after the principal and premium (if any) of the Notes of such Series, any interest accrued and any Additional Amounts due and owing and any other amounts payable with respect thereto (or all the Notes of all Series secured by a Funding Agreement of any Funding Agreement Provider if the second proviso of the preceding paragraph is applicable) shall have been so declared due and payable and before any judgment or decree for the payment of the funds due shall have been obtained or entered as hereinafter provided, the Issuer shall pay or shall deposit with the Indenture Trustee a sum sufficient to pay all due and payable interest on any Additional Amounts due and owing, and any other amounts payable with respect thereto, on all the Notes of such

Series (or all the Notes of all Series secured by a Funding Agreement of any Funding Agreement Provider if the second proviso of the preceding paragraph is applicable) and the principal and premium (if any) of any and all Notes of such Series (or all the Notes of all Series secured by a Funding Agreement of any Funding Agreement Provider if the second proviso of the preceding paragraph is applicable) which shall have become due and payable otherwise than by acceleration pursuant to the preceding paragraph (with interest on such principal and, to the extent that payment of such interest is enforceable under applicable law, on any overdue interest and any other amounts payable on the Notes, at the same rate as the rate of interest specified in the Note Certificates representing the Notes of such Series (or all the Notes of all Series secured by a Funding Agreement of any Funding Agreement Provider if the second proviso of the preceding paragraph is applicable) to the date of such payment or deposit) and such amount as shall be sufficient to cover reasonable compensation to the Indenture Trustee and each predecessor Indenture Trustee, their respective agents, attorneys and counsel, and all other expenses and liabilities incurred, and all advances made, by the Indenture Trustee and each predecessor Indenture Trustee except as a result of negligence, willful misconduct or bad faith, and if any and all Events of Default under the Indenture or any applicable Series Indenture, other than the non-payment of the principal of, and any premium on, the Notes of such Series (or all the Notes of all Series secured by a Funding Agreement of any Funding Agreement Provider if the second proviso of the preceding paragraph is applicable) which shall have become due by acceleration, shall have been cured, waived or otherwise remedied as provided herein, then and in every such case the holder or holders of a majority of the aggregate principal amount of the Notes of such Series then Outstanding (or all the Notes of all Series secured by a Funding Agreement of any Funding Agreement Provider, all voting as a single class, if the second proviso of the preceding paragraph is applicable) by written notice to the Issuer and to the Indenture Trustee, may waive all defaults and rescind and annul such declaration and its consequences, but no such waiver or rescission and annulment shall extend to or shall affect any subsequent default or shall impair any right consequent thereon.

Any funds collected by the Indenture Trustee following an Event of Default, and any funds that may then be held or thereafter received by the Indenture Trustee as security with respect to the Notes of any Series will be applied first to the payment of Priority Payments before any payment of the amounts then due and unpaid on the Notes of such Series. See “Risk Factors—*Payment of certain expenses will be made prior to payments under Notes following Event of Default.*”

Certain Rights of Holders

Except as otherwise described below, the holder or holders of a majority of the aggregate principal amount of the Notes of any Series at the time Outstanding (with such Series voting as a separate class) shall have the right to direct the time, method, and place of conducting any proceeding for any remedy available to the Indenture Trustee, or exercising any trust or power conferred on the Indenture Trustee by the Indenture or the applicable Series Indenture, *provided that*:

- such direction shall not be otherwise than in accordance with applicable law and the provisions of the Indenture or the applicable Series Indenture; and
- subject to the applicable provisions of the Indenture, the Indenture Trustee shall have the right to decline to follow any such direction if the Indenture Trustee, being advised by counsel, shall determine that the action or proceeding so directed may not lawfully be taken or if the Indenture Trustee by its board of directors, executive committee, or a trust committee of directors or responsible officers of the Indenture Trustee shall in good faith determine that the action or proceedings so directed would involve the Indenture Trustee in personal liability or if the Indenture Trustee by its board of directors, executive committee, or a trust committee of directors or responsible officers of the Indenture Trustee shall in good faith determine that the actions or forbearances specified in or pursuant to such direction shall be unduly prejudicial to the interests of any holder of any Note of a Series so affected not joining in the giving of such direction, it being understood that subject to the applicable provisions of the Indenture, the Indenture Trustee shall have no duty to ascertain whether or not such actions or forbearances are unduly prejudicial to such holder.

Nothing in the Indenture or any Series Indenture shall impair the right of the Indenture Trustee in its discretion to take any action deemed proper by the Indenture Trustee and which is not inconsistent with such direction by the holder or holders of Notes.

No holder of the Notes of a Series shall have any right by virtue or by availing of any provision of the Indenture or applicable Series Indenture or Note Certificate, to institute any action or proceeding at law or equity or in bankruptcy or otherwise, upon or under or with respect to the Indenture, the applicable Series Indenture, any Note Certificate or any agreement or instrument included in the applicable Series Collateral or for the appointment of a trustee, receiver, liquidator, custodian or other similar official or for any other remedy under the Indenture, unless:

- such holder has previously given written notice to the Indenture Trustee of a continuing Event of Default with respect to such Series of Notes;
- the holder or holders of Notes representing not less than 25% of the aggregate principal amount of the Notes of such Series then Outstanding shall have made written request to the Indenture Trustee to institute proceedings in respect of such Event of Default in its own name as the Indenture Trustee;
- such holder or holders have offered to the Indenture Trustee indemnity or security satisfactory to it against the costs, expenses and liabilities to be incurred in compliance with such request;
- the Indenture Trustee for 60 days after its receipt of such notice, request and offer of indemnity has failed to institute any such proceeding; and
- no direction inconsistent with such written request has been given to the Indenture Trustee during such 60-day period by the holder or holders of Notes representing at least 66⅔% of the aggregate principal amount of the Outstanding Notes of such Series

it being understood and intended that no holder or holders of Notes of such Series shall have any right in any manner whatever by virtue of, or by availing of, any provision of the Indenture or the applicable Series Indenture or any Note Certificate to affect, disturb or prejudice the rights of any other holder of any Note of such Series or to obtain or to seek to obtain priority or preference over any other holder of the relevant Series to enforce any right under the Indenture or the applicable Series Indenture or any Note Certificate, except in the manner provided in the Indenture or the applicable Series Indenture or any Note Certificate and for the equal and ratable benefit of all the holders of the Notes of the relevant Series.

Application of Funds Collected Under the Indenture

Any funds collected by the Indenture Trustee upon the occurrence and during the continuation of an Event of Default under the Indenture and the applicable Series Indenture will be applied in the following order at the date or dates fixed by the Indenture Trustee and, in case of the distribution of such funds on account of principal, any premium and interest, and any Additional Amounts, upon presentation of the Note Certificate or Note Certificates representing the Notes of such Series and the notation thereon of the payment if only partially paid or upon the surrender thereof if fully paid:

first: pro rata to the payment of reasonable costs and expenses, including reasonable compensation to the Indenture Trustee and Administrative Trustee and each predecessor Indenture Trustee or Administrative Trustee and their respective agents and attorneys and of all reasonable expenses, liabilities and indemnities incurred, and all advances made, by the Indenture Trustee and Administrative Trustee and each predecessor Indenture Trustee and Administrative Trustee except for those adjudicated in a court of competent jurisdiction to be the result of any such Indenture Trustee's own negligence or willful misconduct or such Administrative Trustee's own gross negligence, bad faith or willful misconduct, in an aggregate amount of no more than \$800,000 for all Series of Notes Outstanding;

second: to the payment of principal, any premium and interest, any Additional Amounts and any other amounts then due and owing on the Notes of such Series, ratably, without preference or priority of any kind, according to the aggregate principal amounts due and payable on such Notes;

third: to the payment of any other obligations of the Issuer secured under such Series of Notes, the Indenture or the applicable Series Indenture then due and owing with respect to such Series of Notes, ratably, without preference or priority of any kind;

fourth: pro rata to the Indenture Trustee and the Administrative Trustee for any amounts not paid under *first*; and

fifth: to the payment of any remaining balance to the Issuer for distribution by the Administrative Trustee in accordance with the Declaration of Trust and the applicable Series Trust Supplement.

If no Event of Default has occurred and is continuing, any funds collected by the Indenture Trustee under the Indenture and the applicable Series Indenture in respect of the Notes of a Series shall be applied in the following order at the date or dates fixed by the Indenture Trustee and, in case of the distribution of such funds on account of principal, any premium and interest and any Additional Amounts, upon presentation of the Note Certificate or Note Certificates representing the Notes of such Series and the notation thereon of the payment if only partially paid or upon the surrender thereof if fully paid:

first: to the payment of principal, any premium and interest, any Additional Amounts and any other amounts then due and owing on the Notes of such Series, ratably, without preference or priority of any kind, according to the aggregate principal amounts due and payable on such Notes;

second: to the payment of any other obligations of the Issuer secured under such Series of Notes, the Indenture or the applicable Series Indenture then due and owing with respect to such Series of Notes, ratably, without preference or priority of any kind; and

third: to the payment of any remaining balance to the Issuer for distribution by the Administrative Trustee in accordance with the Declaration of Trust and the applicable Series Trust Supplement.

The Indenture Trustee may make distributions in cash or in kind or, on a ratable basis, in any combination thereof.

Modifications and Amendments of the Indenture

Modifications and Amendments Without Consent of Holders

The Issuer and the Indenture Trustee may from time to time and at any time enter into an indenture or indentures supplemental to the Indenture, or the Indenture together with the applicable Series Indenture, for one or more of the following purposes without the consent of any holders:

- for the Issuer to convey, transfer, assign, mortgage or pledge to the Indenture Trustee as security for the Notes of one or more Series any property or assets;
- to add to covenants of the Issuer such further covenants, restrictions, conditions or provisions as the Issuer and the Indenture Trustee shall consider to be for the protection of each holder, and to make the occurrence, or the occurrence and continuance, of a default in any such additional covenants, restrictions, conditions or provisions an Event of Default permitting the enforcement of all or any of the several remedies provided in the Indenture or the applicable Series Indenture; *provided, that*, in respect of any such additional covenant, restriction, condition or provision such supplemental indenture may provide for a particular period of grace after default (which period may be shorter or longer than that allowed in the case of other defaults) or may provide for an immediate enforcement upon such an Event of Default or may limit the remedies available to the Indenture Trustee upon such an Event of Default or may limit the right of the holder or holders of a majority of the aggregate principal amount of the Notes of such Series to waive such an Event of Default;
- to cure any ambiguity or to correct or supplement any provision contained in the Indenture, any supplemental indenture, any applicable Series Indenture or any Note Certificate which may be defective or inconsistent with any other provision contained in the Indenture, any supplemental indenture, any applicable Series Indenture or any Note Certificate; or to make such other provisions in regard to matters or questions arising under the Indenture, any supplemental indenture, any applicable Series Indenture or any Note Certificate as the Issuer and the Indenture Trustee may deem necessary or desirable and which shall not adversely affect the interests of the holders of the Notes in any material respect;

- to add additional Events of Default;
- to evidence and provide for the acceptance of appointment thereunder by a successor trustee with respect to the Notes of one or more Series and to add to or change any of the provisions of the Indenture and any Series Indenture as shall be necessary to provide for or facilitate the administration of the trusts under the Indenture and any Series Indenture by more than one trustee pursuant to the applicable requirements of the Indenture; or
- to change or eliminate any of the provisions of the Indenture; *provided, however*, that any such change or elimination shall become effective only when there is no Note Outstanding of any Series created prior to the execution of such Supplemental Indenture which is entitled to the benefit of or bound by such provisions.

Modifications and Amendments With Consent of Holders

With the consent of the holder or holders of not less than 66⅔% of the aggregate principal amount of the Notes at the time Outstanding of all Series affected by such supplemental indenture (voting as a single class), the Issuer and the Indenture Trustee may, from time to time and at any time, enter into a supplemental indenture for the purpose of adding any provisions to or changing in any manner or eliminating any of the provisions of the Indenture, any supplemental indenture, any Series Indenture or any Note Certificate or of modifying in any manner the rights of the holders of Notes of each such Series; *provided, that*, no such supplemental indenture shall:

- change the applicable Stated Maturity Date or reduce the principal amount thereof, or reduce the rate or extend the time of payment of interest or any amount payable thereon, or impair or affect the right of any holder of Notes to institute suit for the payment thereof without the consent of the holder of each Note so affected or modify any redemption or repayment provisions applicable to such Series of Notes;
- reduce the aforesaid percentage of Notes of any Series, the consent of which is required for any such supplemental indenture, without the consent of the holder of each Note so affected;
- permit the creation of any lien ranking prior to or on a parity with the lien of the Indenture or the applicable Series Indenture with respect to any part of the applicable Series Collateral or terminate the lien of the Indenture and the applicable Series Indenture on any of the applicable Series Collateral or deprive the holder of any Note of such Series of the applicable Security Interest; or
- modify or alter the provisions of the definition of the term “Outstanding” (as such term is defined in the Indenture).
- Any amendment or supplement which affects the rights, duties, immunities or liabilities of the Administrative Trustee shall require the Administrative Trustee’s written consent.

Indenture Trustee

Under the Indenture and each Series Indenture, if an Event of Default with respect to any Series of Notes has occurred and is continuing (and has not been cured or waived), the Indenture Trustee is obligated to exercise such of the rights and powers vested in it by the Indenture and the applicable Series Indenture, and to use the same degree of care and skill in its exercise, as a prudent person would exercise or use under the circumstances in the conduct of his or her own affairs.

Except if an Event of Default with respect to the Notes of any Series has occurred and is continuing (and has not been cured or waived), the Indenture Trustee has undertaken to perform such duties and only such duties with respect to such Series of Notes as are specifically set forth in the Indenture and the applicable Series Indenture. No implied covenants or obligations shall be read into the Indenture or the applicable Series Indenture against the Indenture Trustee.

No provision of the Indenture or any Series Indenture shall be construed to relieve the Indenture Trustee from liability for its own negligent action, its own negligent failure to act or its willful misconduct, except that:

- this paragraph shall not be construed to limit the effect of the immediately preceding paragraph;
- in the absence of bad faith on its part, the Indenture Trustee may conclusively rely, as to the truth of the statements and the correctness of the opinions expressed therein, upon certificates or opinions furnished to the Indenture Trustee and conforming to the requirements of the Indenture and the applicable Series Indenture, but in the case of any such certificates or opinions which by any provision of the Indenture are specifically required to be furnished to the Indenture Trustee, the Indenture Trustee shall be under a duty to examine the same to determine whether or not they conform to the requirements of the Indenture (but need not confirm or investigate the accuracy of mathematical calculations or other facts stated therein);
- the Indenture Trustee shall not be liable for any error of judgment made in good faith by any responsible officer of the Indenture Trustee, unless it shall be proved that the Indenture Trustee was negligent in ascertaining the pertinent facts;
- the Indenture Trustee shall not be liable with respect to any action taken or omitted to be taken by it in good faith in accordance with the direction of the holder or holders of not less than a majority of the aggregate principal amount of the Outstanding Notes of any affected Series relating to the time, method and place of conducting any proceeding for any remedy available to the Indenture Trustee, or exercising any trust or power conferred upon the Indenture Trustee, under the Indenture or the applicable Series Indenture with respect to the Notes of such Series; and
- no provision of the Indenture or any Series Indenture shall require the Indenture Trustee to expend or risk its own funds or otherwise incur any financial liability in the performance of any of its duties under the Indenture, or in the exercise of any of its rights or powers, if it shall have reasonable grounds for believing that repayment of such funds or adequate indemnity or security against such liability is not reasonably assured to it.

The Indenture Trustee may resign at any time with respect to one or more or all Series of Notes by giving not less than 30 days' prior written notice thereof to the Issuer and to the holders of such Notes as provided in the Indenture and each applicable Series Indenture. Upon receiving such notice of resignation, the Issuer, with the assistance of the Funding Agreement Providers, shall promptly cause a successor indenture trustee with respect to the applicable Series (which successor indenture trustee meets the requirements of the Indenture) to be appointed by written instrument in duplicate, executed by the Issuer, one copy of which instrument shall be delivered to the resigning indenture trustee and one copy to the successor indenture trustee of such Series. If no successor indenture trustee (which meets the requirements of the Indenture) shall have been so appointed with respect to any Series and have accepted appointment within 15 days after the giving of such notice of resignation, the resigning Indenture Trustee may petition any court of competent jurisdiction at the expense of the Issuer for the appointment of a successor indenture trustee. Such court may thereupon, after such notice, if any, as it may deem proper and prescribe, appoint a successor indenture trustee.

If at any time:

- the Indenture Trustee shall cease to be eligible to serve as Indenture Trustee under the requirements of the Indenture or the applicable Series Indenture and shall fail to resign with respect to the Notes of each applicable Series or after written request by the Issuer or any holder of Notes; or
- the Indenture Trustee shall become incapable of acting with respect to the Notes of the applicable Series of Notes or shall be adjudged as bankrupt or insolvent, or a receiver or liquidator of the Indenture Trustee or of its property shall be appointed, or any public officer shall take charge or control of the Indenture Trustee or of its property or affairs for the purpose of rehabilitation, conservation or liquidation;

then, in any such case, except during the existence of an Event of Default, the Issuer may remove the Indenture Trustee with respect to the applicable Series and appoint a successor indenture trustee (which successor indenture trustee

meets the requirements of the Indenture) with respect to the applicable Series of Notes by written instrument, in duplicate, one copy of which instrument shall be delivered to the Indenture Trustee so removed and one copy to the successor indenture trustee. If an instrument of acceptance by a successor indenture trustee shall not have been delivered to the Indenture Trustee within 30 days after the giving of such notice of removal, the Indenture Trustee being removed may petition, at the expense of the Issuer, any court of competent jurisdiction for the appointment of a successor indenture trustee with respect to the Notes.

In addition to the right of petition given to the resigning Indenture Trustee and the right of removal given to the Issuer pursuant to the two preceding paragraphs, any holder who has been a holder of Notes for at least six months may, on behalf of itself and all others similarly situated, petition any court of competent jurisdiction for the appointment of a successor indenture trustee or the removal of the Indenture Trustee and the appointment of a successor indenture trustee, as the case may be. Such court may thereupon, after such notice, if any, as it may deem proper and prescribe, appoint a successor indenture trustee or remove the Indenture Trustee and appoint a successor indenture trustee, as the case may be.

The holder or holders of a majority of the aggregate principal amount of the Notes of each Series at the time Outstanding may at any time remove the Indenture Trustee with respect to the Notes of such Series and appoint a successor indenture trustee with respect to the Notes of such Series (which successor indenture trustee meets the requirements of the Indenture) by delivering to the Indenture Trustee so removed, to the successor indenture trustee so appointed and to the Issuer the evidence required for such action by the Indenture and the applicable Series Indenture.

Any resignation or removal of the Indenture Trustee with respect to any Series and any appointment of a successor indenture trustee (which successor indenture trustee meets the requirements of the Indenture) with respect to such Series shall become effective upon acceptance of appointment by the successor indenture trustee all in accordance with the applicable provisions of the Indenture.

The Issuer shall advise all rating agencies that are then rating the program or the Notes of any Series of any change in the identity of the Indenture Trustee.

The Issuer, the Funding Agreement Providers, AHL, ALRe, AUSA and their subsidiaries and affiliates maintain customary banking and other commercial relationships with the Indenture Trustee and its affiliates.

Meetings of Holders

A meeting of holders of Notes of any Series may be called at any time and from time to time pursuant to the Indenture and any applicable Note Certificate or Series Indenture to make, give or take any request, demand, authorization, direction, notice, consent, waiver or other action provided by the Indenture or the applicable Series Indenture to be made, given or taken by such holders of Notes of such Series.

Unless otherwise provided in a Note Certificate representing the Notes of a particular Series or the applicable Series Indenture, the Indenture Trustee may at any time call a meeting of holders of Notes of any Series for any purpose specified in the preceding paragraph, to be held at such time and at such place in New York City or the city in which the Corporate Trust Office (as defined in the Indenture) is located, as the Indenture Trustee shall determine. Notice of every meeting of such holders of Notes of any Series, setting forth the time and the place of such meeting and in general terms the action proposed to be taken at such meeting, must be given not less than 21 nor more than 180 days prior to the date fixed for the meeting.

Any resolution passed or decision taken at any meeting of holders of Notes of a Series duly held in accordance with the Indenture and the applicable Series Indenture will be binding on all of the holders of Notes of such Series, and any coupons or talons appertaining thereto, whether or not such holders were present or represented at the meeting.

Non-Recourse Enforcement

Notwithstanding anything to the contrary contained in the Indenture, any supplemental indenture, any Series Indenture, any Pricing Supplement or any Note Certificate, other than as described below, none of the Funding Agreement Provider, AHL, ALRe, AUSA or any of their officers, directors, affiliates, employees or agents or any of

the Administrative Trustee, the Series Beneficial Owner or any Purchasing Agent, or any of their respective officers, directors, affiliates, employees or agents (the “**Non-Recourse Parties**”), will be personally liable for the payment of any principal, premium, interest, Additional Amounts, or any other amounts at any time owing under the terms of any Notes. If any Event of Default shall occur with respect to any Notes of any Series, the right of the holder or holders of Notes of such Series and the Indenture Trustee on behalf of such holder or holders, in connection with a claim on the Notes of such Series shall be limited solely to a proceeding against the relevant Series Collateral.

Neither such holder or holders nor the Indenture Trustee on behalf of such holder or holders will have the right to proceed against the Non-Recourse Parties or the assets of any other Series of the Issuer to enforce the Notes (except that to the extent they exercise their rights, if any, to seize the relevant Funding Agreement(s), they may enforce the relevant Funding Agreement(s) against the applicable Funding Agreement Provider), but only in accordance with the provisions of such Funding Agreements, or for any deficiency judgment remaining after foreclosure of any property included in the relevant Series Collateral.

Nothing contained in this section “Non-Recourse Enforcement” shall in any manner or way constitute or be deemed a release of the debt or other obligations evidenced by the Notes of any Series or otherwise affect or impair the enforceability against the assets of the relevant Series of the Issuer with respect to the relevant Series of the Issuer of the liens, assignments, rights and Security Interests (as defined in the Indenture) created by or pursuant to the Indenture, the applicable Series Indenture, the relevant Series Collateral or any other instrument or agreement evidencing, securing or relating to the indebtedness or the obligations evidenced by the Notes of a Series. Nothing in this section “Non-Recourse Enforcement” shall preclude the holders from foreclosing upon any property included in the relevant Series Collateral or any other rights or remedies in law or in equity against the assets of the Issuer with respect to the relevant Series of the Issuer.

Holders may not seek to enforce rights with respect to any Notes (i) by commencing any recovery or enforcement proceedings against the Issuer generally or with respect to the relevant Series of the Issuer, (ii) by applying to wind up the Issuer, (iii) otherwise than through the Indenture Trustee in exercise of powers, appointing a receiver or administrative trustee to the Issuer or any of the assets of the Issuer generally or with respect to the relevant Series of the Issuer, (iv) by making any statutory demand upon the Issuer or with respect to the relevant Series of the Issuer under applicable law, or (v) in any other manner except as may be provided in the Indenture and any applicable Note Certificate or Series Indenture.

Notices

All notices regarding Registered Notes of a Series will be mailed to the Registered Holders thereof as their names appear in the applicable Note Register maintained by the Registrar.

All notices shall be deemed to have been given upon the mailing by first class mail, postage prepaid, of such notices to each Registered Holder entitled thereto at such Registered Holder’s registered address as recorded in the applicable Note Register, and, so long as the Notes of a Series are listed on Euronext Dublin and it is required by the rules of Euronext Dublin, publication of such notice to each holder of the Notes of such Series in a leading English language daily newspaper with general circulation in Ireland (which is expected to be the *Irish Times*), or, if such publication is not practicable, in one other leading English language daily newspaper with general circulation in Europe, such newspaper being published on each business day in morning editions, whether or not it shall be published in Saturday, Sunday or holiday editions.

As long as any Notes of a Series represented by a global Note are deposited in DTC, Euroclear, Clearstream, Luxembourg or such other Clearing Corporation, notices to all holders of the Notes of such Series may, if so permitted by the rules of Euronext Dublin (or such other exchange on which the Notes of such Series may then be listed), be given by delivery of the relevant notice to DTC, Euroclear or Clearstream, Luxembourg or other relevant Clearing Corporation for communication by it to its accountholders or by delivery of the relevant notice to the holder or holders of any global certificate. For so long as any Notes are listed on a stock exchange or are admitted to trading by another relevant authority and the rules of that stock exchange or relevant authority so require, such notice will be published on the website of the relevant stock exchange or relevant authority.

Neither the failure to give notice, nor any defect in any notice given, to any particular holder of a Note will affect the sufficiency of any notice with respect to any other holder of any Note.

Any such notice may be waived in writing by the Person (as defined in the Indenture) entitled to receive such notice, either before or after the event, and such waiver shall be the equivalent of such notice. Waivers of notice by any holder of Notes of a Series shall be filed with the Indenture Trustee, but such filing shall not be a condition precedent to the validity of any action taken in reliance upon such waiver.

Governing Law; Submission to Jurisdiction

Pursuant to Section 5-1401 of the General Obligations Law of the State of New York, the Indenture, the Notes, and each relevant Series Indenture will be governed by, and construed in accordance with, the laws of the State of New York, except as required by mandatory provisions of law and except to the extent that the validity or perfection of the ownership of, and the security interest in, each applicable Funding Agreement constituting an asset of the relevant Series of the Issuer or remedies under the Indenture or the applicable Series Indenture in respect thereof may be governed by the laws of a jurisdiction other than the State of New York. The Declaration of Trust is, and each Series Trust Supplement will be governed by, and construed in accordance with, the laws of the State of Delaware.

Each Funding Agreement issued by the Funding Agreement Provider will be governed by, and construed in accordance with, the laws of the State of Iowa.

All judicial proceedings brought against the Issuer, the Indenture Trustee, Registrar, Transfer Agent, Paying Agent or Listing Agent or any other agent (in such capacities) arising out of or relating to the Indenture, any Series Indenture, any Note or any portion of any series collateral or other assets of the Issuer generally or the applicable Series of the Issuer may be brought in a United States Federal court located in the City of New York, the Borough of Manhattan; *provided* that the Pricing Supplement for any Series of Notes may specify other jurisdictions as to which the Issuer and the Indenture Trustee may consent to the nonexclusive jurisdiction of its courts with respect to such Series of Notes. Under the terms of the Indenture and each relevant Series Indenture, the Issuer and the Indenture Trustee will each accept generally and unconditionally the nonexclusive jurisdiction of such court, waive any defense of *forum non conveniens* and irrevocably agree to be bound by any judgment rendered thereby in connection with the Indenture, the applicable relevant Series Indenture, any Note or any portion of the relevant Series Collateral.

DESCRIPTION OF CERTAIN TERMS AND CONDITIONS OF THE FUNDING AGREEMENTS

This section provides an overview of certain terms and conditions of the Funding Agreements. This summary is not complete and investors should read the detailed provisions of the Funding Agreements. Capitalized terms used in this summary have the same meanings as those used in the Funding Agreements unless the context otherwise requires.

General

Funding Agreements are unsecured obligations of the Company. In connection with each Series of Notes, the Issuer will purchase from the Company, and will take delivery from the Company, one or more Funding Agreements. In connection with the offering and sale of a Series of Notes, the Issuer will pledge, collaterally assign and grant a security interest in all of the Issuer's right, title and interest in, to and under the applicable Series Collateral, including each applicable Funding Agreement, to the Indenture Trustee as collateral to secure the Issuer's obligations under such Series of Notes.

Insolvency of the Company

The Funding Agreements are unsecured obligations of the Company and, in the event of the Company's insolvency, will be subject to the provisions of state insurance laws.

In the event of the Company's impairment or insolvency, the Iowa Insurance Commissioner will be authorized and directed to commence delinquency proceedings for the purpose of liquidating, rehabilitating, reorganizing or conserving the Company pursuant to Iowa Code Sections 507C.4, 507C.12, 507C.13, 507C.14 and 507C.16. In conducting delinquency proceedings, claims are prioritized and an order of distribution is specified pursuant to Iowa Code Section 507C.42. There are nine classes within the priority scheme, with each successive class being fully junior to the preceding class. Class 1 priority is given to the costs and expenses of administration of the insurer during the delinquency proceedings and Class 2 priority is given to the claims (1) of the insurer's policyholders, (2) of guaranty associations, (3) under funding agreements of the insurer, (4) for an insufficiency in the assets of a separate account and (5) for unearned premium. Further, although a claim for payments of Additional Amounts (as defined herein), if viewed as interest payments, could be a claim under a funding agreement, it could also be determined that such a claim is not a claim under a funding agreement and, therefore, not entitled to Class 2 priority status under Iowa Insurance Code Section 507C.42. Sidley Austin LLP, counsel to the Company, has opined that, subject to the limitations, qualifications and assumptions set forth in its opinion letter, in a properly prepared and presented case, a court applying Iowa law would conclude that (i) loss claims of principal and interest in respect of each Funding Agreement would be accorded Class 2 priority under Iowa Code Section 507C.42 and paid equally in priority with the Company's other policyholders, and (ii) payments of Additional Amounts (as defined herein) would rank at least *pari passu* with the claims of general creditors of the Company. In a delinquency proceeding, holders of secured obligations (including holders of secured funding agreements) will be ranked senior to any unsecured claims to the extent of their collateral, including claims from holders of the Funding Agreements, pursuant to Iowa Code Sections 507C.41 and 507C.42. Any obligations remaining after application of collateral will be *pari passu* with claims of policyholders, pursuant to Iowa Code Section 507C.42.

Sidley Austin LLP has advised that its opinion is based on its interpretation of the relevant provisions of the Iowa Code as construed by relevant administrative and judicial authority. However, the Iowa Code and regulations, interpretations and decisions are subject to change, either prospectively or retroactively, and many of the issues addressed in counsel's opinion depend upon a facts and circumstances analysis that has received little or no administrative or judicial consideration. Therefore, the Iowa Insurance Commissioner, in his/her capacity as liquidator, rehabilitator or otherwise, or the courts could disagree in whole or in part with the analysis in their opinion.

Iowa law would apply to the Company's insolvency or receivership proceedings. Sidley Austin LLP has advised that the statutory liquidation priority accorded to funding agreements under Iowa law does not clearly apply to any Additional Amounts required to be paid (if specified in the applicable Funding Agreement or Pricing Supplement) as may be necessary in order that the net amounts receivable by a holder after any withholding or deduction under United States tax law shall equal the respective amounts which would have been receivable by such holder in the absence of such withholding or deduction. Accordingly, Sidley Austin LLP has advised that claims for

such payments, if any, may not rank equally with either life insurance policy and annuity claims or funding agreement claims, but would rank at least equally with the claims of general creditors. Sidley Austin LLP expressly disclaimed any opinion that claims for such payments would be entitled to any greater priority.

The scope of the Sidley Austin LLP opinion regarding a delinquency proceeding with respect to the Company is limited to an Iowa delinquency proceeding under Iowa law and to only those claims that are made in domiciliary proceedings in an Iowa court. The opinion of Sidley Austin LLP recites basic facts with respect to the transaction in which Funding Agreements are to be issued, and those facts are implicitly assumed in connection with the rendering of the opinion. The limitations and qualifications in the opinion are that it is limited to the application of the law of the State of Iowa and the federal law of the United States and that the opinion is rendered solely as of the date thereof.

Payments

The terms of each Funding Agreement securing the obligations of the Issuer under a Series of Notes will be structured so that the Company will be obligated to make payments at such times and in such amounts as shall permit the Issuer to meet its scheduled payment obligations under the applicable Series of Notes.

Payments of Additional Amounts

All amounts due in respect of the applicable Funding Agreement will be made without withholding or deduction for or on account of any present or future taxes, duties, levies, assessments or other governmental charges of whatever nature imposed or levied by or on behalf of any governmental authority in the United States having the power to tax unless such withholding or deduction is required by law. Unless otherwise specified in the applicable Funding Agreement (including any annexes thereto), the Company will not pay any Additional Amounts to the Issuer with respect to the Series of the Issuer in the event that any withholding or deduction is so required by law, regulation or official interpretation thereof, the imposition of a requirement to make any such withholding or deduction will not give rise to an Event of Default or any obligation to redeem the Funding Agreement and the Issuer will be deemed for all purposes to have received cash in an amount equal to the portion of such withholding or deduction that is attributable to the Issuer's interest in such Funding Agreement as equitably determined by the Company.

If any such withholding or deduction is required or if any such withholding or deduction is required under any Notes, to the extent the Company is required to pay Additional Amounts as specified in the applicable Funding Agreement, then the Company will, as applicable, pay such Additional Amount so that the net amount received by the Issuer with respect to the Series of the Issuer or the holder of such Notes (after any such withholding or deduction under the applicable Funding Agreement or any such Notes) will equal the amount that would have been received under the applicable Funding Agreement or any such Notes had no such deduction or withholding been required. Notwithstanding anything herein to the contrary, the Company shall not be required to make any payment of any Additional Amount for or on account of:

- (i) any tax, duty, levy, assessment or other governmental charge imposed which would not have been imposed but for (a) any present or former connection between the Issuer with respect to the Series of the Issuer or any Noteholder and the United States, including, without limitation, being or having been a citizen or resident thereof, or having been present, having been incorporated in, having engaged in a trade or business or having (or having had) a permanent establishment or principal office therein, (b) such Noteholder's status as a controlled foreign corporation for United States federal income tax purposes within the meaning of Section 957(a) of the Code, related within the meaning of Code Section 864(d)(4) to the Company, (c) such Noteholder being a bank for United States federal income tax purposes whose receipt of interest under the applicable Funding Agreement or a Note is described in Section 881(c)(3) of the Code, (d) such Noteholder being or having been an actual or constructive "10-percent shareholder" of the Company within the meaning of Section 871(h)(3) of the Code, or (e) such Noteholder being subject to income tax withholding or backup withholding as of the date of purchase by such Noteholder;
- (ii) any tax, duty, levy, assessment or other governmental charge imposed which would not have been imposed but for the presentation of the Funding Agreement or the Notes (where presentation is required) for payment on a date more than 30 days after the date on which such payment becomes due and payable or the date on which payment is duly provided for, whichever occurs later;

- (iii) any tax, duty, levy, assessment or other governmental charge which is imposed or withheld solely by reason of the failure of the Noteholder to comply with certification, identification or information reporting requirements concerning the nationality, residence, identity or connection with the United States of the Noteholder, if compliance is required or permitted by statute, by regulation, judicial or administrative interpretation, other law or by an applicable income tax treaty to which the United States is a party as a condition to exemption from or reduction of such tax, duty, levy, assessment or other governmental charge;
- (iv) any inheritance, gift, estate, personal property, sales or transfer tax;
- (v) any tax, duty, levy, assessment or governmental charge that is payable otherwise than by withholding from payments with respect to the applicable Funding Agreement or any such Notes referred to above;
- (vi) any tax, duty, levy, assessment or other governmental charge imposed by reason of payments on the applicable Funding Agreement or a Note being treated as contingent interest described in Section 871(h)(4) of the Code for United States federal income tax purposes, but only to the extent such treatment was disclosed in writing to the Noteholder, as the case may be, at the time such Noteholder became a Noteholder, as the case may be;
- (vii) any tax, duty, levy, assessment or other governmental charge that would not have been imposed but for an election by the Issuer or Noteholder, the effect of which is to make payment in respect of the applicable Funding Agreement or the Notes subject to United States federal income tax;
- (viii) any tax, duty, levy, assessment or governmental charge imposed by Sections 1471 through 1474 of the Code, any applicable United States Treasury Regulations promulgated thereunder, any intergovernmental agreement or implementing legislation with respect thereto, or any judicial or administrative interpretation of any of the foregoing as a result of any Noteholder, intermediary or other payee not being entitled to receive payment free of any such tax, duty, levy, assessment or governmental charge imposed; or
- (ix) any combination of items (i), (ii), (iii), (iv), (v), (vi), (vii) or (viii) above.

For the avoidance of doubt, if as described in the Indenture, the Issuer with respect to the Series of the Issuer is required to pay Additional Amounts (as defined in the Indenture) to any Noteholder to compensate for any withholding or deduction for or on account of any present or future taxes, duties, levies, assessments or other governmental charges of whatever nature imposed in respect of such Notes by or on behalf of any governmental authority in the United States having the power to tax, the Company will pay to the Issuer with respect to the Series of the Issuer an amount equal to such Additional Amounts actually paid (or to be paid concurrently) by the relevant Series of the Issuer. For a description of Additional Amounts payable by the Issuer under the Indenture, see “Description of the Notes—Withholding Tax and Payments of Additional Amounts.”

Optional Redemption; Optional Repayment

If a redemption right is specified in the applicable Pricing Supplement related to a Series of Notes, the Company may redeem the applicable Funding Agreement prior to the Stated Maturity Date, in whole or from time to time in part, in increments consistent with the authorized denominations of the Series of Notes (provided that any remaining principal amount thereof shall be at least \$2,000 or other minimum authorized denomination applicable to the Series of Notes), at the applicable Redemption Price (as defined in the applicable Funding Agreement), together with unpaid interest, if any, accrued thereon to, but excluding, the date of redemption. The Company must give written notice to the Issuer not more than 75 nor less than 30 calendar days prior to the date of redemption. If the Company redeems the applicable Funding Agreement, in whole or in part, pursuant to this Optional Redemption right, the relevant Series of the Trust will redeem Notes of the Series of Notes, pro rata across all holders of Notes, in an aggregate principal amount equal to the principal amount of the applicable Funding Agreement so redeemed.

Tax Redemption

Any time upon or after the occurrence of a “Tax Event” (as defined below) the Company will have the right to redeem the applicable Funding Agreement by giving not less than thirty-five (35) and no more than seventy-five (75) calendar days prior written notice to the Issuer with respect to the Series of the Issuer and by paying to the Issuer with respect to the Series of the Issuer all amounts and Additional Amounts, if any, due under such Funding Agreement(s). If the Company redeems the applicable Funding Agreement after the occurrence of a Tax Event, the Issuer with respect to the Series of the Issuer will redeem all of the Notes secured by the applicable Funding Agreement (including any annexes thereto). The term “**Tax Event**” means that the Company shall have received an opinion of independent nationally recognized tax counsel stating in effect that as a result of (a) any amendment to, or change (including any announced prospective change) in, the laws (or any regulations thereunder) of the United States or any political subdivision or taxing authority thereof or therein or (b) any amendment to, or change in, an interpretation or application of any such laws or regulations by any governmental authority in the United States, which amendment or change is enacted, promulgated, issued or announced on or after the effective date of the applicable Funding Agreement, (i) there is more than an insubstantial risk that the Issuer is, or will be within ninety (90) days of the date thereof, subject to United States federal income tax with respect to interest accrued or received on the applicable Funding Agreement, (ii) there is more than an insubstantial risk the Issuer is, or will be within ninety (90) days of the date thereof, subject to more than a de minimis amount of taxes, duties or other governmental charges, or (iii) the Company will be obligated to pay any Additional Amounts under an applicable Funding Agreement, or there is a material probability that the Company is obligated to pay or reimburse any such Additional Amounts (in the opinion of independent nationally recognized tax counsel).

Events of Default

Each Funding Agreement will provide that an event of default (as used therein) will occur upon the occurrence of one or any combination of the following:

- (a) the Company’s failure to make any payment of interest, premium (if applicable), installment payments (if applicable) or Additional Amounts (if and as specified in the applicable Pricing Supplement) in accordance with the applicable Funding Agreement, if such failure to pay is not corrected within five (5) Business Days after such payment becomes due and payable; or
- (b) the Company’s failure to make any payment of principal (other than any installment payment) in accordance with the applicable Funding Agreement, if such failure to pay is not corrected within one (1) Business Day after such payment becomes due and payable; or
- (c) if the Company (i) is dissolved (other than pursuant to a consolidation, amalgamation or merger in which the resulting entity assumes its obligations); (ii) becomes insolvent or is unable to pay its debts or fails or admits in writing its inability generally to pay its debts as they become due; (iii) makes a general assignment, arrangement or composition with or for the benefit of its creditors; (iv) institutes or has instituted against it an administrative or legal proceeding seeking a judgment of insolvency or bankruptcy or any other relief under any supervision, rehabilitation, liquidation, bankruptcy or insolvency law or other similar law affecting creditors’ rights, or a petition is presented for its winding-up or liquidation, and, in the case of any such proceeding or petition instituted or presented against it, such proceeding or petition (A) results in a judgment of insolvency or bankruptcy or the entry of an order for relief or the making of an order for its rehabilitation, winding-up or liquidation or (B) is not dismissed, discharged, stayed or restrained in each case within sixty (60) days of the institution or presentation thereof; (v) has a resolution passed for its rehabilitation, winding-up, official management or liquidation (other than pursuant to a consolidation, amalgamation or merger in which the resulting entity assumes the obligations of the Company); (vi) seeks or becomes subject to the appointment of an administrator, supervisor, rehabilitator, provisional liquidator, conservator, receiver, trustee, custodian or other similar official for it or for all or substantially all its assets; (vii) has a secured party take possession of all or substantially all its assets or has a distress, execution, attachment, sequestration or other legal process levied, enforced or sued on or against all or substantially all its assets and such secured party maintains possession, or any such process is not dismissed, discharged, stayed or restrained, in each case within sixty (60) days thereafter; (viii) causes or is subject to any event with respect to it which, under the applicable laws of any jurisdiction, has an analogous effect to any of the events

specified in clauses (i) to (vii) (inclusive); or (ix) takes any action in furtherance of, or indicating its consent to, approval of, or acquiescence in, any of the foregoing acts.

Upon the occurrence and continuation of any of the above events of default, the Indenture Trustee (as collateral holder) has the right to immediately demand payment of all amounts payable under the affected Funding Agreement; *provided, that*, upon the occurrence of the event of default specified in clause (c) above, the affected Funding Agreement will automatically terminate and all amounts payable under such Funding Agreement will be immediately due and payable.

Representations and Warranties of the Company and the Issuer

Under each Funding Agreement, each of the Company and the Issuer will represent to the other party that:

- it has the power to enter into the relevant Funding Agreement and to consummate the transactions contemplated thereby;
- the Funding Agreement has been duly authorized, executed and delivered, the Funding Agreement constitutes a legal, valid and binding obligation, and the Funding Agreement is enforceable against it in accordance with the terms thereof, subject to applicable bankruptcy, insolvency and similar laws affecting creditors' rights, and subject as to enforceability of general principles of equity, regardless of whether enforcement is sought in a proceeding in equity or at law; and
- the execution and delivery of the Funding Agreement and the performance of its obligations thereunder do not and will not constitute or result in a default, breach or violation of the terms or provisions of its certificate, articles or charter of incorporation, declaration of trust, bye-laws or any material agreement, instrument, mortgage, judgment, injunction or order applicable to it or any material portion of its property.

In addition, in each Funding Agreement the Issuer will further represent and warrant that:

- either (i) the applicable Funding Agreement is being issued to a person other than a natural person that has assets of at least \$25,000,000 or (ii) the applicable Funding Agreement is being purchased for the purpose of funding any of the following: (a) activities of an organization exempt from taxation pursuant to section 501(c) of the Code, or any similar organization in any foreign country; (b) a program of the United States government, another state government or political subdivision of such state, or of a foreign country, or any agency or instrumentality of any such government, political subdivision, or foreign country; (c) an agreement providing for periodic payments in satisfaction of a claim; or (d) a program of an institution which has assets in excess of \$25,000,000;
- it has been informed and understands that transfer is restricted by the terms of the applicable Funding Agreement; and
- it (i) is solely responsible for determining whether the applicable Funding Agreement is suitable for the purpose intended; (ii) has carefully read the applicable Funding Agreement (including the applicable Pricing Supplement) before signing the applicable Funding Agreement; (iii) has had a reasonable opportunity to make such inquiries as it deemed necessary prior to signing the applicable Funding Agreement; and (iv) has received or had access to such additional information as it deemed necessary in connection with its decision to sign the applicable Funding Agreement.

Restrictions on Transfer

Each Funding Agreement will contain provisions prohibiting the Issuer from selling, transferring or assigning the Funding Agreement or any right, title or interest in or payments under the Funding Agreement to any other person unless the following conditions are satisfied:

- the applicable Funding Agreement may only be transferred through a book entry system maintained by the Company, or an agent designated by it, within the meaning of Treasury Regulations Section 5f.103-1(c) and Treasury Regulations Section 1.871-14(c)(1)(i).
- the Issuer with respect to the Series of the Trust, and any assignee, must comply with applicable securities laws.
- the Company has consented in writing to the proposed assignment, such consent not to be unreasonably withheld.
- the Company shall have received from the proposed assignee a duly executed certificate containing, in substance, the information, representations, warranties, acknowledgments and agreements set forth in the applicable Funding Agreement and any other such information, representations, warranties, acknowledgements or agreements as the Company may deem necessary and appropriate to effectuate an assignment of the applicable Funding Agreement.

Any attempted sale, transfer, participation, assignment, hypothecation, or alienation not in accordance with the foregoing conditions shall be void and of no effect. Until such time, if any, as the Company has consented in writing to a proposed assignment and the foregoing conditions have been complied with, the Company shall not be obligated to make any payments to or at the direction of anyone other than the person shown on the Company's books and records as the relevant holder of the Funding Agreement. Once the foregoing conditions have been satisfied with respect to an assignment, the assignee or its successor shall be deemed to be the sole holder of the Funding Agreement for all purposes of the applicable Funding Agreement and the Company shall promptly amend its records to reflect the assignee's status as holder of the Funding Agreement.

Supplemental Agreements

Within six months of the Effective Date of the applicable Funding Agreement, the Company may issue to the relevant Series of the Issuer one or more additional annexes pursuant to the applicable Funding Agreement which shall provide that such additional annex(es) shall constitute part of the same obligation of the relevant Series of the Issuer as the applicable Funding Agreement (any such additional annex(es), a **"Supplemental Agreement"**) and that such Supplemental Agreement shall be subject to the same terms and conditions, except that the Effective Date, the Deposit, the Net Deposit (as such terms are defined in the applicable Funding Agreement) and the amount and date of the first interest payment, if any, and certain other provisions may be different in respect of such Supplemental Agreement, provided that the issuance of such Supplemental Agreement will be made pursuant to a "Qualified Reopening" under Treasury Regulation Section 1.1275-2(k).

Governing Law

Each Funding Agreement issued by the Company will be governed by, and construed in accordance with, the laws of the State of Iowa without giving effect to its conflicts of law principles.

ERISA AND OTHER BENEFIT PLAN CONSIDERATIONS

*The following is a summary of certain considerations associated with the purchase, holding and, to the extent relevant, disposition, of the Notes by (i) an employee benefit plan subject to ERISA, (ii) a plan described in and subject to Section 4975 of the Code, including an individual retirement account (“IRA”) and a Keogh plan, (iii) a plan, account or other arrangement subject to provisions under any other federal, state, local, non-U.S. or other laws or regulations that are similar to the fiduciary responsibility or prohibited transaction provisions of Title I of ERISA or Section 4975 of the Code (collectively, “**Similar Laws**”) and (iv) any entity whose underlying assets include “plan assets” by reason of the investment in such entity by any such employee benefit or retirement plan described above.*

Prohibited Transaction Issues

Section 406 of ERISA and Section 4975 of the Code prohibit employee benefit plans subject to ERISA (“**ERISA Plans**”), as well as IRAs and Keogh plans subject to Section 4975 of the Code (together with ERISA Plans, “**Plans**”), from engaging in certain transactions involving “plan assets” (within the meaning of ERISA) with persons who are “parties in interest” under ERISA or “disqualified persons” under the Code (“**Parties in Interest**”) with respect to such Plans. As a result of the Company’s business, the Company may be a Party in Interest with respect to certain Plans. Where the Company is a Party in Interest with respect to a Plan (either directly or by reason of its ownership of its subsidiaries), the purchase and holding of the Notes by or on behalf of the Plan may be a prohibited transaction under Section 406 of ERISA and Section 4975 of the Code, unless exemptive relief were available under an applicable prohibited transaction exemption.

Accordingly, the Notes may not be purchased or held by any Plan, any entity whose underlying assets include “plan assets” by reason of any Plan’s investment in the entity (a “**Plan Asset Entity**”) or any person investing “plan assets” of any Plan, unless such purchaser or holder, and such purchase, is eligible for the exemptive relief available under one or more PTCEs issued by the DOL, including PTCE 96-23 (relating to transactions determined by “in-house asset managers”), 95-60 (relating to transactions involving certain insurance company general accounts), 91-38 (relating to transactions involving bank collective investment funds), 90-1 (relating to transactions involving insurance company pooled separate accounts) or 84-14 (relating to transactions determined by independent “qualified professional asset managers”), or under the statutory exemption provided by Section 408(b)(17) of ERISA and Section 4975(d)(20) of the Code (relating to transactions for “adequate consideration” with certain parties in interest that are not fiduciaries) (the “**Service Provider Exemption**”), or under another applicable prohibited transaction exemption. Any fiduciary or other Plan investor considering whether to purchase or hold Notes should consult with its counsel regarding the availability of exemptive relief under the foregoing exemptions. There can be no assurance that all of the conditions of any such exemptions or any other exemption will be satisfied at the time that the Notes are acquired, or thereafter, if the facts relied upon for utilizing a prohibited transaction exemption change. Also, the scope of the exemptive relief provided by the exemption might not cover all acts which might be construed as prohibited transactions.

Each purchaser or holder of the Notes or any beneficial interest therein will be deemed to have represented by its purchase and holding thereof that either (i) it is not a Plan or a Plan Asset Entity and is not acquiring the Notes on behalf of or with “plan assets” of a Plan or Plan Asset Entity or (ii) its purchase, holding and disposition of the Notes or any beneficial interest therein is exempt from the prohibited transaction provisions of Section 406 of ERISA and Section 4975 of the Code under DOL PTCE 96-23, PTCE 95-60, PTCE 91-38, PTCE 90-1, PTCE 84-14, the Service Provider Exemption or another applicable exemption. The determination of whether and to what extent the exemptive relief provided under the foregoing exemptions is available is the sole responsibility of the purchaser and holder of a Note.

Without regard to whether one of the above exemptions applies to a Plan’s acquisition or holding of a Note, the Notes may not be purchased or held by any Plan, or any person investing Plan assets of any Plan, if the Company or any of its affiliates (i) has investment or administrative discretion with respect to the assets of the Plan used to effect such purchase; (ii) has provided “investment advice,” within the meaning of applicable Department of Labor regulations, with respect to such assets; or (iii) unless PTCE 95-60, 91-38 or 90-1 applies, is an employer maintaining or contributing to such Plan.

Plan Assets

The DOL has promulgated a regulation, 29 C.F.R. §2510.3-101, as modified by Section 3(42) of ERISA (the “**Plan Asset Regulation**”), describing what constitutes the assets of a Plan with respect to the Plan’s investment in an entity. Under the Plan Asset Regulation, if a Plan invests in an “equity interest” of an entity that is neither a “publicly offered security” nor a security issued by an investment company registered under the Investment Company Act, the Plan’s assets are deemed to include both the equity interest itself and an undivided interest in each of the entity’s underlying assets, unless it is established either that the entity is an “operating company,” as defined in the Plan Asset Regulation or less than 25% of the total value of each class of equity interest in the entity is held by “benefit plan investors,” as defined in Section 3(42) of ERISA (the “**25% Test**”).

It is not anticipated that (i) the Notes will constitute “publicly offered securities” for purposes of the Plan Asset Regulation, (ii) the Issuer will be an investment company registered under the Investment Company Act or (iii) the Issuer will qualify as an operating company within the meaning of the Plan Asset Regulation. In addition, there is no intent to monitor or take any other measures to assure satisfaction of the 25% Test, or any other exception to the treatment of the Plan’s assets as being deemed to include both the equity interest itself and an individual interest in each of the entity’s underlying assets.

The Plan Asset Regulation defines an “equity interest” as an interest other than an instrument that is treated as indebtedness under applicable local law and which has no substantial equity features. There is very little pertinent authority on the issue of what constitutes an equity security for purposes of the Plan Asset Regulation. The DOL has stated in the Preamble to the Plan Asset Regulation (the “**Preamble**”) that the reference to local law provides an initial frame of reference for determinations whether an interest is indebtedness and the question of which law applies for purposes of determining whether an instrument is treated as equity or indebtedness should be made under the law governing questions regarding interpretation of the instrument. Moreover, the DOL stated in the Preamble that the determination of whether any particular investment has substantial equity features is an inherently factual question that must be resolved on a case-by-case basis but that it would be appropriate, in the DOL’s view, to take into account whether the equity features of an instrument are such that a Plan’s investment in the instrument would be a practical vehicle for the indirect provision of investment management services.

Whether the Notes should be treated as debt or equity for purposes of the Plan Asset Regulation is not certain. While the Notes may be treated as indebtedness for U.S. federal income tax purposes (as described in “Certain Tax Considerations”), such characterization is not conclusive that the Notes will be treated as debt under the Plan Asset Regulation. There is no legal authority that clarifies the relationship between the standards used for Plan Asset Regulation purposes and the standards used for U.S. federal income tax purposes in evaluating the proper characterization of a security as debt or equity. Each prospective investor should make its own assessment as to whether or not the Notes will be respected as debt for purposes of the Plan Asset Regulation, and should consult with its own legal advisers concerning the potential consequences under the fiduciary responsibility and prohibited transaction provisions of ERISA, Section 4975 of the Code and any applicable Similar Law of an investment in the offered Notes with the assets of a Plan. There can be no assurance that the Notes would be characterized by the DOL or others as indebtedness on the date of issuance or at any given time thereafter.

If the Notes were treated under the Plan Asset Regulation as equity interests, any assets held by the Issuer, including the Funding Agreements, would be treated as plan assets of Plans holding Notes if, immediately after the most recent acquisition (including any redemption) of the Notes (or any class of equity interest in the Issuer), the 25% Test is not satisfied and 25% or more of the total value of any class of equity interest in the Issuer is held by benefit plan investors. No assurance can be given that benefit plan investors will hold less than 25% of the total value of the Notes at the completion of an offering or thereafter.

If the assets of the Issuer were deemed to be plan assets under ERISA, then an investing Plan’s assets would be considered to include an undivided interest in the Funding Agreements held by the Issuer. In addition, certain persons providing services to the Issuer could become Parties in Interest with respect to an investing Plan and could be subject to the fiduciary responsibility provisions of ERISA, the prohibited transaction provisions of ERISA and Section 4975 of the Code with respect to transactions involving the assets of the Issuer. In this regard, if any person were deemed to have discretionary authority or discretionary control respecting the management of the Issuer to exercise any authority or control respecting management or disposition of the Funding Agreements held by the Issuer, such person or persons could be deemed to be fiduciaries. A fiduciary of a Plan should consider whether the purchase

or holding of Notes could result in a delegation of fiduciary authority if the Issuer were deemed to hold plan assets under ERISA, and, if so, whether such a delegation of authority is permissible under the Plan's governing instrument or any investment management agreement with the Plan. However, since the Administrative Trustee may be viewed as having no discretionary authority with respect to the Funding Agreements, even if the Funding Agreements were treated as Plan Assets of a Plan holding a Note, an investor may determine that the Administrative Trustee should be treated as having acted in an administrative or ministerial capacity, rather than a fiduciary capacity, with respect to the Funding Agreements. Each prospective investor should make its own assessment regarding whether the Administrative Trustee would constitute a fiduciary if the assets of the Issuer were considered to be plan assets under ERISA.

Each purchaser of Notes which is, or is using assets of, a Plan or Plan Assets Entity (a **"Benefit Plan Investor"**), will be deemed to have represented and warranted that (1) none of Athene, the Issuer, any placement agent, the Indenture Trustee, the Administrative Trustee, or any of their respective affiliates (the **"Transaction Parties"**) will be making an investment recommendation or providing investment advice on which the Benefit Plan Investor or the fiduciary or other person with investment responsibilities over the assets of such Benefit Plan Investor considering an investment in Notes (the **"Plan Fiduciary"**) will rely in connection with the decision to acquire such Notes, and none of the Transaction Parties is acting as a fiduciary (within the meaning of Section 3(21) of ERISA or Section 4975(e)(3) of the Code) to the Benefit Plan Investor in connection with the Benefit Plan Investor's acquisition of Notes (unless an applicable prohibited transaction exemption is available to cover the purchase or holding of such Notes or the transaction is not otherwise prohibited), and (2) the Plan Fiduciary is exercising its own independent judgment in evaluating the investment in such Notes.

Non-ERISA Plans

Governmental plans (as defined in Section 3(32) of ERISA), church plans (as described in Section 3(33) of ERISA) for which no election has been made under Section 410(d) of the Code and foreign plans (as described in Section 4(b)(4) of ERISA) (collectively **"Non-ERISA Plans"**) while not subject to Section 406 of ERISA or Section 4975 of the Code, may nevertheless be subject to Similar Laws. The fiduciary of a Non-ERISA Plan considering an investment in the Notes must make its own determination that such investment is permissible under any applicable Similar Laws. Each purchaser or holder of the Notes or any beneficial interest therein will be deemed to have represented by its purchase and holding thereof that either (i) it is not a Non-ERISA Plan or an entity the assets of which are treated as including the assets of a Non-ERISA Plan and is not acquiring the Notes on behalf or with the assets of any such Non-ERISA Plan or entity or (ii) its purchase, holding and disposition of the Notes or any beneficial interest therein will not violate any Similar Laws.

General Considerations

Notwithstanding the above, the sale of the Notes of a particular Series to Plans, or to persons acting on behalf of or investing "plan assets" of Plans, might not be allowed, or might only be allowed subject to certain additional conditions, in which case the applicable Pricing Supplement will disclose the prohibition or such additional conditions.

The considerations set forth above are only intended as an overview and may not be applicable depending upon a Plan's specific facts and circumstances. The discussion herein of ERISA, the Code and relevant DOL regulations is general in nature and is not intended to be complete. No view is expressed as to whether an investment in Notes (and any continued holding of the Notes) is appropriate or permissible for any Plan or Non-ERISA Plan. Plan fiduciaries should consult their own advisors with respect to the advisability of an investment in the Notes, and potentially adverse consequences of such investment, including without limitation, the possible effects of changes in applicable laws.

CERTAIN TAX CONSIDERATIONS

The information provided below does not purport to be a complete overview of the United States tax law and practice currently applicable. Prospective investors should consult with their own professional advisors. The applicable Pricing Supplement for the Notes may contain additional U.S. federal income tax disclosure with respect to any special U.S. federal income tax considerations of the Notes.

United States Federal Income Taxation

The following is a general discussion of certain U.S. federal income tax consequences of the purchase, ownership and disposition of Notes. This discussion is intended to apply only to Holders who acquire their Notes upon original issuance (except with respect to discussions concerning market discount and premium) and who hold the Notes as capital assets within the meaning of Section 1221 of the Code. The discussions herein are not intended to apply to Notes acquired by a Holder who is a member of the Company's expanded group, as defined in the Treasury Regulations under Section 385 of the Code. This discussion is for general information only and does not address all aspects of U.S. federal income taxation that may be relevant to U.S. Holders and Non-U.S. Holders in light of their particular circumstances, or that may be relevant to certain types of investors subject to special treatment under U.S. federal income tax laws (for example, (i) financial institutions, tax-exempt organizations, regulated investment companies, real estate investment trusts, insurance companies, dealers in securities or traders in securities who elect the mark to market method of accounting, foreign government investors, (ii) persons holding Notes as part of a straddle, hedge, conversion transaction or other integrated investment, (iii) U.S. Holders whose functional currency is not the U.S. dollar, (iv) former citizens or long-term residents of the United States, some of whom may be subject to special rules, (v) investors in partnerships or other pass-through entities or (vi) accrual method taxpayers subject to special tax accounting rules as a result of their use of financial statements pursuant to Section 451(b) of the Code). In addition, except as specifically set forth herein, this discussion does not address alternative minimum taxes, federal estate or gift taxes or state, local or non-U.S. taxes.

Furthermore, the discussion below is based upon provisions of the Code, the legislative history thereof, final, temporary and proposed Treasury Regulations thereunder, administrative pronouncements, rulings and judicial decisions thereunder as of the date hereof, and such authorities may be repealed, revoked or modified (including changes in effective dates, and possibly with retroactive effect) so as to result in U.S. federal income tax consequences different from those discussed below. Any special U.S. federal income tax considerations relevant to a particular Tranche of the Notes (including, but not limited to, Discount Notes and Amortizing Notes) will be provided in the applicable Pricing Supplement. Persons considering the acquisition, ownership or disposition of Notes should consult their tax advisors concerning the U.S. federal income tax consequences in light of their particular situations as well as any consequences arising under the laws of any state, local or non-U.S. taxing jurisdiction.

For purposes of the following discussion, a "U.S. Holder" means a beneficial owner of a Note that is for U.S. federal income tax purposes (i) an individual citizen or resident of the United States; (ii) a corporation, or other entity taxable as a corporation, created or organized in or under the laws of the United States, any state thereof or the District of Columbia; (iii) an estate the income of which is subject to U.S. federal income tax without regard to its source; or (iv) a trust, if (a) a court within the United States is able to exercise primary supervision over administration of the trust and one or more "U.S. persons" (as defined in the Code) have authority to control all substantial decisions of the trust or (b) it has a valid election in effect under applicable U.S. Treasury Regulations to be treated as a domestic trust.

For purposes of the following discussion, a "Non-U.S. Holder" means a beneficial owner of a Note (other than an entity or arrangement treated as a partnership for U.S. federal income tax purposes) that is not a U.S. Holder.

If a partnership or other entity or arrangement treated as a partnership for U.S. federal income tax purposes holds the Notes, the tax treatment of a partner or an equity interest owner of such other entity or arrangement will generally depend upon the status of the person and the activities of the partnership or other entity or arrangement treated as a partnership. If you are a partnership (or other entity or arrangement treated as a partnership) or a partner of a partnership (or equity interest owner of such other entity or arrangement) holding Notes, you should consult your tax advisors. The following summary does not address the U.S. federal income tax treatment of partnerships or such other entities or arrangements or their partners or equity interest owners.

Treatment of the Issuer and the Notes

The Company intends to take the position, for U.S. federal income tax purposes, that the Funding Agreements, the Issuer and each Series of the Issuer will be ignored and that the Notes will be treated as representing indebtedness of the Company (the “**Intended Tax Characterization**”). Each holder of a Note (or any beneficial interest therein), by acceptance of the Note (or beneficial interest), agrees to treat the Funding Agreements, the Issuer, the Series of the Issuer with respect to which the Note was issued and the Note consistently with the Intended Tax Characterization.

Notwithstanding the Intended Tax Characterization, it is possible that the Issuer or a Series of the Issuer could be viewed as a separate entity for U.S. federal income tax purposes. Sidley Austin LLP is of the opinion that, under current law and assuming full compliance with the terms of the Indenture, each Series Indenture, Declaration of Trust and each Series Trust Supplement (and certain other documents), and based on certain facts and assumptions contained in such opinion, neither the Issuer nor any Series of the Issuer will be classified as an association (or publicly traded partnership) taxable as a corporation for U.S. federal income tax purposes. Accordingly, whether or not the Intended Tax Characterization is respected, neither the Issuer nor any Series of the Issuer will be treated as a taxable entity for U.S. federal income tax purposes.

To the extent that for U.S. federal income tax purposes the Funding Agreements are not ignored, or the Issuer or any Series of the Issuer is viewed as a separate entity rather than ignored, each holder of a Note (or any beneficial interest therein) agrees for U.S. federal income tax purposes to treat (i) the Issuer or such Series of the Issuer as a grantor trust under Subpart E of Part I of Subchapter J of Chapter 1 of the Code (or the state or local equivalent), owned by the holders of beneficial interests in the Notes and the Series Beneficial Owner, (ii) the Notes or such Series of Notes as undivided ownership interests in the Issuer or such Series of the Issuer and (iii) the Funding Agreement as debt of the Company. In addition, each Funding Agreement will provide that, in such circumstances, the Company, the Issuer and the applicable Series of the Issuer each agree to treat the applicable Funding Agreement as debt of the Company for U.S. federal income tax purposes. Together, these positions would require a U.S. Holder to include in income, consistent with its method of accounting, its pro rata share of interest or original issue discount (“**OID**”) on the Funding Agreement, as well as any amounts paid to the Issuer with respect to the Series of the Issuer to satisfy expenses. In such circumstances, a U.S. Holder may be entitled to deduct, consistent with its method of accounting, its pro rata share of any such expenses as provided in section 162 of the Code. If the U.S. Holder is an individual, trust or estate, or to the extent the U.S. Holder’s income is reportable on the U.S. federal income tax return of an individual, trust or estate, no deduction for such person’s share of such expenses will be allowed unless such deductions are attributable to a trade or business carried on by such U.S. Holder. Accordingly, U.S. Holders who are individuals, trusts or estates, or whose income is reported in whole or in part on the U.S. federal income tax return of a U.S. citizen, resident, trust or estate, should consult their tax advisers with respect to such deductions.

An opinion of counsel is not binding on the IRS or the courts, and no ruling on any of the consequences or issues discussed herein will be sought from the IRS. Accordingly, persons considering the purchase of Notes should consult their own tax advisors about the U.S. federal income tax consequences of an investment in the Notes and the application of U.S. federal income tax laws, as well as the laws of any state, local or foreign taxing jurisdictions, to their particular situations.

U.S. Holders

Interest Income and OID

Taxation of Interest

The taxation of interest on a Note depends on whether the interest constitutes “qualified stated interest” (as defined below under “—Taxation of OID”). Interest on a Note that is qualified stated interest is includible in a U.S. Holder’s income as ordinary interest income when actually or constructively received (if the U.S. Holder uses the cash method of accounting for U.S. federal income tax purposes) or when accrued (if the U.S. Holder uses an accrual method of accounting for U.S. federal income tax purposes). Interest that is not qualified stated interest is includible in a U.S. Holder’s income under the rules governing OID, described below, regardless of the U.S. Holder’s regular method of tax accounting. Notwithstanding the foregoing, interest that is payable on a Note with a maturity of one

year or less from its issue date, referred to as a “Short-Term Note,” is included in a U.S. Holder’s income under the rules described below under “—Other Rules—Short-Term Notes.”

Fixed Rate Notes

Interest on a Fixed Rate Note will constitute “qualified stated interest” if the interest is unconditionally payable in cash or in property (other than debt instruments of the Company) at least annually at a single fixed rate.

Floating Rate Notes

Interest on a Floating Rate Note that is unconditionally payable in cash or in property (other than debt instruments of the Company) at least annually will generally constitute “qualified stated interest” if the Note is a variable rate debt instrument under the rules described below and the interest is payable at a single “qualified floating rate” or single “objective rate” (each as defined below). If the Note is a variable rate debt instrument but the interest is payable at a rate other than a single qualified floating rate or a single objective rate, special rules apply to determine the portion of the interest that constitutes “qualified stated interest.” See “—Taxation of OID on Floating Rate Notes—Floating Rate Notes that are Variable Rate Debt Instruments” below.

Definition of a Variable Rate Debt Instrument

A Floating Rate Note generally is a variable rate debt instrument if all of the four following conditions are met.

First, the “issue price” (as described below) of the Note must not exceed the total non-contingent principal payments by more than an amount equal to the lesser of (i) .015 multiplied by the product of the total non-contingent principal payments and the number of complete years to maturity from the issue date (or, in the case of a Note that provides for payment of any amount other than qualified stated interest before maturity, its weighted average maturity); or (ii) 15% of the total non-contingent principal payments.

Second, except as provided in the preceding paragraph, the Floating Rate Note must not provide for any principal payments that are contingent.

Third, the Note must not provide for any stated interest other than stated interest (compounded or paid at least annually) at (i) one or more qualified floating rates; (ii) a single fixed rate and one or more qualified floating rates; (iii) a single objective rate; or (iv) a single fixed rate and a single objective rate that is a “qualified inverse floating rate” (as defined below).

Fourth, the Note must provide that a qualified floating rate or objective rate in effect at any time during the term of the Note is set at the current value of that rate. A current value is the value of the rate on any day that is no earlier than three months prior to the first day on which that value is in effect and no later than one year following that first day.

Definition of a Qualified Floating Rate

Subject to certain exceptions, a variable rate of interest on a Note is a “qualified floating rate” if variations in the value of the rate can reasonably be expected to measure contemporaneous fluctuations in the cost of newly borrowed funds in the currency in which the Note is denominated. A variable rate is considered a qualified floating rate if the variable rate equals (1) the product of an otherwise qualified floating rate and a fixed multiple that is greater than 0.65 but not more than 1.35; or (2) the product described in clause (1) plus or minus a fixed rate. If the variable rate equals the product of an otherwise qualified floating rate and a single fixed multiple greater than 1.35 or less than or equal to 0.65, however, the rate generally is an objective rate, described more fully below. A variable rate is not considered a qualified floating rate if the variable rate is subject to a cap, floor, governor (i.e., a restriction or restrictions on the amount of increase or decrease in the stated interest rate) or other similar restrictions other than (i) a cap, floor, or governor that is fixed throughout the term of the Note or (ii) a cap, floor, governor or similar restrictions that are not reasonably expected as of the issue date to cause the yield on the Note to be significantly more or less than the expected yield determined without the restriction.

Definition of an Objective Rate

Subject to certain exceptions, an “objective rate” is a rate (other than a qualified floating rate) that is determined using a single fixed formula and that is based on objective financial or economic information that is neither within the control of the issuer (or a related party) nor unique to the circumstances of the issuer (or a related party). For example, an objective rate generally includes a rate that is based on one or more qualified floating rates or on the yield of actively traded personal property (within the meaning of Section 1092(d)(1) of the Code). Notwithstanding the first sentence of this paragraph, a rate is not an objective rate if it is reasonably expected that the average value of the rate during the first half of the Note’s term will be either significantly less than or significantly greater than the average value of the rate during the final half of the Note’s term. The IRS may designate rates other than those specified above that will be treated as objective rates. As of the date of this Offering Memorandum, no other rates have been designated. An objective rate is a “qualified inverse floating rate” if (1) the rate is equal to a fixed rate minus a qualified floating rate and (2) the variations in the rate can reasonably be expected to inversely reflect contemporaneous variations in the qualified floating rate (disregarding any caps, floors, governors or similar restrictions that would not, as described above, cause a rate to fail to be a qualified floating rate).

If interest on a Note is stated at a fixed rate for an initial period of one year or less, followed by a variable rate that is either a qualified floating rate or an objective rate for a subsequent period, and the value of the variable rate on the issue date is intended to approximate the fixed rate, the fixed rate and the variable rate together constitute a single qualified floating rate or objective rate. A fixed rate and a variable rate will be conclusively presumed to meet the requirements described in the previous sentence if the value of the variable rate on the issue date does not differ from the value of the fixed rate by more than .25 percentage points (25 basis points).

Taxation of OID

Definition of OID

U.S. Holders of Notes issued with OID (“**OID Notes**”) will be subject to special tax accounting rules, as described in greater detail below.

OID is the excess, if any, of a Note’s “stated redemption price at maturity” over its “issue price.” A Note’s “stated redemption price at maturity” is the sum of all payments provided by the Note (whether designated as interest or principal) other than payments of qualified stated interest. The “issue price” and “issue date” of a Note will be the first price and the first settlement or closing date (whichever is applicable), respectively, at which a substantial amount of the Notes in the Tranche that includes such Note is sold for money (excluding sales to bond houses, brokers or similar persons or organizations acting in the capacity of underwriters, placement agents or wholesalers).

As described more fully below, U.S. Holders of OID Notes that mature more than one year from their issue date generally are required to include the OID in income as it accrues in accordance with the constant yield method described below, irrespective of the receipt of the related cash payments and regardless of the U.S. Holder’s regular method of accounting. A U.S. Holder’s tax basis in an OID Note is increased by each accrual of OID and decreased by each payment on the OID Note other than a payment of qualified stated interest.

The amount of OID with respect to a Note will be treated as zero if the OID is less than an amount equal to .0025 multiplied by the product of the stated redemption price at maturity and the number of complete years to maturity (or, in the case of a Note that provides for payment of any amount other than qualified stated interest prior to maturity, the weighted average maturity of the Note). If the amount of OID with respect to a Note is less than such amount (“**de minimis OID**”), the OID that is not included in payments of stated interest is generally included in income as capital gain as principal payments are made. The amount includible with respect to a principal payment equals the product of the total amount of OID and a fraction, the numerator of which is the amount of the principal payment and the denominator of which is the stated principal amount of the Note.

Inclusion of OID in Income—Fixed Rate OID Notes

The amount of OID includible in the income of a U.S. Holder in respect of Fixed Rate Notes that are OID Notes (“**Fixed Rate OID Notes**”) for any taxable year is determined under the constant yield method, in four steps.

In the first step, the “yield to maturity” of the Fixed Rate OID Note is computed. The yield to maturity is the discount rate that, when used in computing the present value of all interest and principal payments to be made under the Fixed Rate OID Note (including payments of qualified stated interest), produces an amount equal to the issue price of the Note. The yield to maturity must be constant over the term of the Fixed Rate OID Note and, when expressed as a percentage, must be calculated to at least two decimal places.

In the second step, the term of the Fixed Rate OID Note is divided into “accrual periods.” Accrual periods may be of any length and may vary in length over the term of the Fixed Rate OID Note, provided that each accrual period is no longer than one year and that each scheduled payment of principal or interest occurs either on the final day of an accrual period or on the first day of an accrual period.

In the third step, the total amount of OID on the Fixed Rate OID Note is allocated among accrual periods. In general, the OID allocable to an accrual period equals the product of the “adjusted issue price” of the Fixed Rate OID Note at the beginning of the accrual period and the yield to maturity of the Fixed Rate OID Note, less the amount of any qualified stated interest, allocable to the accrual period. The adjusted issue price of a Fixed Rate OID Note at the beginning of the first accrual period is its issue price. Thereafter, the adjusted issue price of the Fixed Rate OID Note is its issue price, increased by the amount of OID previously includible in the gross income of any U.S. Holder and decreased by the amount of any payment previously made on the Fixed Rate OID Note other than a payment of qualified stated interest. For purposes of computing the adjusted issue price of a Fixed Rate OID Note, the amount of OID previously includible in the gross income of any U.S. Holder is determined without regard to “premium” and “acquisition premium,” as those terms are defined below under “—Other Rules—Premium and Acquisition Premium.”

In the fourth step, the “daily portions” of OID are determined by allocating to each day in an accrual period its ratable portion of the OID allocable to the accrual period.

A U.S. Holder includes in income in any taxable year the daily portions of OID for each day during the taxable year that the U.S. Holder held the Fixed Rate OID Notes. In general, under the constant yield method described above, U.S. Holders are required to include in income increasingly greater amounts of OID in successive accrual periods.

Taxation of OID on Floating Rate Notes

The taxation of OID (including interest that does not constitute qualified stated interest) on a Floating Rate Note will depend on whether the Note is a variable rate debt instrument, as that term is described above under “—Floating Rate Notes—Definition of a Variable Rate Debt Instrument.”

Floating Rate Notes that are Variable Rate Debt Instruments

In the case of a variable rate debt instrument that provides for qualified stated interest at a single qualified floating rate or objective rate, the amount of qualified stated interest and OID, if any, includible in income during a taxable year are determined under the rules applicable to Fixed Rate OID Notes (described above) by assuming that the variable rate is a fixed rate equal to (i) in the case of a qualified floating rate or a qualified inverse floating rate, the value, as of the issue date, of the qualified floating rate or qualified inverse floating rate; or (ii) in the case of an objective rate (other than a qualified inverse floating rate), the rate that reflects the yield that is reasonably expected for the Floating Rate Note. Qualified stated interest allocable to an accrual period is increased (or decreased) if the interest actually paid during an accrual period exceeds (or is less than) the interest assumed to be paid during the accrual period.

If a Floating Rate Note that is a variable rate debt instrument does not provide for qualified stated interest at a single variable rate as described above, the amount of interest and OID accruals are determined by constructing an equivalent fixed rate debt instrument, as follows.

First, in the case of an instrument that provides for interest at one or more qualified floating rates or at a qualified inverse floating rate and, in addition, at a fixed rate, replace the fixed rate with a qualified floating rate (or qualified inverse floating rate) such that the fair market value of the instrument, so modified, as of the issue date would be approximately the same as the fair market value of the unmodified instrument.

Second, determine the fixed rate substitute for each variable rate provided by the Floating Rate Note. The fixed rate substitute for each qualified floating rate provided by the Floating Rate Note is the value of that qualified floating rate on the issue date. If the Floating Rate Note provides for two or more qualified floating rates with different intervals between interest adjustment dates (for example, the 30-day Commercial Paper Rate and three-month SOFR), the fixed rate substitutes must be based on intervals that are equal in length (for example, the 90-day Commercial Paper Rate and three-month SOFR, or the 30-day Commercial Paper Rate and 30-day SOFR). The fixed rate substitute for an objective rate that is a qualified inverse floating rate is the value of the qualified inverse floating rate on the issue date. The fixed rate substitute for an objective rate (other than a qualified inverse floating rate) is a fixed rate that reflects the yield that is reasonably expected for the Floating Rate Note.

Third, construct an equivalent fixed rate debt instrument that has terms that are identical to those provided under the Floating Rate Note, except that the equivalent fixed rate debt instrument provides for the fixed rate substitutes determined in the second step, in lieu of the qualified floating rates or objective rate provided by the Floating Rate Note.

Fourth, determine the amount of qualified stated interest and OID for the equivalent fixed rate debt instrument under the rules (described above) for Fixed Rate OID Notes. These amounts are taken into account as if the U.S. Holder held the equivalent fixed rate debt instrument. See “—Interest Income and OID—Taxation of Interest” and “—Taxation of OID—Inclusion of OID in Income—Fixed Rate OID Notes” above.

Fifth, make appropriate adjustments for the actual values of the variable rates. In this step, qualified stated interest or OID allocable to an accrual period is increased (or decreased) if the interest actually accrued or paid during the accrual period exceeds (or is less than) the interest assumed to be accrued or paid during the accrual period under the equivalent fixed rate debt instrument. In general, this increase or decrease is an adjustment to qualified stated interest for the accrual period if the equivalent fixed rate debt instrument constructed under the third step provides for qualified stated interest and the increase or decrease is reflected in the amount actually paid during the accrual period, and otherwise the increase or decrease is an adjustment to OID, if any, for the accrual period.

Floating Rate Notes that are not Variable Rate Debt Instruments

If so specified in the applicable Pricing Supplement relating to a Tranche of Notes, certain features of Floating Rate Notes may cause them to not be treated as variable rate debt instruments, but rather as contingent payment debt instruments. Persons considering the purchase of such Notes should carefully examine the applicable Pricing Supplement and should consult their own tax advisors regarding the U.S. federal income tax consequences of the acquisition, holding and disposition of such Notes.

Other Rules

The Treasury Regulations relating to the tax treatment of OID contain certain language (“aggregation rules”) stating in general that, with some exceptions, if more than one type of Note is issued in connection with the same transaction or related transactions (based on all the facts and circumstances), the Notes may be treated as a single debt instrument with a single issue price, maturity date, yield to maturity and stated redemption price at maturity for purposes of calculating and accruing any OID. The Issuer does not expect to treat different types of Notes as being subject to the aggregation rules for purposes of computing OID.

Market Discount

If a U.S. Holder acquires a Note having a maturity date of more than one year from the date of its issuance and has an initial tax basis in the Note that is less than its stated redemption price at maturity, the difference is treated as “market discount” for U.S. federal income tax purposes, unless the difference is less than .0025 multiplied by the product of the stated redemption price at maturity and the number of complete years to maturity from the date of acquisition by the U.S. Holder, in which case, such market discount is considered to be zero. In the case of a Note that has OID, market discount is calculated by reference to the Note’s adjusted issue price (as defined above), rather than the Note’s stated redemption price at maturity. A U.S. Holder should consult its own tax advisor about the application of the market discount rules of the Code, particularly in the case of a Note that has OID or provides for payment of any amount other than qualified stated interest prior to maturity.

Under the market discount rules of the Code, a U.S. Holder is required to treat (i) any principal payment on the Note, (ii) in the case of a Note issued with OID, any payment on the Note that does not constitute qualified stated interest, or (iii) any gain realized on the sale, exchange or other disposition of a Note as ordinary income to the extent of the accrued market discount at the time of payment or disposition that has not previously been included in income. Thus, partial principal payments are treated as ordinary income to the extent of accrued market discount that has not previously been included in income. If the Note is disposed of by the U.S. Holder in a nontaxable transaction (other than a non-recognition transaction described in Section 1276(c) of the Code), accrued market discount is includible as ordinary income by the U.S. Holder as if the U.S. Holder had sold the Note at its then fair market value.

In general, market discount accrues on a straight-line basis over the remaining term of the Note. A U.S. Holder may, however, elect to accrue market discount on a constant interest rate basis. This election is made on a debt instrument-by-debt instrument basis and is irrevocable.

With respect to Notes with market discount, the ability of a U.S. Holder to deduct immediately the interest expense on any indebtedness incurred or continued to purchase or to carry the Notes may be limited. A U.S. Holder may elect to include market discount in income currently as it accrues (either on a straight-line basis or, if the U.S. Holder so elects, on a constant interest rate basis), in which case the interest deferral rule set forth in the preceding sentence does not apply. Such an election applies to all debt instruments acquired by the U.S. Holder on or after the first day of the first taxable year to which the election applies and may be revoked only with the consent of the IRS. A U.S. Holder's tax basis in a Note is increased by the amount of market discount included in the U.S. Holder's income under the election.

Premium and Acquisition Premium

If a U.S. Holder purchases a Note at a "premium," the U.S. Holder does not include any OID in gross income. A Note is purchased at a premium (or "amortizable bond premium") if its adjusted basis in the hands of the purchaser immediately after the purchase exceeds the sum of all amounts payable on the Note after the purchase date other than payments of qualified stated interest. U.S. Holders may elect to amortize the premium as an offset to qualified stated interest income, using a constant yield method similar to that described under "—Taxation of OID," over the remaining term of the Note (where the Note is not redeemable prior to its maturity date). In the case of Notes that may be redeemed prior to maturity, the premium is calculated assuming that the Company or the U.S. Holder will exercise or not exercise redemption rights in a manner that maximizes the U.S. Holder's yield. A U.S. Holder who elects to amortize bond premium must reduce its tax basis in the Note by the amount of the premium used to offset qualified stated interest income as set forth above. If this election is made with respect to any Note, it will also apply to all debt instruments acquired by the U.S. Holder on or after the first day of the first taxable year to which the election applies and may be revoked only with the consent of the IRS.

If a U.S. Holder purchases an OID Note at an "acquisition premium," the amount of OID that the U.S. Holder includes in gross income is reduced to reflect the acquisition premium. An OID Note is purchased at an acquisition premium if its adjusted basis in the hands of the purchaser immediately after the purchase is (1) less than or equal to the sum of all amounts payable on the OID Note after the purchase date other than payments of qualified stated interest and (2) greater than the OID Note's adjusted issue price (as described above) as of the purchase date.

If an OID Note is purchased at an acquisition premium, the U.S. Holder reduces the amount of OID otherwise includible in income during an accrual period by multiplying such OID by a fraction. The numerator of this fraction is the excess of the adjusted basis of the OID Note immediately after its acquisition by the purchaser over the adjusted issue price of the OID Note. The denominator of the fraction is the excess of the sum of all amounts payable on the OID Note after the purchase date, other than payments of qualified stated interest, over the OID Note's adjusted issue price.

As an alternative to reducing the amount of OID otherwise includible in income by multiplying such OID by this fraction, the U.S. Holder may elect to compute OID accruals by treating the purchase as a purchase at original issuance and applying the constant yield method described under "—Taxation of OID" above.

Pre-Issuance Accrued Interest

If (1) a portion of the initial purchase price of a Note is attributable to interest that has accrued prior to the issue date (“pre-issuance accrued interest”), (2) the first stated interest payment on the Note is to be made within one year of the Note’s issue date and (3) the payment will equal or exceed the amount of pre-issuance accrued interest, then the U.S. Holder may elect to decrease the issue price of the Note by the amount of the pre-issuance accrued interest. In this event, a portion of the first stated interest payment will be treated as a return of the excluded pre-issuance accrued interest and not as an amount payable on the Note.

Short-Term Notes

In the case of a Note with a maturity of one year or less from its issue date (a “**Short-Term Note**”), no interest is treated as qualified stated interest and therefore all interest is included in the stated redemption price at maturity and generally treated as OID. U.S. Holders that report income for U.S. federal income tax purposes on an accrual method and certain other U.S. Holders, including banks and dealers in securities, are required to include OID on Short-Term Notes on a straight line basis, unless an election is made to accrue OID under a constant yield method based on daily compounding.

Any other U.S. Holder is not required to accrue OID on a Short-Term Note for U.S. federal income tax purposes, unless it elects to do so, with the consequence that the reporting of the income is deferred until it is received. In the case of a U.S. Holder that is not required, and does not elect, to include OID in income currently, stated interest will generally be taxable at the time it is received and any gain realized on the sale, exchange or other disposition (including retirement) of a Short-Term Note will be treated as ordinary income to the extent of the OID accrued on a straight-line basis (or, if elected, according to a constant yield method based on daily compounding) through the date of disposition. In addition, non-electing U.S. Holders that are not subject to the current inclusion requirement are required to defer deductions for any interest paid on indebtedness incurred or continued to purchase or carry a Short-Term Note in an amount not exceeding the deferred interest income with respect to the Short-Term Note (which includes both the accrued OID and accrued interest that are payable but that have not been included in gross income), until the deferred interest income is recognized. A U.S. Holder of a Short-Term Note may elect to apply the foregoing rules (except for the rule characterizing gain on disposition as ordinary) with respect to “acquisition discount” rather than OID. Acquisition discount is the excess of the stated redemption price at maturity of the Short-Term Note over the U.S. Holder’s basis in the Short-Term Note. This election applies to all obligations acquired by the taxpayer on or after the first day of the first taxable year to which the election applies, unless revoked with the consent of the IRS. A U.S. Holder’s tax basis in a Short-Term Note is increased by the amount included in the U.S. Holder’s income on the Note.

Election to Treat All Interest as OID

A U.S. Holder may elect to include in gross income all interest that accrues on a Note, including any stated interest, acquisition discount, OID, market discount, de minimis OID, de minimis market discount and unstated interest (as adjusted by amortizable bond premium and acquisition premium), by using the constant yield method described above under “—Taxation of OID.” In applying the constant yield method to a Note with respect to which this election has been made, the issue price of the Note will equal the electing U.S. Holder’s adjusted basis in the Note immediately after its acquisition, the issue date of the Note will be the date of its acquisition by the electing U.S. Holder and no payments on the Note will be treated as payments of qualified stated interest. This election generally will apply only to the Note with respect to which it is made and may be revoked only with the permission of the IRS. An election for a Note with amortizable bond premium results in a deemed election to amortize bond premium for all other debt instruments with amortizable bond premium held at the beginning of, or acquired during, the taxable year in which the Note was acquired, which deemed election may be revoked only with the permission of the IRS. Similarly, an election for a Note with market discount results in a deemed election to accrue market discount in income currently for the Note and for all other debt instruments with market discount held at the beginning of, or acquired during, the taxable year in which the Note was acquired, which deemed election may be revoked only with the permission of the IRS. A U.S. Holder’s tax basis in a Note is increased by each accrual of the amounts treated as OID under the constant yield election described in this paragraph.

Sale, Exchange or Other Taxable Disposition of Notes

A U.S. Holder generally recognizes gain or loss upon the sale, exchange or other taxable disposition (including retirement) of a Note equal to the difference between the amount realized upon the sale, exchange or other taxable disposition (not including any amount attributable to accrued but unpaid qualified stated interest) and the U.S. Holder's adjusted basis in the Note. The adjusted basis in the Note generally equals the cost of the Note, increased by OID, acquisition discount or market discount previously included in income in respect thereof, and reduced (but not below zero) by any payments on the Note (other than payments of qualified stated interest) and by any premium that the U.S. Holder has taken into account. To the extent attributable to accrued but unpaid qualified stated interest, the amount realized by the U.S. Holder is treated as a payment of interest. Any gain or loss will be treated as capital gain or loss, except as provided under “—Other Rules—Market Discount” and “—Other Rules—Short-Term Notes,” above. Special rules apply in determining the tax basis of a Note treated as a contingent payment debt instrument and the amount realized and the character of gain or loss realized on the sale, exchange or other taxable disposition of such a Note. See “—Taxation of OID on Floating Rate Notes—Floating Rate Notes that are not Variable Rate Debt Instruments” above. Gains and losses derived from the sale, exchange or other taxable disposition of a Note held for more than one year constitute long-term capital gains and losses. The distinction between capital gain and loss and ordinary income or loss is relevant for purposes of, among other things, limitations on the deductibility of capital losses. Net long-term capital gains of U.S. Holders that are not treated as corporations for U.S. federal income tax purposes are eligible for preferential rates of taxation. The ability of U.S. Holders to offset capital losses against ordinary income is limited.

The Notes may trade at a price that does not accurately reflect the value of accrued but unpaid interest. A U.S. Holder who disposes of Notes between record dates for payments of interest thereon will be required to include accrued but unpaid interest on the Notes through the date of disposition in income as ordinary income. To the extent the selling price is less than the U.S. Holder's adjusted tax basis (which will include all accrued but unpaid OID) a U.S. Holder will recognize a capital loss.

Foreign Currency Notes

The following summary describes special rules that apply, in addition to the rules described above, to Notes denominated in, or that provide for payments determined by reference to, a Specified Currency other than the U.S. Dollar (“**Foreign Currency Notes**”). The treatment of a debt instrument, such as a Foreign Currency Note, that provides for interest payments that are not fixed in amount at the time that the debt instrument is issued (like the treatment of a Floating Rate Note) depends on whether the debt instrument qualifies as a variable rate debt instrument. A Foreign Currency Note qualifying as a variable rate debt instrument is subject to the rules discussed above in “—Floating Rate Notes” and “—Taxation of OID on Floating Rate Notes—Floating Rate Notes that are Variable Rate Debt Instruments” in addition to the rules discussed below.

Interest Includible in Income upon Receipt

An interest payment on a Foreign Currency Note made in a foreign currency that is not required to be included in income by the U.S. Holder prior to the receipt of that payment (for example, qualified stated interest received by a cash method U.S. Holder) is includible in income by the U.S. Holder in an amount equal to the U.S. dollar value of the foreign currency payment determined on the date the payment is received, regardless of whether the payment is in fact converted to U.S. dollars at that time. The U.S. Holder's basis in the foreign currency received will be such U.S. dollar value. No exchange gain or loss will be recognized with respect to the receipt of such payment.

Interest Includible in Income Prior to Receipt

In the case of interest income on a Foreign Currency Note that is required to be included in income by the U.S. Holder prior to the receipt of payment (for example, stated interest on a Foreign Currency Note held by an accrual basis U.S. Holder or accrued OID or accrued market discount that is includible in income as it accrues), a U.S. Holder is required to include in income the U.S. dollar value of the amount of interest income (including OID or market discount but reduced by acquisition premium and amortizable bond premium, to the extent applicable) that has accrued and is otherwise required to be taken into account with respect to a Foreign Currency Note during the relevant accrual period. OID, market discount, acquisition premium and amortizable bond premium of a Foreign Currency Note are to be determined in the relevant foreign currency. Unless the U.S. Holder makes the election discussed in the next

paragraph, the U.S. dollar value of the accrued income is determined by translating the income at the average rate of exchange for the accrual period or, with respect to an accrual period that spans two taxable years, at the average rate for the portion of the accrual period within the taxable year. The average rate of exchange for the accrual period (or partial period) is the simple average of the exchange rates for each business day of the period (or other method if the method is reasonably derived and consistently applied). The U.S. Holder recognizes, as ordinary income or loss, foreign currency exchange gain or loss with respect to accrued interest income on the date such income is actually received, reflecting fluctuations in currency exchange rates between the last day of the relevant accrual period and the date of payment. The amount of gain or loss recognized equals the difference between the U.S. dollar value of the foreign currency payment received (determined on the date such payment is received) and the U.S. dollar value of interest income that has accrued during the accrual period (as determined above).

Under the so-called “spot rate convention election,” a U.S. Holder may, in lieu of applying the rules described in the preceding paragraph, elect to translate accrued interest income (including OID and market discount) into U.S. dollars at the exchange rate in effect on the last day of the relevant accrual period for OID, market discount or accrued interest, or in the case of an accrual period that spans two taxable years, at the exchange rate in effect on the last day of the taxable year. Additionally, if a payment of the income is actually received within five Business Days of the last day of the accrual period, an electing U.S. Holder may instead translate the income into U.S. dollars at the exchange rate in effect on the day of actual receipt. Such U.S. Holder will recognize ordinary income or loss with respect to accrued interest income on the date such income is actually received, equal to the difference (if any) between the U.S. dollar value of the foreign currency payment received (determined on the date such payment is received) and the U.S. dollar value of interest income translated at the relevant exchange rate described above. Any election applies to all debt instruments held by the U.S. Holder at the beginning of the first taxable year to which the election applies or thereafter acquired by the U.S. Holder and may be revoked only with the consent of the IRS.

Purchase, Sale, Exchange or Other Disposition

A U.S. Holder that converts U.S. dollars to a foreign currency and immediately uses that currency to purchase a Foreign Currency Note denominated in the same foreign currency normally does not recognize gain or loss in connection with such conversion and purchase. However, a U.S. Holder that purchases a Foreign Currency Note with previously owned foreign currency does recognize ordinary income or loss in an amount equal to the difference, if any, between the U.S. Holder’s tax basis in the foreign currency and the U.S. dollar market value of the Foreign Currency Note on the date of the purchase. A U.S. Holder’s tax basis in a Foreign Currency Note (and the amount of any subsequent adjustment to the U.S. Holder’s tax basis) is the U.S. dollar value of the foreign currency amount paid for the Foreign Currency Note (or the U.S. dollar value of the foreign currency amount of the adjustment) determined on the date of the purchase or adjustment. In the case of an adjustment resulting from accrual of OID or market discount, such adjustment is made at the rate at which the OID or market discount is translated into U.S. dollars under the rules described above.

Gain or loss realized upon the sale, exchange or other disposition of, or the receipt of principal on, a Foreign Currency Note, to the extent attributable to fluctuations in currency exchange rates, is generally ordinary income or loss. Gain or loss attributable to fluctuations in exchange rates equals the difference between (1) the U.S. dollar value of the foreign currency purchase price for the Note, determined on the date such Foreign Currency Note is disposed of, and (2) the U.S. dollar value of the foreign currency purchase price for such Foreign Currency Note, determined on the date the U.S. Holder acquired such Foreign Currency Note. Any portion of the proceeds of the sale, exchange or other disposition attributable to accrued interest income will generally result in exchange gain or loss under the rules set forth above with respect to interest (rather than the rules with respect to a sale, exchange or other disposition). The foreign currency gain or loss is recognized only to the extent of the overall gain or loss realized by a U.S. Holder on the sale, exchange or other disposition of the Foreign Currency Note. In general, the source of such foreign currency gain or loss is determined by reference to the residence of the U.S. Holder or the “qualified business unit” of the U.S. Holder on whose books the Foreign Currency Note is properly reflected. Any gain or loss realized by a U.S. Holder in excess of the foreign currency gain or loss is capital gain or loss (except to the extent of any accrued market discount not previously included in the U.S. Holder’s income or, in the case of a Short-Term Note having OID, to the extent of any OID not previously included in the U.S. Holder’s income).

The tax basis of a U.S. Holder in any foreign currency received on the sale, exchange or other disposition of a Foreign Currency Note is equal to the U.S. dollar value of the foreign currency, determined at the time of the sale, exchange or other disposition. Treasury Regulations provide a special rule for purchases and sales of publicly traded

debt instruments by a cash method taxpayer under which units of foreign currency paid or received are translated into U.S. dollars at the spot rate on the settlement date of the purchase or sale. Accordingly, no exchange gain or loss results from currency fluctuations between the trade date and the settlement of such purchase or sale. An accrual method taxpayer may elect the same treatment required of cash method taxpayers with respect to the purchase and sale of publicly traded debt instruments, provided the election is applied consistently. Such election cannot be changed without the consent of the IRS. U.S. Holders should consult their tax advisors concerning the applicability to Foreign Currency Notes of the special rules summarized in this paragraph.

Market Discount and Premium

The amount of the market discount or acquisition premium that is included in (or reduces) income currently is to be determined for any accrual period in the relevant foreign currency and then translated into U.S. dollars on the basis of the average exchange rate in effect during the accrual period or with reference to the spot rate convention election as described above. Exchange gain or loss realized with respect to the accrued market discount or acquisition premium is determined and recognized in accordance with the rules relating to accrued interest described above. The amount of accrued market discount (other than market discount that is included in income currently) taken into account upon the receipt of any partial principal payment or upon the sale, exchange or other disposition of a Foreign Currency Note is the U.S. dollar value of the accrued market discount, determined on the date of receipt of the partial principal payment or upon the sale, exchange or other disposition, and no portion of the accrued market discount is treated as exchange gain or loss. Exchange gain or loss with respect to amortizable bond premium is determined by treating the portion of premium amortized with respect to any period as a return of principal. With respect to a U.S. Holder of a Foreign Currency Note that does not elect to amortize premium, the amount of premium, if any, is treated as a capital loss when the Note matures.

Reportable Transactions

Pursuant to certain Treasury Regulations (the “**Disclosure Regulations**”), any taxpayer that has participated in a “reportable transaction” and who is required to file a U.S. federal income tax return must generally attach a disclosure statement disclosing such taxpayer’s participation in the reportable transaction to the taxpayer’s tax return for each taxable year for which the taxpayer participates in the reportable transaction. The Disclosure Regulations provide that, in addition to certain other transactions, a “loss transaction” constitutes a “reportable transaction.” A “loss transaction” is any transaction resulting in the taxpayer claiming a loss under Section 165 of the Code in an amount equal to or in excess of certain threshold amounts. For certain taxpayers, the Disclosure Regulations specifically provide that a loss resulting from a “Section 988 transaction” will constitute a Section 165 loss. In general, a Foreign Currency Note will be subject to the rules governing foreign currency exchange gain or loss. Therefore, any exchange loss realized with respect to a Foreign Currency Note will constitute a loss resulting from a Section 988 transaction. Based upon the foregoing, in the absence of future administrative pronouncements to the contrary, certain U.S. Holders of Foreign Currency Notes that recognize an exchange loss with respect to the Foreign Currency Notes in an amount that exceeds the loss threshold amount applicable to such U.S. Holder may be required to file a disclosure statement (i.e., IRS Form 8886 or other applicable form) as an attachment to the U.S. Holder’s tax return for the first taxable year in which the threshold amount is reached and to any subsequent tax return that reflects any amount of such Section 165 loss realized with respect to the Foreign Currency Notes. U.S. Holders purchasing Foreign Currency Notes should consult their own tax advisors regarding the potential application of the Disclosure Regulations to their investment in such Foreign Currency Notes. Substantial penalties apply to a failure to file a required disclosure statement with respect to a reportable transaction.

Net Investment Income Tax

Certain U.S. Holders that are individuals, estates or trusts will be subject to a 3.8% tax on all or a portion of their “net investment income” or “undistributed net investment income” (as applicable) in excess of a threshold amount, which may include all or a portion of their interest income and net gains from the disposition of a Note. If you are a U.S. Holder that is an individual, estate or trust, you are urged to consult your tax advisors regarding the applicability of the net investment income tax to your income.

Non-U.S. Holders

Subject to the discussion of effectively connected income, backup withholding, withholding under FATCA (as defined below) and information reporting below, payments of principal and interest (including OID) with respect to a Note by the Issuer, the Company or any paying agent to a Non-U.S. Holder are not subject to the withholding of U.S. federal income tax, provided in the case of interest (including OID), that (i) the Non-U.S. Holder does not own, actually or constructively, 10% or more of the total combined voting power of all classes of the Company's stock entitled to vote, is not a controlled foreign corporation related, directly or indirectly, to the Company through stock ownership, and is not a bank receiving interest described in Section 881(c)(3)(A) of the Code; (ii) the payments are not payments of contingent interest as described in Section 871(h)(4) of the Code (generally, interest (including OID), the amount of which is determined by reference to receipts, sales, cash flow, income, profits, property values, dividends or comparable attributes of the Company or a party related to the Company); and (iii) the statement requirement set forth in Section 871(h) or Section 881(c) of the Code has been fulfilled with respect to the Non-U.S. Holder, as discussed in the following paragraph.

The statement requirement set forth in Section 871(h) or 881(c) of the Code is satisfied if either (1) the beneficial owner of the Note certifies, under penalties of perjury, to the last U.S. payor (or non-U.S. payor who is an authorized agent of the U.S. payor, a qualified intermediary, a U.S. branch of a foreign bank or foreign insurance company, a withholding foreign partnership or a withholding foreign trust) in the chain of payment (the **"withholding agent"**) that such owner is not a U.S. person under Section 7701(a)(30) of the Code and provides other required certifications and such owner's name and address or (2) a securities clearing organization, a bank or another financial institution that holds customers' securities in the ordinary course of its trade or business (a **"financial institution"**) that holds the Note certifies to the withholding agent, under penalties of perjury, that the required information and certifications have been received from the beneficial owner by it or by a financial institution between it and the beneficial owner and furnishes the withholding agent with a copy thereof. The beneficial owner's certified statement must be made on an applicable IRS Form W-8, or acceptable substitute form, each of which is effective for the remainder of the year of signature plus three full calendar years unless a change in circumstances makes any information on the form incorrect. Notwithstanding the preceding sentence, certain withholding certificates will remain effective until a change in circumstances makes any information on the form incorrect. The beneficial owner must inform the withholding agent (or financial institution) within 30 days of any change in circumstances that makes any information on the form incorrect by furnishing a new IRS Form W-8, or applicable substitute form (and the financial institution must promptly so inform the withholding agent). A Non-U.S. Holder that is not an individual or corporation (or an entity treated as a corporation for U.S. federal income tax purposes) holding Notes on its own behalf may have substantially increased reporting requirements.

A Non-U.S. Holder that is not exempt from United States federal withholding tax under the foregoing rules should consult its tax advisor as to the availability of an exemption from, or reduction of, such tax under an applicable income tax treaty, if any.

If a Non-U.S. Holder is engaged in a trade or business in the United States and if payments (including OID) on the Note are effectively connected with the conduct of that trade or business (and, if an applicable income tax treaty applies, such interest is attributable to a permanent establishment of the Non-U.S. Holder in the United States), the Non-U.S. Holder, although exempt from the withholding of tax discussed in the preceding paragraphs, will generally be subject to regular U.S. federal income tax on premium (if any), interest (including OID) and/or any gain realized on the disposition of the Note in the same manner as if it were a U.S. Holder. The Non-U.S. Holder will be required to provide to the withholding agent an appropriate form (generally IRS Form W-8ECI), executed under penalties of perjury, in order to claim an exemption from withholding tax. In addition, if the Non-U.S. Holder is a foreign corporation (or is so treated for U.S. federal income tax purposes), it may be subject to a branch profits tax equal to 30% (or the lower rate provided by an applicable treaty) of its effectively connected earnings and profits for the taxable year, subject to certain adjustments.

Subject to the discussion of backup withholding below, generally, any gain or income (other than that attributable to accrued interest (including OID), which is taxable in the manner described above) realized by a Non-U.S. Holder on the sale, exchange, retirement or other disposition of a Note is not subject to U.S. federal income tax unless (i) such gain or income is effectively connected with a U.S. trade or business of the Non-U.S. Holder (and, if an applicable income tax treaty applies, such gain or income is attributable to a permanent establishment of the Non-U.S. Holder in the United States); or (ii) in the case of a Non-U.S. Holder who is an individual, the Non-U.S. Holder

is present in the United States for 183 days or more in the taxable year of the disposition and either (1) the individual has a “tax home” (as defined in Section 911(d)(3) of the Code) in the United States or (2) the gain is attributable to an office or other fixed place of business maintained by the individual in the United States unless an applicable income tax treaty provides otherwise.

Withholding of U.S. federal income tax with respect to accrued OID may apply to payments on a redemption (or certain other sales or dispositions) of a Note by a Non-U.S. Holder that does not provide appropriate certification to the withholding agent.

Information Reporting and Backup Withholding

U.S. Holders

In general, information reporting requirements will apply to payments of principal, interest, OID and premium paid on Notes and to the proceeds of the sale of a Note paid to U.S. Holders other than certain exempt recipients (such as corporations). Backup withholding may apply to such payments if the U.S. Holder fails to provide a correct taxpayer identification number and required certifications (generally on IRS Form W-9) or certification of exempt status or if the withholding agent is notified by the IRS that the U.S. Holder failed to report in full dividend and interest income. Exempt recipients that are not subject to backup withholding and do not provide an IRS Form W-9 may nonetheless be treated as a foreign payee subject to withholding under FATCA, and withheld upon at the 30% rate discussed below under “—FATCA.”

Any amounts withheld under backup withholding rules will be allowed as a refund or credit against such U.S. Holder’s U.S. federal income tax liability provided the required information is furnished to the IRS in a timely manner.

Non-U.S. Holders

Information reporting will generally apply to payments of interest (including OID) and the amount of tax, if any, withheld with respect to such payments to Non-U.S. Holders. Copies of the information returns reporting such interest payments (generally, IRS Form 1042-S) and any withholding may also be made available to the tax authorities in the country in which the Non-U.S. Holder resides under the provisions of an applicable income tax treaty. Information on payments to Non-U.S. Holders may also be automatically provided by the government of the U.S. to non-U.S. tax authorities pursuant to various intergovernmental agreements concluded by the U.S. with other jurisdictions in relation to the implementation of FATCA (as defined below). Payments of interest (including OID) will not be subject to backup withholding if the Non-U.S. Holder has provided the required certification that it is not a U.S. person (and provided that the payor does not have actual knowledge or reason to know that the beneficial owner is a U.S. person) or otherwise establishes an exemption.

In addition, except as otherwise set forth in this discussion (and provided that the payor does not have actual knowledge or reason to know that the beneficial owner is a U.S. person), backup withholding and information reporting will not apply to the amount payable (whether in respect of principal, interest, OID, premium or otherwise) in respect of a Note paid or collected by a foreign intermediary or a U.S. branch that is not treated as a U.S. person on behalf of the beneficial owner of such Note, or to the payment outside the United States of the gross proceeds of a sale (including a retirement or redemption) of a Note effected outside the U.S. by a broker (as defined in applicable U.S. Treasury Regulations); *provided, however*, that no office of the same broker within the United States negotiated the sale or received instructions with respect to the sale from the payee. If, however, such party is a U.S. person, a controlled foreign corporation, a foreign person that derives 50% or more of its gross income for certain periods from the conduct of a U.S. trade or business or a foreign partnership, in which one or more U.S. persons, in the aggregate, own more than 50% of the income or capital interests in the partnership or which is engaged in a trade or business in the United States, then such payments will not be subject to backup withholding, but will be subject to information reporting unless such custodian, nominee, agent or broker has documentary evidence in its records that the beneficial owner is not a U.S. person and certain other conditions are met, or the beneficial owner otherwise establishes an exemption.

Payments on a Note to the beneficial owner thereof by a U.S. office of a custodian, nominee or agent, or the payment by the U.S. office of a broker of the proceeds of sale (including a retirement or redemption) of a Note, will

be subject to both backup withholding and information reporting unless the beneficial owner certifies as to its non-U.S. status under penalties of perjury, and the payor does not have actual knowledge or reason to know that the beneficial owner is a U.S. person, or the beneficial owner otherwise establishes an exemption.

For purposes of the preceding two paragraphs, the term “U.S. person” shall have the meaning ascribed to it in Section 7701(a)(30) of the Code. Any amounts withheld under the backup withholding rules will be allowed as a refund or a credit against such Non-U.S. Holder’s U.S. federal income tax liability provided the required information is furnished to the IRS in a timely manner.

FATCA

The Foreign Account Tax Compliance Act and related final Treasury Regulations and other Treasury guidance (collectively referred to as “**FATCA**”) generally impose a withholding tax of 30% on interest income from Notes paid to certain foreign entities unless various information reporting, withholding and other requirements are satisfied. This would generally apply in the case of debt obligations held by or through foreign persons who do not agree to satisfy such information reporting, withholding and other requirements. Current provisions of the Code and Treasury Regulations that govern FATCA treat gross proceeds from the sale or other disposition of debt obligations that can produce U.S.-source interest (such as the Notes) as subject to FATCA withholding after December 31, 2018. However, under proposed Treasury Regulations (the preamble to which specifies that taxpayers are permitted to rely on them pending finalization), such gross proceeds are not subject to FATCA withholding. No Additional Amounts will be payable on account of any withholding obligation that is imposed with respect to payments on the Notes as a result of the failure of any Holder or beneficial owner of a Note, or any intermediary through which it directly or indirectly owns such Note, to comply with the requirements of FATCA. Prospective investors should consult their tax advisors regarding FATCA and the possible implications on their investment in the Notes.

THE UNITED STATES FEDERAL INCOME TAX DISCUSSION SET FORTH ABOVE IS INCLUDED FOR GENERAL INFORMATION ONLY AND MAY NOT BE APPLICABLE DEPENDING UPON A HOLDER’S PARTICULAR SITUATION. HOLDERS SHOULD CONSULT THEIR OWN TAX ADVISORS WITH RESPECT TO THE TAX CONSEQUENCES TO THEM OF THE OWNERSHIP AND DISPOSITION OF THE NOTES, INCLUDING THE TAX CONSEQUENCES UNDER STATE, LOCAL, FOREIGN AND OTHER TAX LAWS AND THE POSSIBLE EFFECTS OF CHANGES IN UNITED STATES OR OTHER TAX LAWS.

PLAN OF DISTRIBUTION

General

The Notes will be offered from time to time by the Issuer to or through one or more Purchasing Agents acting as principal or agent. Pursuant to the Purchase Agreement among the Issuer, the Company and the Purchasing Agents: (i) the Purchasing Agents, individually or in a syndicate, may purchase the Notes, as principals from the Issuer for resale to investors and other purchasers at varying prices relating to prevailing market prices at the time of resale as determined by any such Purchasing Agent or, if so specified in the applicable Pricing Supplement, for resale at a fixed offering price or (ii) in the alternative, the Issuer may agree with one or more Purchasing Agents that such Purchasing Agents will utilize its reasonable efforts on an agency basis on the Issuer's behalf to solicit offers to purchase Notes at 100% of the principal amount thereof, unless otherwise specified in the applicable Pricing Supplement. The Notes may also be offered outside the United States pursuant to Regulation S in a Direct Issuance.

Any Note sold to a Purchasing Agent as principal will be purchased by such Purchasing Agent at a price equal to 100% of the principal amount thereof less a percentage of the principal amount equal to the commission described below in connection with agency sales, or as provided in the applicable Pricing Supplement. A Purchasing Agent may sell Notes it has purchased from the Issuer as principal to certain dealers less a concession equal to all or any portion of the discount received in connection with that purchase. A Purchasing Agent may allow, and dealers may realow, a discount to certain other dealers. After the initial offering of Notes, the offering price, the concession and the realowance may be changed.

The Company and the Issuer, severally and not jointly, have agreed to indemnify the several Purchasing Agents against certain liabilities, as set forth in the Purchase Agreement.

The Issuer reserves the right to withdraw, cancel or modify the offer made hereby without notice and may reject offers in whole or in part. Each Purchasing Agent will have the right, in its discretion reasonably exercised, to reject in whole or in part any offer to purchase Notes received by it on an agency basis.

In connection with any Series of Notes, the Purchasing Agent or Purchasing Agents (if any) named as the Stabilizing Manager(s) (or persons acting on behalf of any Stabilizing Manager) in the applicable Pricing Supplement may over-allot Notes or effect transactions with a view to supporting the market price of the Notes at a level higher than that which might otherwise prevail. However, stabilization action may not necessarily occur. Any stabilization action may begin on or after the date on which adequate public disclosure of the terms of the offer of the relevant Series of Notes is made and, if begun, may cease at any time. Any such stabilizing shall be conducted in compliance with all relevant laws, guidelines and regulations.

The Purchasing Agents also may impose a penalty bid. This occurs when a particular Purchasing Agent repays to the Purchasing Agents a portion of the underwriting discount received by it because one of the Purchasing Agents or its affiliates have repurchased notes sold by or for the account of such Purchasing Agent in stabilizing or short covering transactions.

In addition, the ability of the Purchasing Agents to make a market in the Notes may be impacted by changes in regulatory requirements applicable to the marketing, holding and trading of, and issuing quotations with respect to, the Notes.

Neither the Issuer nor any Purchasing Agent makes any representation or prediction as to the direction or magnitude of any effect that the transactions described above may have on the price of the Notes. In addition, neither the Issuer nor any Purchasing Agent makes any representation that the Purchasing Agents will engage in these transactions or that these transactions, once commenced, will not be discontinued without notice. These transactions may be affected in the over-the-counter market or otherwise.

No Purchasing Agent is under any obligation to make a market in the Notes and, to the extent that such market making is commenced by any Purchasing Agent, it may be discontinued at any time. Given the restrictions on and risks related to transfer, there is no assurance that a secondary market will develop or, if it does develop, that it will provide holders of Notes with liquidity or that it will be sustained. Prospective investors should proceed on the

assumption that they may have to bear the economic risk of an investment in the Notes until the Stated Maturity Date of such Notes.

The Notes may be listed on Euronext Dublin or any other exchange, or the Notes may not be listed on any exchange. No Purchasing Agent is under any obligation to make a market in the Notes and, to the extent that such market making is commenced by any Purchasing Agent, it may be discontinued at any time. Given the restrictions on and risks related to transfer, there is no assurance that a secondary market will develop or, if it does develop, that it will provide Noteholders with liquidity of investment or that it will continue until the maturity of the Notes. Prospective investors should proceed on the assumption that they may have to bear the economic risk of an investment in the Notes until maturity. In the ordinary course of their respective businesses, the Purchasing Agents and their affiliates may have in the past performed and may perform, from time to time in the future, certain investment banking, commercial banking and financial advisory services for the Funding Agreement Provider and/or its affiliates.

With respect to all offers and sales made pursuant to Regulation S, each Purchasing Agent has represented, warranted and agreed that it will (to the best of its knowledge after due inquiry) comply with all applicable laws and regulations in each country or jurisdiction outside the United States in or from which it purchases, offers, sells or delivers the Notes or has in its possession or distributes this Offering Memorandum for such Notes or any other offering material and will obtain any consent, approval or permission required by it for the purchase, offer or sale by it of the Notes under the laws and regulations in force in any jurisdiction to which it is subject or in which it makes such purchases, offers or sales and the Issuer and the Company shall have no responsibility therefor.

The Purchasing Agents and their respective affiliates are full service financial institutions engaged in various activities, which may include sales and trading, commercial and investment banking, advisory, investment management, investment research, principal investment, hedging, market making, brokerage and other financial and non-financial activities and services. Certain of the Purchasing Agents and their respective affiliates have provided, and may in the future provide, a variety of these services to the Issuer, the Company, AHL, Apollo, ALRe, AUSA and any of their respective affiliates and to persons and entities with relationships with the issuer, for which they received or will receive customary fees and expenses.

In the ordinary course of their various business activities, the Purchasing Agents and their respective affiliates, officers, directors and employees may purchase, sell or hold a broad array of investments and actively trade debt and equity securities, derivatives, loans, commodities, currencies, credit default swaps and other financial instruments (including bank loans) for their own account and for the accounts of their customers, and such investment and trading activities may involve or relate to assets, securities and/or instruments of the Issuer (directly, as collateral securing other obligations or otherwise) and/or persons and entities with relationships with the Issuer. Certain of the Purchasing Agents or their respective affiliates may routinely hedge their credit exposure to the Issuer consistent with their customary risk management policies. Typically, these Purchasing Agents and their respective affiliates would hedge such exposure by entering into transaction which consists of either the purchase of credit default swaps or the creation of short positions in the Issuer's securities, including potentially the Notes offered hereby. Any such credit default swaps or short positions could adversely affect future trading prices of the Notes offered hereby. The Purchasing Agents and their respective affiliates may also communicate independent investment recommendations, market color or trading ideas and/or publish or express independent research views in respect of such assets, securities or financial instruments and may at any time hold, or recommend to clients that they should acquire, long and/or short positions in such assets, securities and instruments.

United States

The Notes have not been registered under the Securities Act and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. See "Purchase and Transfer Restrictions."

Each of the Purchasing Agents has represented, warranted and agreed, and each further Purchasing Agent appointed under the Program will be required to represent, warrant and agree, that it will make offers and sales of the Notes only to persons whom it reasonably believes to be (i) qualified institutional buyers as defined in Rule 144A under the Securities Act or (ii) to persons other than "U.S. persons" in "offshore transactions" (each as defined in Regulation S). Each purchaser of Notes, in making its purchase, will be deemed to have made certain acknowledgments, representations and agreements as set forth herein under "Purchase and Transfer Restrictions."

The Issuer is not subject to the reporting requirements of the Exchange Act. The Issuer has agreed that, at any time while the Notes are outstanding, it will furnish the holders of Notes and prospective purchasers designated by such holders, upon request, the information required to be delivered by Rule 144A(d)(4) under the Securities Act. Except as otherwise defined in the preceding paragraphs, terms used therein have the meanings given to them by Rule 144A and Regulation S under the Securities Act.

Direct Issuance

If so indicated in the terms of the relevant Pricing Supplement, the Issuer may issue a Series of Notes in accordance with Regulation S directly to one or more purchasers, rather than to or through a Purchasing Agent. The price and amount of the Notes sold in a Direct Issuance transaction will be determined by the Issuer at the time of issuance in accordance with prevailing market conditions.

Prohibition of Sales to EEA Retail Investors

Each Purchasing Agent has represented and agreed, and each further Purchasing Agent appointed under the Program will be required to represent and agree, that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Notes which are the subject of the offering contemplated by this Offering Memorandum as completed by the applicable Pricing Supplement in relation thereto to any retail investor in the EEA. For the purposes of this provision, the expression “**retail investor**” means a person who is one (or both) of the following:

- (i) a retail client as defined in point (11) of Article 4(1) of MiFID II; or
- (ii) a customer within the meaning of the Insurance Distribution Directive, where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II.

Prohibition of Sales to United Kingdom Retail Investors

Each Purchasing Agent has represented and agreed, and each further Purchasing Agent appointed under the Program will be required to represent and agree, that it has not offered, sold, distributed or otherwise made available and will not offer, sell, distribute or otherwise make available any Notes which are the subject of the offering contemplated by this Offering Memorandum as completed by the applicable Pricing Supplement in relation thereto to any retail investor in the United Kingdom. For the purposes of this provision, the expression “**retail investor**” means a person who is not a professional client, as defined in point (8) of Article 2(1) of UK MiFIR.

Other Regulatory Restrictions in the United Kingdom

Each Purchasing Agent has represented and agreed, and each further Purchasing Agent appointed under the Program will be required to represent and agree, that:

- (i) in relation to any Notes which have a maturity of less than one year, (a) it is a person whose ordinary activities involve it in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of its business and (b) it has not offered or sold and will not offer or sell any Notes other than to persons (1) whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or as agent) for the purposes of their businesses or (2) who it is reasonable to expect will acquire, hold, manage or dispose of investments (as principal or agent) for the purposes of their businesses where the issue of the Notes would otherwise constitute a contravention of Section 19 of the FSMA by the Issuer;
- (ii) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the FSMA) received by it in connection with the issue or sale of any Notes in circumstances in which Section 21(1) of the FSMA does not apply to the Issuer; and
- (iii) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to any Notes in, from or otherwise involving the United Kingdom.

Ireland

Each Purchasing Agent has agreed and each further Purchasing Agent appointed under the Program will be required to agree, that:

- (i) it will not underwrite the issue of, or place the Notes, otherwise than in conformity with the provisions of the European Communities (Markets in Financial Instruments) Regulations 2007 (Nos. 1 to 3) (as amended) including, without limitation, Regulations 7 and 152 thereof or any codes of conduct issued in connection therewith, and the provisions of the Investor Compensation Act 1998;
- (ii) it will not underwrite the issue of, or place, the Notes, otherwise than in conformity with the provisions of the Irish Central Bank Acts 1942 to 2011 (as amended) and any codes of conduct rules made under Section 117(1) of the Central Bank Act 1989;
- (iii) it will not underwrite the issue of, place or otherwise act in Ireland in respect of the Notes, otherwise than in conformity with the provisions of the Market Abuse (Directive 2003/6/EC) Irish Regulations 2005 (as amended) and any rules issued by the Central Bank of Ireland (the “**Central Bank**”) pursuant thereto;
- (iv) it will not underwrite the issue of, or place the Notes, otherwise than in conformity with the provisions of the EU’s Directive 2003/71/EC Regulations 2005 (and any amendments thereto) and any rules issued under Section 51 of the Irish Investment Funds, Companies and Miscellaneous Provisions Act 2005 by the Central Bank; and

no Notes will be offered or sold with a maturity of less than 12 months except in full compliance with Notice BSD C 01/02 issued by the Central Bank.

The Netherlands

Each Purchasing Agent has represented and agreed that it has not, directly or indirectly, offered or sold and will not, directly or indirectly, offer or sell in the Netherlands any Notes other than (i) Notes with a minimum denomination of €50,000 (or its foreign currency equivalent) which Notes are fully paid up at their issuance, (ii) to persons who trade or invest in securities in the conduct of a profession or business (which include banks, stockbrokers, insurance companies, pension funds, other institutional investors and finance companies and treasury departments of large enterprises) or (iii) in circumstances where one of the exceptions to or exemptions from the prohibitions contained in article 3 of the Securities Transactions Supervision Act 1995 (“**Wet toezicht effectenverkeer 1995**”) is applicable and the conditions attached to such exemption are complied with.

The Federal Republic of Germany

Each Purchasing Agent has confirmed that it is aware of the fact that no German selling prospectus (*Verkaufsprospekt*) has been or will be published with respect to the Program and that it will comply with the Securities Selling Prospectus Act (the “**SSPA**”) of the Federal Republic of Germany (*Wertpapier-Verkaufsprospektgesetz*) and each Purchasing Agent undertakes not to engage in a public offering (*öffentliches Anbieten*) in the Federal Republic of Germany with respect to any Notes issued under the Program otherwise than in accordance with the SSPA and any other legislation replacing or supplementing the SSPA and all other applicable laws and regulations.

The Republic of France

Notes may only be issued, offered or sold, directly or indirectly, in the Republic of France in accordance with Articles L.411-1 and L.411-2 of the Code *monétaire et financier*. Where an issue, offer or sale of the Notes is effected as an exception to the public offer rules (*appel public à l’épargne*) in the Republic of France by way of an offer or sale to (i) qualified investors (*investisseurs qualifiés*) and/or (ii) a restricted circle of investors (*cercle restreint d’investisseurs*) all as defined in, and in accordance with Articles L.411-1 and L.411-2 of the Code *monétaire et financier* and Articles D.411-1, D.411-2, D.734-1, D.744-1, D.754-1 and D.764-1 of the Code *monétaire et financier*, such qualified investors or investors of a restricted circle must be informed that:

- a. the issue, offer or sale of the Notes does not require an information document to be submitted to the visa of the *Autorité des Marchés Financiers*;
- b. they can only invest in the Notes for their own account;
- c. the direct or indirect offer or sale, to the public in the Republic of France, of the Notes so purchased can only be made in accordance with the *Code monétaire et financier*, and
- d. if the offer or sale is made to a restricted circle of investors comprising 100 or more of such investors, the latter must provide a certification as to their personal relationship from a professional or family standpoint, with a member of the management of the Issuer.

Each Purchasing Agent has represented and agreed, and each further Purchasing Agent appointed under the Program will be required to represent and agree that it has not offered or sold and will not offer or sell, directly or indirectly, Notes to the public in the Republic of France (*appel public à l'épargne*), and has not distributed or caused to be distributed and will not distribute or cause to be distributed to the public in the Republic of France, this Offering Memorandum or any other offering material relating to the Notes, and that such offers, sales and distributions have been and shall only be made in the Republic of France to (i) qualified investors (*investisseurs qualifiés*) and/or (ii) a restricted circle of investors (*cercle restreint d'investisseurs*) acting for their own account, all as defined in, and in accordance with Articles L.411-1 and L.411-2 of the *Code monétaire et financier*, and Articles D.411-1, D.411-2, D.734-1, D.744-1, D.754-1 and D.764-1 of the *Code monétaire et financier*.

Switzerland

This Offering Memorandum is not intended to constitute an offer or solicitation to purchase or invest in the Notes. The Notes may not be publicly offered, directly or indirectly, in Switzerland within the meaning of the Swiss Financial Services Act (“**FinSA**”) and no application has or will be made to admit the Notes to trading on any trading venue (exchange or multilateral trading facility) in Switzerland. Neither this Offering Memorandum nor any other offering or marketing material relating to the Notes constitutes a prospectus pursuant to the FinSA, and neither this Offering Memorandum nor any other offering or marketing material relating to the Notes may be publicly distributed or otherwise made publicly available in Switzerland.

Japan

The Notes have not been and will not be registered under the Financial Instruments and Exchange Act of Japan (Act No. 25 of 1948, as amended the “**Financial Instruments and Exchange Act**”) on the basis that the solicitation for subscription of the Notes falls within the definition of “solicitation to qualified institutional investors” as defined in Article 2, paragraph 3, item 2 (I) of the FIEA and Article 10 of the Ministerial Ordinance Concerning Definitions. Such solicitation shall be subject to the condition that qualified institutional investors (as defined under the FIEA, “**QIIs**”) who desire to acquire the Notes shall be made aware that they shall not transfer the notes to anyone other than to other QIIs. Any QII who acquires the Notes shall be deemed to have agreed to such transfer restriction. Accordingly, the Notes may not and will not, directly or indirectly, be offered or sold in Japan or to, or for the benefit of, any resident of Japan, or to others for re-offering or resale, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan, except pursuant to an exemption from the registration requirements of, and otherwise in compliance with the Financial Instruments and Exchange Act and other relevant laws and regulations of Japan. As used in this paragraph, a “resident of Japan” means any person resident in Japan, including any corporation or other entity organized under the laws of Japan. Any offeree in Japan shall acknowledge and agree that it does not need any explanation of important matters under the Act on Provision of Financial Services of Japan (law no. 101, 2000, as amended).

Hong Kong

Each Purchasing Agent has represented, warranted and agreed, and each further Purchasing Agent appointed under the Program will be required to represent, warrant and agree, that:

- (i) it has not offered or sold and will not offer or sell in Hong Kong, by means of any document, any Notes (except for Notes which are a “structured product” as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong (the “**SFO**”)) other than: (a) to “professional investors” as defined in the SFO and any rules made under that Ordinance; or (b) in other circumstances which do not result in the document being a “prospectus” as defined in the Companies (Winding Up and

Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong or which do not constitute an offer to the public within the meaning of that Ordinance; and

- (ii) it has not issued or had in its possession for the purposes of issue, and will not issue or have in its possession for the purposes of issue, whether in Hong Kong or elsewhere, any advertisement, invitation or document relating to the Notes, which is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to Notes which are or are intended to be disposed of only to persons outside Hong Kong or only to “professional investors” as defined in the SFO and any rules made under that Ordinance.

Singapore

Each Purchasing Agent has acknowledged, and each further Purchasing Agent appointed under the Program will be required to acknowledge, that this Offering Memorandum has not been and will not be lodged or registered as a prospectus under the SFA by the Monetary Authority of Singapore, and the offer of the Notes in Singapore is made primarily pursuant to the exemptions under Sections 274 and 275 of the SFA. Accordingly, each Purchasing Agent has represented, warranted and agreed, and each further Purchasing Agent appointed under the Program will be required to represent, warrant and agree, that it has not offered or sold any Notes or caused such Notes to be made the subject of an invitation for subscription or purchase and will not offer or sell such Notes or cause such Notes to be made the subject of an invitation for subscription or purchase, and has not circulated or distributed, nor will it circulate or distribute, this Offering Memorandum or any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of such Notes, whether directly or indirectly, to persons in Singapore other than (i) to an institutional investor (as defined in Section 4A of the SFA) (an “**Institutional Investor**”) pursuant to Section 274 of the SFA, (ii) to an accredited investor (as defined in Section 4A of the SFA) (an “**Accredited Investor**”) or other relevant person (as defined in Section 275(2) of the SFA) (a “**Relevant Person**”) and pursuant to Section 275(1) of the SFA, or to any person pursuant to an offer referred to in Section 275(1A) of the SFA, and in accordance with the conditions specified in Section 275 of the SFA and (where applicable) Regulation 3 of the Securities and Futures (Classes of Investors) Regulations 2018 or (iii) otherwise pursuant to, and in accordance with, the conditions of any other applicable exemption or provision of the SFA.

It is a condition of the offer that where the Notes are subscribed for or acquired pursuant to an offer made in reliance on Section 275 of the SFA by a Relevant Person which is:

- (i) a corporation (which is not an Accredited Investor), the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an Accredited Investor, or
- (ii) a trust (where the trustee is not an Accredited Investor), the sole purpose of which is to hold investments and each beneficiary of the trust is an individual who is an Accredited Investor,

securities or securities-based derivatives contracts (each term as defined in Section 2(1) of the SFA) of that corporation and the beneficiaries’ rights and interest (howsoever described) in that trust shall not be transferred within six (6) months after that corporation or that trust has subscribed for or acquired the Notes except:

- (a) to an Institutional Investor, an Accredited Investor, a Relevant Person, or which arises from an offer referred to in Section 275(1A) of the SFA (in the case of that corporation) or Section 276(4)(c)(ii) of the SFA (in the case of that trust);
- (b) where no consideration is or will be given for the transfer;
- (c) where the transfer is by operation of law; or
- (d) as specified in Section 276(7) of the SFA.

Singapore Securities and Futures Act Product Classification—Solely for the purposes of its obligations pursuant to sections 309B(1)(a) and 309B(1)(c) of the SFA, the Issuer has determined, and hereby notifies all relevant persons (as defined in Section 309A of the SFA) that the Notes are “prescribed capital markets products” (as defined in the Securities and Futures (Capital Markets Products) Regulations 2018) and Excluded Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products.)

Canada

The Notes may be sold only to purchasers purchasing, or deemed to be purchasing, as principal that are accredited investors, as defined in National Instrument 45-106 Prospectus Exemptions or subsection 73.3(1) of the Securities Act (Ontario), and are permitted clients, as defined in National Instrument 31-103 Registration Requirements, Exemptions and Ongoing Registrant Obligations. Any resale of the Notes must be made in accordance with an exemption from, or in a transaction not subject to, the prospectus requirements of applicable securities laws.

Securities legislation in certain provinces or territories of Canada may provide a purchaser with remedies for rescission or damages if this Offering Memorandum (including any amendment hereto) contains a misrepresentation, provided that the remedies for rescission or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser’s province or territory. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser’s province or territory for particulars of these rights or consult with a legal advisor.

Pursuant to section 3A.3 of National Instrument 33-105 Underwriting Conflicts (“**NI 33-105**”), the Purchasing Agents are not required to comply with the disclosure requirements of NI 33-105 regarding underwriter conflicts of interest in connection with this offering.

PURCHASE AND TRANSFER RESTRICTIONS

Other than with respect to the listing of certain Notes on the relevant securities exchange as may be specified in the applicable Pricing Supplement, no action has been or will be taken by the Issuer that would permit a public offering of the Notes, or possession or distribution of this Offering Memorandum or any other offering or publicity material relating to the Notes, in any country or jurisdiction where action for that purpose is required. Each Purchasing Agent has covenanted that it will not solicit offers to purchase, or offer or sell, Notes by any form of general solicitation or general advertising (as those terms are used in Regulation D under the Securities Act) or in any manner involving a public offering within the meaning of Section 4(a)(2) of the Securities Act. Persons into whose hands this Offering Memorandum, any applicable Pricing Supplement or any other offering material comes must comply with all applicable laws and regulations, including anti-money laundering rules, applicable to the issuance and sale of securities in each country or jurisdiction in or from which they purchase, offer, sell or deliver Notes or have in their possession or distribute this Offering Memorandum, any applicable Pricing Supplement or any other offering material, in all cases at their own expense.

Selling and transfer restrictions may be supplemented or modified with the agreement of the Issuer. Any such supplement or modification will be set out in the applicable Pricing Supplement (in the case of a supplement or modification relevant only to a particular Series of Notes) or (in any other case) in a supplement to this Offering Memorandum.

The Notes have not been and will not be registered under the Securities Act or any state or foreign securities laws and, unless so registered, may not be offered, sold, pledged or otherwise transferred except pursuant to an exemption from, or in a transaction not subject to the registration requirements of the Securities Act and applicable state or foreign securities laws.

Each purchaser of a beneficial interest in the Notes will be deemed to have represented, warranted and agreed that:

- It understands that the Notes have not been and will not be registered under the Securities Act and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons except in accordance with applicable laws and the following provisions.
- It understands that the Issuer has not been and will not be registered as an investment company under the 1940 Act.
- Either (i) it is not, and is not acquiring the Notes or any beneficial interest therein on behalf of or with “plan assets” of a Plan, a Plan Asset Entity, a Non-ERISA Plan or an entity the assets of which are treated as including the assets of a Non-ERISA Plan or (ii)(A) in the case of a Plan or Plan Asset Entity, its purchase, holding and disposition of the Notes or any beneficial interest therein is exempt from the prohibited transaction provisions of Section 406 of ERISA and Section 4975 of the Code under DOL PTCE 96-23, PTCE 95-60, PTCE 91-38, PTCE 90-1, PTCE 84-14, the Service Provider Exemption or another applicable exemption, or (B) in the case of a Non-ERISA Plan or entity the assets of which are treated as including the assets of a Non-ERISA Plan, its purchase, holding and disposition of the Notes or any beneficial interest therein will not violate any Similar Laws. This representation shall be deemed made on each day from the date on which the purchaser acquires the Notes through and including the date on which the purchaser disposes of the Notes.
- It understands that the Notes may not be transferred to, or acquired or held by, an insurer domiciled in the State of Arkansas, a health maintenance organization, farmers’ mutual aid association or other Arkansas domestic company regulated by the Arkansas Insurance Department.
- It will treat, and it understands it is the intent of the Issuer, for purposes of U.S. federal, state and local income and franchise taxes to treat, each Series of the Issuer as ignored and the Notes as debt of the Company.
- It understands that any offer, sale, pledge or other transfer of Notes is subject to the restrictions set forth in the Indenture, the applicable Series Indenture and the Notes.

- It will inform each person to whom the Notes or any interests therein are offered, resold, pledged or otherwise transferred of the restrictions on the transfer of the Notes.
- It acknowledges that the Issuer, the Company, the Purchasing Agents and their affiliates will rely upon the truth and accuracy of the foregoing acknowledgments, representations and agreements.
- It understands that, unless the Issuer determines otherwise in accordance with applicable law, certificates representing the Notes will bear a legend reflecting these representations and agreements.

Each purchaser of a beneficial interest in a Temporary Global Registered Note will be deemed to have represented, warranted and agreed that it understands that such Notes may be offered, sold, pledged or otherwise transferred only (a)(i) in an offshore transaction in accordance with Rule 903 or Rule 904 of Regulation S or (ii) in compliance with Rule 144A to an institutional investor that the transferor reasonably believes is a qualified institutional buyer within the meaning of Rule 144A acquiring such Notes for its own account or for the account of a qualified institutional buyer, whom the transferor has informed, in each case, that the offer, sale, pledge or transfer is being made in reliance on Rule 144A, (b) in accordance with all applicable laws and (c) in accordance with the restrictions set forth in the Indenture, the applicable Series Indenture and the Notes.

After the expiration of the applicable Distribution Compliance Period, any offer, sale, pledge and other transfer, within the United States or to, or for the benefit of U.S. persons, of any Notes initially sold pursuant to Regulation S, that is otherwise permitted by and is in accordance with, all applicable laws and the restrictions set forth in the Indenture, the applicable Series Indenture and the Notes, may be made only to (a) an institutional investor that the transferor reasonably believes is a qualified institutional buyer within the meaning of Rule 144A acquiring such Notes for its own account or for the account of a qualified institutional buyer, whom the transferor has informed, in each case, that such offer, sale, pledge or transfer is being made in reliance on Rule 144A or (b) an institutional investor that is an “accredited investor” within the meaning of Rule 501(a) under the Securities Act acquiring such Notes in a transaction exempted from the registration requirements of the Securities Act.

Each purchaser of a beneficial interest in Notes sold pursuant to Rule 144A will be deemed to have represented, warranted and agreed that:

- If it should offer, sell, pledge or otherwise transfer the Notes it will only do so (a) in compliance with the Securities Act and other applicable laws, (b) in accordance with the restrictions set forth in the Indenture, the applicable Series Indenture and the Notes and (c) only (i) in compliance with Rule 144A to an institutional investor that the transferor reasonably believes is a qualified institutional buyer within the meaning of Rule 144A acquiring such Notes for its own account or for the account of a qualified institutional buyer, whom the transferor has informed, in each case, that the offer, sale, pledge or transfer is being made in reliance on Rule 144A, (ii) in an offshore transaction in accordance with Rule 903 or 904 of Regulation S under the Securities Act or (iii) pursuant to any other exemption from the registration requirements of the Securities Act, subject to the receipt by the Issuer or the Indenture Trustee of an opinion of counsel or such other evidence which they may reasonably require (obtained at the expense of the holder of such Note) that such offer, sale or transfer is in compliance with the Securities Act and other applicable laws and is in accordance with the restrictions set forth in the Indenture, the applicable Series Indenture and the Notes.
- It is a qualified institutional buyer within the meaning of Rule 144A, it is acquiring such Notes for its own account or for the account of a qualified institutional buyer and it is aware, and each Beneficial Note Owner has been advised that the offer, sale, pledge or other transfer of such Notes to it is being made in reliance on Rule 144A or Section 4(a)(2) of the Securities Act, as applicable.
- If it is acquiring any Notes for the account of one or more qualified institutional buyers, it has sole investment discretion with respect to each such account and it has full power to make the foregoing acknowledgments, representations and agreements on behalf of each such account.

In addition, each purchaser of a beneficial interest in the Notes will be deemed to have represented warranted and agreed that:

- It understands that, in the event of the Company's insolvency, rehabilitation, liquidation, conservation, dissolution or reorganization, under Iowa law as in effect on the date of this Offering Memorandum, claims of the Issuer (other than, perhaps, with respect to Additional Amounts), as the holder of each Funding Agreement issued by the Company would be accorded a priority equal to that of policyholders of the Company (i.e., would rank *pari passu* with the claims of policyholders of the Company) and superior to the claims of general creditors of the Company.
- It understands that in the event of the Company's insolvency, rehabilitation or liquidation, no representation has been made as to whether claims under the Funding Agreements are eligible for coverage by any insurance guarantee fund coverage or any similar protection.
- It understands that the obligations of the Company under the Funding Agreements are not obligations of, and are not guaranteed by, any other person, including, but not limited to, AHL, ALRe or AUSA or any of their respective subsidiaries or affiliates
- It understands that no person is permitted to distribute, market, sell, represent or otherwise refer to the Notes as an insurance product, contract or policy or funding agreement or as a direct interest in any insurance product, contract or policy or funding agreement.
- It understands that because the primary assets of the Issuer will be one or more funding agreements issued by a life insurance company, there is a risk that the transfer of the Notes could subject the parties to such transfer to regulation under the insurance laws of jurisdictions implicated by the transfer. Among other things, it is likely that if the Notes were to be deemed to be contracts of insurance, the ability of a holder to sell the Notes in secondary market transactions or otherwise would be substantially impaired and, to the extent any such sales could be effected, the proceeds realized from any such sales would be materially and adversely affected.

LEGAL MATTERS

Certain matters regarding the Notes and their offering will be passed upon from time to time:

- for the Company by Sidley Austin LLP (as to New York law, Iowa insolvency law, United States Federal securities law and United States Federal tax law);
- for the Purchasing Agents by Fried, Frank, Harris, Shriver & Jacobson LLP (as to New York law and United States Federal securities law);
- for the Issuer and the Administrative Trustee by Richards, Layton & Finger, P.A.; and
- for the Series Beneficial Owner by Krieg DeVault LLP.

GENERAL INFORMATION

Irish Listing

Application will be made to Euronext Dublin to list certain Series of Notes issued pursuant to the Program on the Official List and to trading on the GEM. If the applicable Pricing Supplement indicates that Notes will be listed on a securities exchange or admitted to trading on any other market (other than a regulated market for the purposes of MiFID II or a United Kingdom regulated market for the purposes of UK MiFIR), the Issuer shall use reasonable efforts to obtain and maintain approval for the listing of such Series of Notes on such securities exchange or market until such time as none of the Notes of such Series are outstanding; *provided, however*, if the Issuer cannot reasonably effect or can no longer reasonably maintain such listing, the Issuer shall use its reasonable best efforts to procure and maintain the listing of or quotation for the applicable Series of Notes on such other stock exchange(s) or market(s) or by such other competent authority as the Issuer may decide with the prior approval of the relevant Purchasing Agent(s). If a European or national legislation is adopted and is implemented or takes effect in Ireland in a manner that would require the Issuer to publish or produce its financial statements, or that would otherwise impose requirements on the Issuer or the Funding Agreement Provider that such entity in good faith determines are not reasonable, the Issuer or the Funding Agreement Provider may de-list any Notes admitted to the Official List and trading on the GEM. The Issuer will use its reasonable best efforts to obtain an alternative admission to listing, trading and/or quotation for the Notes by another listing authority, exchange and/or system, within or outside the EEA, as it may decide. If such an alternative admission is not available the Issuer, or, in the opinion of the Issuer, cannot reasonably be effected or maintained, an alternative admission may not be obtained. Prior notice of any delisting and/or alternative admission will be given by the Issuer to the relevant Purchasing Agents. Notice of any de-listing and/or alternative admission will be given as described in the “Description of the Notes.”

Authorizations

The Issuer’s initial and ongoing participation in the Program, including updating Program documents, establishing additional Series and issuing additional Notes with respect to each such additional Series, is authorized under the Declaration of Trust dated as of June 15, 2015. The Company’s acts in connection with the establishment of the Program, and its ongoing acts thereunder, were authorized by its Board of Directors on June 4, 2015, September 30, 2020, December 12, 2017 and December 17, 2021.

Clearance

The Notes have been accepted for trading in book-entry form by DTC and may be accepted for clearance through Euroclear and Clearstream, Luxembourg. With respect to each Series of Notes, any applicable CUSIP number, together with any applicable ISIN and/or common code will be specified in the applicable Pricing Supplement. The applicable Pricing Supplement shall specify any other Clearing Corporation as shall have accepted the relevant Notes for clearance together with any further appropriate information.

Litigation

Except as disclosed under “Description of the Business of the Company—Legal Proceedings,” or in any supplement hereto, the Issuer is not and has not been involved in any governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Issuer is aware) in the 12 months preceding the date of this Offering Memorandum which may have or have in such period had a material effect on the financial position or profitability of the Issuer.

Except as disclosed under “Description of the Business of the Company—Legal Proceedings,” or in any supplement hereto, the Company is not and has not been involved in any governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Company is aware) in the 12 months preceding the date of this Offering Memorandum which may have or have in such period had a material effect on the financial position or profitability of the Company.

Notices

All notices regarding Registered Notes of a Series will be mailed to the registered holders thereof as their names appear in the applicable Note Register maintained by the Registrar.

All notices shall be deemed to have been given upon the mailing by first class mail, postage prepaid, of such notices to each Registered Holder entitled thereto at such Registered Holder's registered address as recorded in the applicable Note Register and, so long as the Notes of a Series are listed on Euronext Dublin and it is required by the rules of Euronext Dublin, publication of such notice to each holder of the Notes of such Series in a leading English language daily newspaper with general circulation in Ireland (which is expected to be the *Irish Times*), or, if such publication is not practicable, in one other leading English language daily newspaper with general circulation in Europe, such newspaper being published on each business day in morning editions, whether or not it shall be published in Saturday, Sunday or holiday editions.

As long as any Notes of a Series represented by a global Note are deposited in DTC, Euroclear, Clearstream, Luxembourg or such other Clearing Corporation, notices to all holders of the Notes of such Series may, if so permitted by the rules of Euronext Dublin (or such other exchange on which the Notes of such Series may then be listed), be given by delivery of the relevant notice to DTC, Euroclear or Clearstream, Luxembourg or other relevant Clearing Corporation for communication by it to its accountholders or by delivery of the relevant notice to the holder or holders of any global certificate. For so long as any Notes are listed on a stock exchange or are admitted to trading by another relevant authority and the rules of that stock exchange or relevant authority so require, such notice will be published on the website of the relevant stock exchange or relevant authority.

Foreign Language

The language of this Offering Memorandum is English. Certain legislative references and technical terms have been cited in their original language in order that the correct technical meaning may be ascribed to them under applicable law.

Independent Auditor

The statutory basis financial statements of the Company as of December 31, 2025 and 2024, and for each of the three years in the period ended December 31, 2025, included in this offering memorandum, have been audited by Deloitte & Touche LLP, an independent auditor, as stated in their report appearing herein.

During the fiscal years ended December 31, 2021 and 2020, there have been no "reportable events" (as that term is defined in Item 304(a)(1)(v) of Regulation S-K).

During the fiscal years ended December 31, 2021 and 2020, the Company did not, nor did anyone on the Company's behalf, consult with Deloitte regarding (a) the application of accounting principles to a specified transaction, either completed or proposed, or the type of audit opinion that might be rendered on the Company's financial statements, and no written report or oral advice was provided to the Company that Deloitte concluded was an important factor considered by the Company in reaching a decision as to any accounting, auditing or financial reporting issue or (b) any matter that was either the subject of a disagreement (as defined in Item 304(a)(1)(iv) of Regulation S-K and the related instructions) or a reportable event (as described in Item 304(a)(1)(v) of Regulation S-K).

No Material Adverse Change

There have been no material adverse changes in the prospects of the Company since December 31, 2025, and no material adverse change in the prospects of the Issuer since its creation and formation. There has been no significant change in the financial or trading position of the Company since March 31, 2026.

Transferability

Subject to the selling and transfer restrictions described under "Purchase and Transfer Restrictions" and "Plan of Distribution" and subject to the terms and conditions of the Notes, the Indenture, the applicable Series Indenture

and the applicable Pricing Supplement, as described in the “Description of the Notes,” the Notes will be freely transferable and no transaction through Euronext Dublin can be cancelled.

Listing Agent

Walkers Listing Services Limited is acting solely in its capacity as listing agent for the Issuer in connection with the Notes and is not itself seeking admission of the Notes to the Official List or to trading on the GEM.

Documents Available

Unless otherwise specified in the applicable Pricing Supplement, the Issuer does not intend to provide any post-issuance information in relation to any issuance of Notes.

FORM OF PRICING SUPPLEMENT

[**MiFID II product governance / target market** – *[appropriate target market legend to be included.]*]

[**UK MiFIR product governance / target market** – *[appropriate target market legend to be included.]*]

PROHIBITION OF SALES TO EUROPEAN ECONOMIC AREA RETAIL INVESTORS – The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area (the “**EEA**”). For these purposes, a “**retail investor**” means a person who is one (or both) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU, as amended (“**MiFID II**”); or (ii) a customer within the meaning of Directive (EU) 2016/97, as amended, where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II. Consequently, no key information document required by Regulation (EU) No 1286/2014, as amended (the “**PRIIPs Regulation**”) for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

PROHIBITION OF SALES TO UNITED KINGDOM RETAIL INVESTORS – The Notes are not intended to be offered, sold, distributed or otherwise made available to and should not be offered, sold, distributed or otherwise made available to any retail investor in the United Kingdom. For these purposes, a “**retail investor**” means a person who is not a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law in the United Kingdom. Consequently, no disclosure document required by the FCA Product Disclosure Sourcebook (“**DISC**”) for offering, selling or distributing the Notes or otherwise making them available to retail investors in the United Kingdom has been prepared and therefore offering, selling or distributing the Notes or otherwise making them available to any retail investor in the United Kingdom may be unlawful under DISC and the Consumer Composite Investments (Designated Activities) Regulations 2024.

FOR SINGAPORE RESIDENTS ONLY – The Notes may not be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore other than (i) to an institutional investor as defined in Section 4A of the Securities and Futures Act 2001 of Singapore, as modified or amended from time to time (the “**SFA**”) pursuant to Section 274 of the SFA (ii) or other relevant person (as defined in Section 275(2) of the SFA) and pursuant to Section 275(1) of the SFA, or to any person pursuant to an offer referred to in Section 275(1A) of the SFA, and in accordance with the conditions specified in Section 275 of the SFA and (where applicable) Regulation 3 of the Securities and Futures (Classes of Investors) Regulations 2018 or (iii) otherwise pursuant to, and in accordance with, the conditions of any other applicable exemption or provision of the SFA.

**Pricing Supplement No. [●] dated [●]
Series No.: [●]
Tranche No.: [●]**

\$45,000,000,000

Athene Global Funding

(Issuer Legal Entity Identifier (LEI): 549300LM1QSI4MSIL320)

Global Debt Issuance Program

[●] Notes due [●]

This Pricing Supplement should be read in conjunction with the accompanying Offering Memorandum dated [____], 2026 (as amended and supplemented, the “Offering Memorandum”) relating to the \$45,000,000,000 global debt issuance program of Athene Global Funding (the “Issuer”). The Offering Memorandum presents financial and other information about the Company. Terms used herein and not otherwise defined will have the meanings ascribed in the Offering Memorandum. If the description of Notes of a Series or the terms thereof described in this Pricing Supplement are inconsistent with those described in the applicable Note Certificate, the terms in this Pricing Supplement are controlling. If this Pricing Supplement specifies different terms for the Notes of a Series or a different meaning for any term described in the Note Certificate, the meaning or term contained in this Pricing Supplement will control.

PART A – CONTRACTUAL TERMS

Terms used herein shall be deemed to be defined as set forth in the accompanying Offering Memorandum. Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of this Pricing Supplement and the Offering Memorandum. The Offering Memorandum is available for viewing in physical format during normal business hours at the registered office of the Issuer located at Athene Global Funding, c/o Wilmington Trust, National Association, Rodney Square North, 1100 North Market Street, Wilmington, Delaware 19890. In addition, copies of the Offering Memorandum and this Pricing Supplement will be available in physical format free of charge from the Paying Agents with respect to Notes not listed on any securities exchange.

[To be included in qualified reopenings: This Pricing Supplement provides information concerning a reopening of the Issuer’s [●]% [Fixed Rate/Floating Rate/Discount] Notes due 20[●] described in the Pricing Supplement dated [●]. The Notes described in this Pricing Supplement are in addition to the \$[●] principal amount of notes issued on [●] and will be consolidated with, have the same CUSIP and ISIN number as, and will rank equally and form part of a single issue with those notes. Upon completion of this offering, the aggregate principal amount of outstanding notes under this issue will be \$[●]. The Issuer intends, for United States federal income tax purposes, to treat the Notes described in this Pricing Supplement as issued pursuant to a “qualified reopening” of the existing notes issued on [●], which had an issue price of [●]%. Accordingly, the Issuer intends to treat the Notes described in this Pricing Supplement as having the same issue price and issue date as the existing notes. In addition, a portion of the first payment of interest on the Notes described in this Pricing Supplement may be treated as “pre-issuance accrued interest” as described in the Offering Memorandum. The Company has issued or will simultaneously issue one or more Funding Agreements or supplemental Funding Agreements to the Issuer, which will constitute an asset of Series [●] of the Issuer and will become a part of the Series Collateral.]

[Include whichever of the following apply or specify as “Not Applicable” (N/A). Note that the numbering should remain as set out below, even if “Not Applicable” is indicated for individual paragraphs (in which case the sub-paragraphs of the paragraphs which are not applicable can be deleted). Italics denote guidance for completing the Pricing Supplement.]

- | | | |
|----|------------------------|---|
| 1. | Issuer: | Athene Global Funding, with respect to Series [●] |
| 2. | [(i)] Series Number: | [●] |
| | [(ii)] Tranche Number: | [●] |

	[(iii) Date on which Notes become fungible:	[Not Applicable/The Notes shall be consolidated to form a single series and be interchangeable for trading purposes with the <i>[insert description of the Series]</i> on <i>[insert date/the Issue Date/exchange of the Temporary Global Note for interests in the Permanent Global Note, as referred to in paragraph 23 below [which is expected to occur on or about [insert date]]]</i> .]
3.	Specified Currency or Currencies:	[●]
4.	Principal Amount of Notes admitted to trading:	
	(i) Series:	[●]
	(ii) Tranche:	[●]
5.	Issue Price:	[●] % of the Principal Amount of the Notes [plus accrued interest from <i>[insert date]</i> (<i>if applicable</i>)]
6.	Purchase Price:	[●]
7.	Specified Denominations:	[●] and integral multiples of [●] in excess thereof
8.	(i) Issue Date:	[●]
	(ii) Interest Commencement Date: (<i>if different from the Issue Date</i>)	[[●]/Not Applicable]
9.	Stated Maturity Date:	<i>[Date or (for Floating Rate Notes) Interest Payment Date falling in or nearest to the relevant month and year)]</i>
10.	Interest Basis:	[●% Fixed Rate] [[<i>reference rate</i>] +/- ●% Floating Rate] (further particulars specified below in paragraph [16]/[17])
11.	Redemption/Payment Basis:	[Not Applicable] [Subject to any purchase and cancellation or early redemption, the Notes will be redeemed on the Maturity Date at 100% of their nominal amount.]
12.	Change of Interest or Redemption/Payment Basis:	[Not Applicable] <i>[Date when any fixed to floating rate change occurs; or refer to paragraphs 16 and 17 below and identify there.]</i>
13.	Transfer Agents and Paying Agents:	[●]
14.	Amortization Schedule:	[●]
15.	Additional Amounts:	[Not Applicable] [The Issuer will, subject to exceptions and limitations set forth in the Offering Memorandum, pay to the registered holders of the Notes,

Additional Amounts to compensate for any withholding or deduction for or on account of any present or future taxes, duties, levies, assessments or other governmental charges of whatever nature imposed or levied in respect of the Notes by or on behalf of any governmental authority in the United States having the power to tax, so that the net amount of payments which is received by such registered holders, after giving effect to such withholding or deduction under the Notes, will equal the amount that would have been received under the Notes had no such withholding or deduction been required. See “Description of the Notes—Withholding Tax and Payment of Additional Amounts” in the Offering Memorandum.]

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

- | | | |
|------------|--------------------------------------|--|
| 16. | Fixed Rate Note Provisions | <p>[Applicable/Not Applicable]
 <i>(If not applicable, delete the remaining subparagraphs of this paragraph)</i></p> |
| (i) | Interest Rates: | [●] % per annum [payable in arrears on each Interest Payment Date] |
| (ii) | Interest Payment Date(s): | [●] of each [year/(specify months)/month] through and including the Stated Maturity Date[, adjusted in accordance with the Business Day Convention and any applicable Principal Financial Center(s) for the definition of “Business Day”]/[, not adjusted] [commencing on [●]] |
| (iii) | Day Count Fraction: | [Actual/365 / Actual/365 (Fixed) / Actual/360 / 30/360 30E/360 / Actual/Actual (Bond) / Actual/Actual (ICMA)] |
| (iv) | Determination Date(s): | [[●]/Not Applicable]

<i>(Only applicable if Actual/Actual (ICMA) is specified as the Day Count Fraction)</i> |
| 17. | Floating Rate Note Provisions | <p>[Applicable/Not Applicable]
 <i>(If not applicable, delete the remaining subparagraphs of this paragraph)</i></p> |
| (i) | Designation: | [Regular Floating Rate Notes / Floating Rate/Fixed Rate Notes] |
| (ii) | Floating Rate/Fixed Rate: | |
| | –Fixed Rate: | [●] |
| | –Fixed Rate Commencement Date: | [●] |
| (iii) | Interest Period(s): | [●] |

- (iv) Interest Payment Dates: [●] of each [year/specify months/month], commencing on [●] and ending on the Stated Maturity Date[, in each case adjusted in accordance with the Business Day Convention specified in Item [17][(vii)] and any applicable Principal Financial Center(s) for the definition of “Business Day”]/not adjusted]
- (v) Interest Reset Dates: [●]
- (vi) Initial Interest Reset Date: [●]
- (vii) Business Day Convention: [Floating Rate Convention/Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention/FRN Convention]
- (vii) Principal Financial Center(s): [●]
- (ix) Interest Rate Basis/Bases: [●]
- (x) Initial Interest Rate (if any): [●] % per annum
- (xi) Index Maturity: [●]
- (xiii) CMT Maturity Index and Reuters Page (if applicable): [●]
- (xiv) Interest Determination Dates: [●]
- (xv) Calculation Agent and Address: [Citibank, N.A., 388 Greenwich Street, New York, New York 10013]
- (xvi) Spread (if any): [●]
- (xvii) Spread Multiplier (if any): [●]
- (xviii) Minimum Rate of Interest (if any): [●] % per annum
- (xix) Maximum Rate of Interest (if any): [●] % per annum
- (xx) Day Count Fraction: [●]

PROVISIONS RELATING TO REDEMPTION

- 18. **Optional Redemption by the Issuer:** [Applicable/Not Applicable]
(If not applicable, delete the remaining subparagraphs of this paragraph)
- (i) Optional Redemption Date(s): [●]
- (ii) Optional Redemption Amount(s) of each Note and method, if any, of calculation of such amount(s): [●] per Note of [●] specified denomination
- (iii) If redeemable in part:

- (a) Minimum Redemption Amount: [•]
- (b) Maximum Redemption Amount: [•]
- (iv) Notice Period: [•]

[To be included only if the Company has an Optional Redemption right with respect to the applicable Funding Agreement.]

19. Optional Redemption of Funding Agreement:

[the Company may redeem the applicable Funding Agreement prior to the Stated Maturity Date, in whole or from time to time in part, in increments consistent with the authorized denominations of the Series of Notes (provided that any remaining principal amount thereof shall be at least \$2,000 or other minimum authorized denomination applicable to the Series of Notes), at the applicable Redemption Price (as defined in the applicable Funding Agreement), together with unpaid interest, if any, accrued thereon to, but excluding, the date of redemption. The Company must give written notice to the Issuer not more than 75 nor less than 30 calendar days prior to the date of redemption. If the Company redeems the applicable Funding Agreement, in whole or in part, pursuant to this Optional Redemption right, the relevant Series of the Trust will redeem Notes of the Series of Notes, pro rata across all holders of Notes, in an aggregate principal amount equal to the principal amount of the applicable Funding Agreement so redeemed.]

20. Discount Note Provisions:

[Applicable/Not Applicable]
(If not applicable, delete the remaining subparagraphs of this paragraph)

- (i) Initial Redemption Percentage: [•]
- (ii) Annual Redemption Percentage Reduction: [•]

21. Repayment at Option of Noteholder:

[Applicable/Not Applicable]
(If not applicable, delete the remaining subparagraphs of this paragraph)

- (i) Repayment Date(s): [•]
- (ii) Optional Repayment Amount(s) of each Note and method, if any, of calculation of such amount(s): [•]
- (iii) Notice Period: [•]

GENERAL PROVISIONS APPLICABLE TO THE NOTES

22. Form of Notes: [Registered Notes:
- The Notes will initially be represented by one or more DTC Global Notes deposited with a custodian for, and registered in the name of a nominee of, DTC.
- Notes sold outside of the United States in accordance with Regulation S will initially be represented by one or more Temporary Global Registered Notes. Beneficial interests in a Temporary Global Registered Note will be exchanged for one or more Permanent Global Registered Notes following the expiration of a period that commences upon the completion of the distribution of the Notes of the applicable Tranche, as determined and certified by the applicable Purchasing Agent, and continues for 40 consecutive days.
- Notes sold pursuant to an offering made outside the United States only will initially be represented by one or more Temporary Global Registered Notes, as described above, and upon exchange therefor will be represented by one or more Permanent Global Registered Notes deposited with [●] as appropriate as common depository (in such capacity, the “**Depository**”) for and (i) in the case of U.S. Dollar denominated Notes, registered in the name of a nominee of, DTC and (ii) in the case of non-U.S. Dollar denominated Notes, registered in the name of a nominee of, Euroclear and/or Clearstream, Luxembourg, as applicable.]
23. Principal Financial Center(s): [●]

DISTRIBUTION

24. (i) Names of Purchasing Agent(s) and Principal Amount of Notes: [Not Applicable/*give names and amounts*]
- (ii) Stabilizing Manager(s) (if any): [Not Applicable/*give name(s)*]
25. Additional purchase and transfer restrictions: [Not Applicable/[Reg. S Compliance Category [1/2/3];]

INFORMATION RELATING TO THE FUNDING AGREEMENT

26. Funding Agreement Provider: Athene Annuity and Life Company
27. Funding Agreement: [●]
28. Contract Payment: [●]
29. Maturity Date: [●]

30. Expiration Date: [●]

PART B – OTHER INFORMATION

1. LISTING

- (i) Listing: [Euronext Dublin/[●]/Not Applicable]
- (ii) Listing Agent: [Walkers Listing Services Limited/Not Applicable]
- (iii) Admission to trading: [Application has been made to Euronext Dublin for the Notes to be admitted to the Official List and trading on the Global Exchange Market of Euronext Dublin with effect from [●].]/[●]/[Not Applicable.]

2. RATINGS

Ratings: The Notes to be issued [have been rated]/[are expected to be rated]:
S&P: “[●]”
Fitch: “[●]”
Moody’s: “[●]”

The Program has been rated:
Fitch: “[●]”

The financial strength rating of the Company is:
A.M. Best: “[A+]”
S&P: “[A+]”
Fitch: “[A+]”
Moody’s “[A1]”

The rating agencies have advised the Issuer as follows:

[The rating of the Notes by S&P Global Ratings, acting through Standard & Poor’s Financial Services LLC (“**S&P**”) is based primarily upon the financial strength of the Company. The current financial strength rating of the Company by S&P is [A+]. The rating of the Notes will be monitored and is subject to reconsideration at S&P sole discretion. S&P will change its rating of the Notes in accordance with any change in the financial strength of the Company or with any change in the priority status under the state jurisdiction governing group annuity contracts or funding agreements issued by the Company.]

[The rating of the Notes by Fitch Ratings, Inc. (“**Fitch**”) is based primarily upon the insurance financial strength rating of the Company. The current insurance financial strength rating of the Company by Fitch is [A+]. The rating of the Notes will be monitored and is subject to reconsideration at Fitch’s sole discretion. Fitch will change its rating

of the Notes in accordance with any change in the financial strength rating of the Company or with any change in the priority status under the state jurisdiction governing group annuity contracts or funding agreements issued by the Company.]

[The rating of the Notes by Moody's Investors Service, Inc. ("Moody's") is based primarily upon the insurance financial strength rating of the Company. The current insurance financial strength rating of the Company by Moody's is [A1]. The rating of the Notes will be monitored and is subject to reconsideration at Moody's sole discretion. Moody's will change its rating of the Notes in accordance with any change in the financial strength rating of the Company or with any change in the priority status under the state jurisdiction governing group annuity contracts or funding agreements issued by the Company.]

3. OPERATIONAL INFORMATION

CUSIP Number(s): [●]

ISIN Code(s): [●]

Common Code(s): [●]

FISN: [See the website of the Association of National Numbering Agencies (ANNA) or alternatively sourced from the responsible National Numbering Agency that assigned the ISIN]/[Not Applicable]/[Not Available]

CFI Code: [See the website of the Association of National Numbering Agencies (ANNA) or alternatively sourced from the responsible National Numbering Agency that assigned the ISIN]/[Not Applicable]/[Not Available]

(If the CFI and/or FISN is not required or requested, it/they should be specified to be "Not Applicable".)

Relevant Clearing System(s): [●]

Delivery: Delivery [against/free of] payment

USE OF PROCEEDS

[The proceeds from the current sale of the Notes, net of certain expenses, underwriting discounts and commissions or similar applicable compensation will be used by the Issuer to purchase Funding Agreement No. [●] from the Company.]

[LISTING AND ADMISSION TO TRADING APPLICATION

This Pricing Supplement comprises the details required to list the Series of the Notes described herein on Euronext Dublin pursuant to the \$[●] global debt issuance program of Athene Global Funding.]

[FEES

The estimated total expenses related to the admission to trading is €[●].]

[PRELIMINARY BALANCE SHEET]

[To be included if applicable]

RESPONSIBILITY

The Issuer accepts responsibility for the information contained in this Pricing Supplement. The Issuer confirms that, having taken all reasonable care to ensure that such is the case, the information given in this Pricing Supplement is, to the best of its knowledge, in accordance with the facts and does not omit anything likely to affect its import.

[Signature page follows]

Signed on behalf of

Athene Global Funding,
with respect to Series [●]:

By: Wilmington Trust, National Association,
not in its individual capacity
but solely as Administrative Trustee

By:_____

[Consented to, but only with respect to the “Additional Provisions for Floating Rate Notes,” by:
[●], as Calculation Agent

By:_____]

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ANNEX 1

FIRST QUARTER 2026 UNAUDITED FINANCIAL STATEMENTS

STATUTORY-BASIS

Athene Annuity and Life Company
Balance Sheets - Statutory-Basis (Unaudited)
March 31, 2026 and December 31, 2025
(Dollars in thousands)

	March 31, 2026 (Unaudited)	December 31, 2025
Admitted assets		
Cash and invested assets:		
Bonds	\$ 162,539,837	\$ 158,852,395
Preferred stocks	1,356,525	1,450,140
Common stocks:		
Affiliated entities	511,318	508,666
Unaffiliated	1,309,465	1,085,683
Mortgage loans	87,485,047	86,638,528
Real estate held for the production of income	233,203	219,236
Policy loans	128,940	130,700
Cash, cash equivalents and short-term investments	12,478,062	9,357,352
Receivable for securities	427,731	415,289
Derivative assets	5,227,346	5,395,753
Derivative collateral assets	704,956	655,644
Other invested assets	17,934,921	17,387,119
Total cash and invested assets	290,337,351	282,096,505
Accrued investment income	2,681,414	2,479,627
Premiums due and deferred, net of loading	4,181	4,015
Reinsurance receivable	672,430	225,086
Funds withheld receivable on reinsurance	2,981,527	2,765,938
Reinsurance recoverable	1,841	1,236
Corporate owned life insurance	2,113,608	2,062,897
Amounts due from parent, subsidiaries, and affiliates	17,851	4,553
Federal income tax recoverable	224,931	252,301
Net deferred income tax asset	415,105	417,544
Other admitted assets	33,425	42,133
Separate account assets	50,686,086	50,398,020
Total admitted assets	\$ 350,169,750	\$ 340,749,855

The accompanying notes are an integral part of these statutory financial statements.

Athene Annuity and Life Company
Balance Sheets - Statutory-Basis (Unaudited)
March 31, 2026 and December 31, 2025
(Dollars in thousands, except per share amounts)

	March 31, 2026	December 31, 2025
	(Unaudited)	
Liabilities and capital and surplus		
Liabilities:		
Policy and contract liabilities:		
Life and annuity	\$ 114,174,687	\$ 110,615,749
Accident and health	1,579	1,637
Deposit-type contracts	65,313,494	64,259,784
Policy and contract claims	486,759	465,828
Total policy and contract liabilities	179,976,519	175,342,998
Accrued insurance expenses	65,974	71,727
Interest maintenance reserve	215,322	219,836
Asset valuation reserve	5,221,187	5,362,458
Amounts due to parent, subsidiaries, and affiliates	177,558	142,863
Payable for securities	231,844	243,786
Derivative liabilities	1,489,585	1,694,680
Derivative and other collateral liability	5,096,708	5,837,970
Remittances and items not allocated	249,298	256,371
Liability for unclaimed property	121,414	116,647
Funds held under reinsurance treaties	69,008,197	66,695,002
Reinsurance payable	977,797	862,449
Other reinsurance liability	549,029	500,007
Repurchase agreement liability	3,154,181	5,045,980
Due to separate account	26,956,125	22,158,151
Other liabilities	2,508,874	2,808,129
Separate account liabilities	49,546,545	49,269,017
Total liabilities	345,546,157	336,628,071
Capital and surplus:		
Common stock, \$1 per share par value - 10,000,000 shares authorized. issued and outstanding	10,000	10,000
Paid-in surplus	5,763,406	5,758,301
Unassigned surplus (deficit)	(1,149,813)	(1,646,517)
Total capital and surplus	4,623,593	4,121,784
Total liabilities and capital and surplus	\$ 350,169,750	\$ 340,749,855

The accompanying notes are an integral part of these statutory financial statements.

Athene Annuity and Life Company
Statements of Operations - Statutory-Basis (Unaudited)
Three Months Ended March 31, 2026 and 2025
(Dollars in thousands)

	Three Months Ended March 31,	
	2026	2025
	(Unaudited)	(Unaudited)
Premiums and other revenues		
Premiums and annuity considerations for life and accident and health policies and contracts	\$ 1,871,727	\$ 2,704,931
Considerations for supplementary contracts with life contingencies	4,772	2,888
Net investment income	3,726,359	2,949,237
Amortization of interest maintenance reserve	6,721	4,864
Commissions and expense allowances on reinsurance ceded	498,694	598,781
Corporate owned life insurance income	50,711	26,166
Net gain (loss) from operations from separate accounts	(268,134)	(296,192)
Modified coinsurance adjustment ceded	1,321,647	4,009,928
Funds withheld adjustment assumed	30,760	33,759
Other income	16,904	6,256
Total premiums and other revenues	<u>7,260,161</u>	<u>10,040,618</u>
Benefits and expenses		
Benefits paid or provided for:		
Surrender benefits	855,343	565,019
Annuity and other benefits	325,742	325,095
Increase (decrease) in policy reserves	3,558,880	7,007,603
Interest and reserve changes on policy or contract funds	709,097	570,917
Total benefits	<u>5,449,062</u>	<u>8,468,634</u>
Funds withheld adjustment ceded	1,082,552	994,428
Interest maintenance reserve ceded	(24,007)	21,788
Commissions	311,467	405,677
Commissions and expense allowances on reinsurance assumed	85,329	108,532
Interest maintenance reserve assumed	(1,952)	(877)
General insurance expenses	154,967	167,787
Insurance taxes, licenses and fees	11,378	8,841
Transfer to separate account, net	(419,858)	(464,915)
Other expense (income)	35,720	(3,299)
Total benefits and expenses	<u>6,684,658</u>	<u>9,706,596</u>
Net gain (loss) from operations before dividends to policyowners, federal income taxes and net realized capital gains (losses)	575,503	334,022
Dividends to policyowners	7	6
Net gain (loss) from operations before federal income taxes and net realized capital gains (losses)	575,496	334,016
Federal income tax expense (benefit)	<u>130,301</u>	<u>40,950</u>
Net gain (loss) from operations before net realized capital gains (losses)	445,195	293,066
Net realized capital gains (losses), net of tax and transfers to interest maintenance reserve	(23,159)	80,673
Net income (loss)	<u>\$ 422,036</u>	<u>\$ 373,739</u>

The accompanying notes are an integral part of these statutory financial statements.

Athene Annuity and Life Company

Statement of Changes in Capital & Surplus - Statutory-Basis (Unaudited)

March 31, 2026 and December 31, 2025

(Dollars in thousands)

	Common Stock	Paid-in Surplus	Unassigned Surplus (Deficit)	Total Capital and Surplus
Balances as of December 31, 2025 (Unaudited)	\$ 10,000	\$ 5,758,301	\$ (1,646,517)	\$ 4,121,784
Net income	—	—	422,036	422,036
Capital contribution	—	5,105	—	5,105
Change in net deferred income tax	—	—	82,131	82,131
Change in net unrealized capital gains and losses, net of tax	—	—	(186,356)	(186,356)
Change in nonadmitted assets	—	—	(71,435)	(71,435)
Change in asset valuation reserve	—	—	141,271	141,271
Other changes in surplus in separate accounts statement	—	—	278,672	278,672
Captive tax sharing agreement	—	—	(91)	(91)
Reinsurance adjustment	—	—	(169,524)	(169,524)
Balances as of March 31, 2026 (Unaudited)	<u>\$ 10,000</u>	<u>\$ 5,763,406</u>	<u>\$ (1,149,813)</u>	<u>\$ 4,623,593</u>

The accompanying notes are an integral part of these statutory financial statements.

Athene Annuity and Life Company

Notes to Financial Statements - Statutory-Basis (Unaudited)

March 31, 2026 and December 31, 2025

(Dollars in thousands)

1. Business

Athene Annuity and Life Company (the Company) is a stock life insurance company domiciled in the State of Iowa and was founded in 1896. The Company is licensed in the District of Columbia, Puerto Rico and all states except New York. The Company is a leading retirement services company offering savings products through independent agents and financial institutions that are focused on simple, tax efficient solutions such as fixed indexed and fixed rate annuities. The Company also issues group annuity contracts within a separate account structure to employers related to pension group annuity transactions and funding agreements to financial institutions.

All outstanding shares of the Company are owned by Athene Annuity Re Ltd. (AARE), which is an indirect wholly owned subsidiary of Athene Holding Ltd. (AHL). AHL is a direct subsidiary of Apollo Global Management Inc. (AGM).

2. Nature of Operations and Significant Accounting Policies

The accompanying financial statements have been prepared on the basis of accounting practices prescribed or permitted by the Iowa Department. The State of Iowa has adopted the National Association of Insurance Commissioners' *Accounting Practices and Procedures Manual*. These practices differ from accounting principles generally accepted in the United States of America and are presumed to be material.

Accounting Changes

Effective January 1, 2026, the Company adopted the NAIC's prescribed Generator of Economic Scenarios (GOES), which provides a standardized set of economic scenarios used in principle-based reserving calculations. The adoption of GOES increased policy reserve liabilities by \$55,305 and after consideration of modified coinsurance, decreased surplus by \$11,061 as of January 1, 2026. This adoption represents a change in valuation basis and in accordance with SSAP No. 51, *Life Contracts*, the impact was recorded directly to surplus.

The NAIC has issued VM-22, *Requirements for Principle-Based Reserves for Non-Variable Annuities*, which establishes a principle-based framework for determining statutory reserves for covered annuity products. VM-22 provides for a phased implementation over a three-year transition period, with optional adoption beginning January 1, 2026 and mandatory adoption effective January 1, 2029. The Company has elected to apply VM-22 prospectively to applicable annuity products issued directly by the Company on or after January 1, 2026.

3. Subsequent Events

Subsequent events have been considered through May 14, 2026 for the unaudited statutory financial statements dated March 31, 2026.

Athene Annuity and Life Company

**Financial Statements – Statutory-Basis and
Supplementary Schedules
December 31, 2025, 2024 and 2023**

Athene Annuity and Life Company

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December 31, 2025, 2024 and 2023

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of
Athene Annuity and Life Company
7700 Mills Civic Parkway
West Des Moines, IA 50266

Opinions

We have audited the statutory-basis financial statements of Athene Annuity and Life Company (the "Company"), which comprise the balance sheets - statutory-basis as of December 31, 2025 and 2024, and the related statements of operations - statutory-basis, statements of changes in capital and surplus – statutory-basis, and statements of cash flows – statutory-basis for each of the three years in the period ended December 31, 2025, and the related notes to the statutory-basis financial statements (collectively referred to as the "statutory-basis financial statements").

Unmodified Opinion on Statutory-Basis of Accounting

In our opinion, the accompanying statutory-basis financial statements present fairly, in all material respects, the admitted assets, liabilities, and capital and surplus of the Company as of December 31, 2025 and 2024, and the results of its operations and its cash flows for each of the three years in the period ended December 31, 2025, in accordance with the accounting practices prescribed or permitted by the Iowa Insurance Division described in Note 1 and Note 2 to the statutory-basis financial statements.

Adverse Opinion on Accounting Principles Generally Accepted in the United States of America

In our opinion, because of the significance of the matter described in the Basis for Adverse Opinion on Accounting Principles Generally Accepted in the United States of America section of our report, the statutory-basis financial statements do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of the Company as of December 31, 2025 and 2024, or the results of its operations or its cash flows for the three years then ended.

Basis for Opinions

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Statutory-Basis Financial Statements section of our report. We are required to be independent of the Company, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Basis for Adverse Opinion on Accounting Principles Generally Accepted in the United States of America

As described in Note 1 and Note 2 to the statutory-basis financial statements, the statutory-basis financial statements are prepared by the Company using the accounting practices prescribed or permitted by the

Iowa Insurance Division, which is a basis of accounting other than accounting principles generally accepted in the United States of America, to meet the requirements of the Iowa Insurance Division. The effects on the statutory-basis financial statements of the variances between the statutory-basis of accounting described in Note 1 and Note 2 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material and pervasive.

Emphasis of Matter

As described in Note 1 to the statutory-basis financial statements, Athene Annuity and Life Assurance Company merged with and into the Company. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Statutory-Basis Financial Statements

Management is responsible for the preparation and fair presentation of the statutory-basis financial statements in accordance with the accounting practices prescribed or permitted by the Iowa Insurance Division. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of statutory-basis financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the statutory-basis financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for one year after the date that the statutory-basis financial statements are issued.

Auditor's Responsibilities for the Audit of the Statutory-Basis Financial Statements

Our objectives are to obtain reasonable assurance about whether the statutory-basis financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the statutory-basis financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the statutory-basis financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the statutory-basis financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of

expressing an opinion on the effectiveness of the Company's internal control. Accordingly, no such opinion is expressed.

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the statutory-basis financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Deloitte + Touche LLP

March 31, 2026

Athene Annuity and Life Company

Balance Sheets – Statutory-Basis

December 31, 2025 and 2024

(Dollars in thousands, except per share amounts)

	<u>2025</u>	<u>2024</u>
Admitted assets		
Cash and invested assets:		
Bonds	\$158,852,395	\$130,962,442
Preferred stocks	1,450,140	1,819,311
Common stocks:		
Affiliated entities	508,666	431,051
Unaffiliated	1,085,683	741,073
Mortgage loans	86,638,528	60,226,224
Real estate held for the production of income	219,236	212,030
Policy loans	130,700	140,451
Cash, cash equivalents and short-term investments	9,357,352	9,764,163
Receivable for securities	415,289	232,578
Derivative assets	5,395,753	4,845,625
Derivative collateral assets	655,644	579,393
Other invested assets	17,387,119	11,568,991
Total cash and invested assets	<u>282,096,505</u>	<u>221,523,332</u>
Accrued investment income	2,479,627	2,016,652
Premiums due and deferred, net of loading	4,015	4,326
Reinsurance receivable	225,086	39,562
Funds withheld receivable on reinsurance	2,765,938	2,921,009
Reinsurance recoverable	1,236	1,331
Corporate owned life insurance	2,062,897	1,012,862
Amounts due from parent, subsidiaries, and affiliates	4,553	22,537
Federal income tax recoverable	252,301	166,513
Net deferred income tax asset	417,544	206,585
Other admitted assets	42,133	48,258
Separate account assets	50,398,020	49,882,253
Total admitted assets	<u>\$340,749,855</u>	<u>\$277,845,220</u>

The accompanying notes are an integral part of the financial statements.

Athene Annuity and Life Company

Balance Sheets – Statutory-Basis

December 31, 2025 and 2024

(Dollars in thousands, except per share amounts)

	2025	2024
Liabilities and capital and surplus		
Liabilities:		
Policy and contract liabilities:		
Life and annuity	\$110,615,749	\$ 96,601,505
Accident and health	1,637	1,974
Deposit-type contracts	64,259,784	36,359,016
Policy and contract claims	465,828	431,994
Total policy and contract liabilities	175,342,998	133,394,489
Accrued insurance expenses	71,727	70,912
Interest maintenance reserve	219,836	204,696
Asset valuation reserve	5,362,458	3,765,492
Amounts due to parent, subsidiaries, and affiliates	142,863	52,270
Payable for securities	243,786	315,273
Derivative liabilities	1,694,680	1,030,094
Derivative and other collateral liability	5,837,970	5,617,217
Remittances and items not allocated	256,371	165,436
Liability for unclaimed property	116,647	115,952
Funds held under reinsurance treaties	66,695,002	55,558,281
Reinsurance payable	862,449	2,535,564
Other reinsurance liability	500,007	360,458
Repurchase agreement liability	5,045,980	5,625,701
Due to separate account	22,158,151	14,735,349
Other liabilities	2,808,129	1,687,697
Separate account liabilities	49,269,017	48,711,282
Total liabilities	336,628,071	273,946,163
Capital and surplus:		
Common stock, \$1 per share par value - 10,000,000		
shares authorized, issued and outstanding	10,000	10,000
Paid-in surplus	5,758,301	5,735,000
Unassigned surplus (deficit)	(1,646,517)	(1,845,943)
Total capital and surplus	4,121,784	3,899,057
Total liabilities and capital and surplus	\$340,749,855	\$277,845,220

The accompanying notes are an integral part of the financial statements.

Athene Annuity and Life Company
Statements of Operations – Statutory-Basis
Years Ended December 31, 2025, 2024 and 2023

(Dollars in thousands)

	<u>2025</u>	<u>2024</u>	<u>2023</u>
Premiums and other revenues			
Premiums and annuity considerations for life and accident and health policies and contracts	\$ 8,844,191	\$ 7,736,850	\$ 9,687,027
Considerations for supplementary contracts with life contingencies	12,976	12,448	(206,655)
Net investment income	12,732,699	10,501,479	5,644,299
Amortization of interest maintenance reserve	24,171	21,463	20,480
Commissions and expense allowances on reinsurance ceded	2,324,454	1,803,638	1,882,891
Corporate owned life insurance income	150,035	12,862	1,301
Net gain (loss) from operations from separate accounts	480,323	674,736	237,746
Modified coinsurance adjustment ceded	7,777,675	(31,753,929)	20,488,103
Funds withheld adjustment assumed	130,184	120,230	90,817
Other income	34,323	25,840	25,062
Total premiums and other revenues	<u>32,511,031</u>	<u>(10,844,383)</u>	<u>37,871,071</u>
Benefits and expenses			
Benefits paid or provided for:			
Surrender benefits	3,230,046	2,353,840	2,208,333
Annuity and other benefits	1,267,813	1,224,417	1,062,931
Increase (decrease) in policy reserves	14,033,013	(21,501,778)	28,991,221
Interest on policy or contract funds	5,890,697	1,573,988	700,563
Total benefits	<u>24,421,569</u>	<u>(16,349,533)</u>	<u>32,963,048</u>
Funds withheld adjustment ceded	3,544,758	1,709,373	277,234
Interest maintenance reserve ceded	19,320	29,503	6,495
Commissions	1,657,039	1,575,075	1,480,785
Commissions and expense allowance on reinsurance assumed	301,470	182,717	126,105
Interest maintenance reserve assumed	(7,328)	(18,059)	53,130
General insurance expenses	650,748	649,100	574,847
Insurance taxes, licenses, and fees	6,195	65,948	43,674
Transfer to separate account, net	342,044	307,035	1,802,671
Other expense (income)	136,380	(8,096)	(5,021)
Total benefits and expenses	<u>31,072,195</u>	<u>(11,856,937)</u>	<u>37,322,968</u>
Net gain (loss) from operations before dividends to policyowners, federal income taxes and net realized capital gains (losses)	1,438,836	1,012,554	548,103
Dividends to policyowners	<u>20</u>	<u>17</u>	<u>20</u>
Net gain (loss) from operations before federal income taxes and net realized capital gains (losses)	1,438,816	1,012,537	548,083
Federal income tax expense (benefit)	<u>(186,034)</u>	<u>(222,705)</u>	<u>452,495</u>
Net gain (loss) from operations before net realized capital gains (losses)	1,624,850	1,235,242	95,588
Net realized capital gains (losses), net of tax and transfers to interest maintenance reserve	<u>(533,277)</u>	<u>(285,751)</u>	<u>(174,391)</u>
Net income (loss)	<u>\$ 1,091,573</u>	<u>\$ 949,491</u>	<u>\$ (78,803)</u>

The accompanying notes are an integral part of the financial statements.

Athene Annuity and Life Company
Statements of Changes in Capital and Surplus – Statutory-Basis
Years Ended December 31, 2025, 2024 and 2023

(Dollars in thousands)

	Common Stock	Paid-in Surplus	Unassigned Surplus (Deficit)	Total Capital and Surplus
Balances at December 31, 2022	\$ 10,000	\$ 3,323,896	\$ (1,004,287)	\$ 2,329,609
Correction of prior period error	—	—	(70,481)	(70,481)
Net loss	—	—	(78,803)	(78,803)
Capital contribution	—	1,450,466	—	1,450,466
Change in net deferred income tax	—	—	733,722	733,722
Change in net unrealized capital gains (losses), net of deferred tax	—	—	812,632	812,632
Change in nonadmitted assets	—	—	(134,806)	(134,806)
Change in asset valuation reserve	—	—	(924,913)	(924,913)
Surplus withdrawn from (contributed to) separate accounts during period	—	—	(115,398)	(115,398)
Other changes in surplus in separate accounts statement	—	—	(102,945)	(102,945)
Captive tax sharing agreement	—	—	(42)	(42)
Reinsurance adjustment	—	—	(593,440)	(593,440)
Balances at December 31, 2023	10,000	4,774,362	(1,478,761)	3,305,601
Merger adjustment	—	—	(388,057)	(388,057)
Correction of prior period error	—	—	(7,582)	(7,582)
Net income	—	—	949,491	949,491
Capital contribution	—	960,638	—	960,638
Change in net deferred income tax	—	—	(61,136)	(61,136)
Change in net unrealized capital gains (losses), net of deferred tax	—	—	1,534,314	1,534,314
Change in nonadmitted assets	—	—	(137,182)	(137,182)
Change in asset valuation reserve	—	—	(925,988)	(925,988)
Other changes in surplus in separate accounts statement	—	—	(517,892)	(517,892)
Captive tax sharing agreement	—	—	350	350
Change in valuation basis on reserves	—	—	376,597	376,597
Reinsurance adjustment	—	—	(1,190,097)	(1,190,097)
Balances at December 31, 2024	10,000	5,735,000	(1,845,943)	3,899,057
Correction of prior period error	—	—	(22,061)	(22,061)
Net income	—	—	1,091,573	1,091,573
Capital contribution	—	23,301	—	23,301
Change in net deferred income tax	—	—	686,892	686,892
Change in net unrealized capital gains (losses), net of deferred tax	—	—	1,633,567	1,633,567
Change in nonadmitted assets	—	—	228,585	228,585
Change in asset valuation reserve	—	—	(1,587,714)	(1,587,714)
Other changes in surplus in separate accounts statement	—	—	(522,291)	(522,291)
Cumulative effect of changes in accounting principles	—	—	(8,112)	(8,112)
Captive tax sharing agreement	—	—	110	110
Change in valuation basis on reserves	—	—	83,153	83,153
Reinsurance adjustment	—	—	(1,384,276)	(1,384,276)
Balances at December 31, 2025	\$ 10,000	\$ 5,758,301	\$ (1,646,517)	\$ 4,121,784

The accompanying notes are an integral part of the financial statements.

Athene Annuity and Life Company
Statements of Cash Flows – Statutory-Basis
Years Ended December 31, 2025, 2024 and 2023

(Dollars in thousands)

	2025	2024	2023
Cash from operations			
Premiums and policy proceeds, net of reinsurance	\$ 8,857,405	\$ 7,750,038	\$ 9,516,710
Net investment income received	12,281,981	9,300,493	5,091,189
Commissions and expense allowances on reinsurance ceded	2,307,078	1,811,471	1,883,507
Funds withheld adjustment ceded	(3,544,758)	(1,709,373)	(277,234)
Net benefits received (paid)	(3,436,726)	(34,968,361)	15,813,076
Commissions and insurance expenses paid	(2,716,752)	(2,400,280)	(2,153,701)
Federal income tax received (paid)	(73,434)	18,197	(507,742)
Net transfers (to) from separate accounts	7,080,758	8,596,689	637,212
Other revenues received less other expenses paid	34,300	85,036	46,658
Net cash from operations	20,789,852	(11,516,090)	30,049,675
Cash from investments			
Proceeds from investments sold, matured or repaid:			
Bonds	54,035,221	34,416,151	13,382,521
Stocks	372,130	338,477	102,598
Mortgage loans	12,676,074	7,020,006	3,374,534
Other invested assets	4,250,688	1,130,989	1,745,846
Miscellaneous proceeds	50,339	281,845	160,981
Total investment proceeds	71,384,452	43,187,468	18,766,480
Cost of investments acquired:			
Bonds	(83,690,859)	(69,109,193)	(28,599,173)
Stocks	(498,515)	(1,136,707)	(973,696)
Mortgage loans	(38,403,243)	(26,688,611)	(18,127,510)
Real estate	(10,583)	(5,754)	—
Other invested assets	(7,749,491)	(2,013,159)	(2,154,461)
Miscellaneous applications	(1,469,924)	(552,064)	(363,694)
Total costs of investments acquired	(131,822,615)	(99,505,488)	(50,218,534)
Net change in policy loans	9,863	7,908	6,819
Net cash from investments	(60,428,300)	(56,310,112)	(31,445,235)
Cash from financing and miscellaneous sources			
Net deposits (withdrawals) on deposit-type contracts	27,900,768	14,108,577	3,343,053
Capital contribution	—	311,663	310,471
Borrowed funds and repurchase agreements	(579,722)	2,549,382	(868,264)
Net change in derivative and other collateral liability	220,753	2,195,307	1,711,348
Funds held under reinsurance	11,136,724	49,702,719	(1,349,641)
Other cash provided (applied)	553,114	(526,240)	1,148,967
Net cash from financing and miscellaneous sources	39,231,637	68,341,408	4,295,934
Net change in cash, cash equivalents and short-term investments	(406,811)	515,206	2,900,374
Cash, cash equivalents and short-term investments			
Beginning of year	9,764,163	9,248,957	6,348,583
End of year	\$ 9,357,352	\$ 9,764,163	\$ 9,248,957

The accompanying notes are an integral part of the financial statements.

Athene Annuity and Life Company
Statements of Cash Flows – Statutory-Basis
Years Ended December 31, 2025, 2024 and 2023

(Dollars in thousands)

	2025	2024	2023
Supplemental disclosures of cash flow information for non-cash transactions			
Security exchanges and asset in kind trades - bond proceeds (investing)	13,227,345	4,409,615	2,904,032
Security exchanges and asset in kind trades - bonds acquired (investing)	(13,227,345)	(4,409,615)	(2,904,032)
Reinsurance activity settled in bonds (operating)	2,664,709	470,814	270,727
Reinsurance activity settled in bonds (investing)	(2,664,709)	(470,814)	(270,727)
Asset transfer bonds to other invested assets - proceeds (investing)	1,672,916	—	3,801
Asset transfer stocks to other invested assets - proceeds (investing)	167,410	—	—
Asset transfer bonds and stocks to other invested assets - acquired (investing)	(1,840,325)	—	(3,801)
Intercompany tax settlement (operating)	415,722	—	—
Intercompany tax settlement - bonds and other invested assets acquired (investing)	(415,722)	—	—
Interest capitalization (operating)	217,286	118,597	56,796
Interest capitalization (investing)	(217,286)	(118,597)	(56,796)
Security exchanges and asset in kind trades - other invested asset proceeds (investing)	162,390	65,000	10,913
Security exchanges and asset in kind trades - other invested assets acquired (investing)	(162,390)	(65,000)	(10,913)
Asset transfer mortgage loans to other invested assets - proceeds (investing)	71,695	292,556	4,170
Asset transfer mortgage loans to other invested assets - acquired (investing)	(71,695)	(292,556)	(4,170)
Asset transfer to other invested assets - receivable for securities (investing)	26,930	—	—
Asset transfer to other invested assets - acquired (investing)	(26,930)	—	—
Capital contribution of stock compensation expense (financing)	23,301	26,638	50,466
Capital contribution of stock compensation expense (investing)	(135)	(274)	(408)
Capital contribution of stock compensation expense (operating)	23,167	(26,364)	(50,058)
Asset transfer other invested assets to stocks - proceeds (investing)	4,113	—	—
Asset transfer other invested assets to stocks - acquired (investing)	(4,113)	—	—
Capital contribution - non-cash (financing)	—	622,337	1,294,714
Capital contribution - non-cash (investing)	—	(614,665)	(1,282,881)
Capital contribution - non-cash (operating)	—	(7,672)	(11,833)
Asset transfer bonds to mortgage loans - proceeds (investing)	—	85,153	139,494
Asset transfer bonds to mortgage loans - acquired (investing)	—	(85,783)	(132,015)
Asset transfer mortgage loans to bonds - proceeds (investing)	—	44,067	—
Asset transfer mortgage loans to bonds - acquired (investing)	—	(44,067)	—
Reinsurance recapture - bonds proceeds (investing)	—	39,269	35,672
Reinsurance recapture (operating)	—	(39,269)	(35,672)
Security exchanges and asset in kind trades - stock proceeds (investing)	—	30,018	24,002
Security exchanges and asset in kind trades - stocks acquired (investing)	—	(30,018)	(24,002)
Asset transfer bonds to stocks - proceeds (investing)	—	1,714	—
Asset transfer bonds to stocks - acquired (investing)	—	(1,714)	—
Asset transfer bonds to mortgage loans - net investment income (operating)	—	630	1,280
Asset transfer bonds to mortgage loans - suspense (financing)	—	—	(8,760)
Asset transfer mortgage loans to real estate - proceeds (investing)	—	—	74,200
Asset transfer mortgage loans to real estate - acquired (investing)	—	—	(74,200)

The accompanying notes are an integral part of the financial statements.

Athene Annuity and Life Company

Notes to Financial Statements – Statutory-Basis

December 31, 2025, 2024 and 2023

(Dollars in thousands)

1. Nature of Operations and Significant Accounting Policies

Organization and Nature of Business

Athene Annuity and Life Company (the Company) is a stock life insurance company domiciled in the State of Iowa and was founded in 1896. The Company is licensed in the District of Columbia, Puerto Rico and all states except New York. The Company is a leading retirement services company offering savings products through independent agents and financial institutions that are focused on simple, tax efficient solutions such as fixed indexed and fixed rate annuities. The Company also issues group annuity contracts within a separate account structure to employers related to pension group annuity (PGA) transactions and issues funding agreements and guaranteed interest contracts to financial institutions.

All outstanding shares of the Company are owned by Athene Annuity Re Ltd. (AARE), which is an indirect wholly owned subsidiary of Athene Holding Ltd. (AHL). AHL is a direct subsidiary of Apollo Global Management Inc. (AGM).

The Company owns all the outstanding capital stock of Athene Annuity & Life Assurance Company of New York (AANY), which in turn owns all the outstanding capital stock of Athene Life Insurance Company of New York (ALICNY). The Company also owns all the outstanding capital stock of Structured Annuity Reinsurance Company (STAR), Athene Re USA IV, Inc. (Athene Re IV), Centralife Annuities Services, Inc. and P.L. Assigned Services, Inc.

Merger

On December 20, 2023, the Company and Athene Annuity & Life Assurance Company (AADE), its Delaware domiciled parent company, executed an Agreement and Plan of Merger. Effective October 11, 2024, following the receipt of all required regulatory approvals, AADE merged with and into the Company, with the Company as the surviving entity. The Company received a no objection letter from the Insurance Division, Department of Commerce, of the State of Iowa (Iowa Department) to use a merger effective date of October 1, 2024 for financial reporting purposes.

The merger was accounted for in accordance with the Statement of Statutory Accounting Principles (SSAP) No. 68, *Business Combinations and Goodwill*, as a statutory merger. As such, financial statements for periods prior to the merger were combined and the recorded assets, liabilities and surplus of the Company and AADE were carried forward to the merged company. The common capital stock of AADE was deemed canceled and AADE's investment in the affiliated common stock of the Company was eliminated. The business the Company previously ceded to AADE under a coinsurance agreement is no longer reflected as assumed and ceded risks in the recast merged financial statements. The impact of these merger adjustments, net of eliminations, increased capital and surplus by \$257,019 as of the merger effective date.

Summarized financial information for the Company and AADE presented separately for the period prior to the merger is as follows.

	December 31, 2023			
	The Company	AADE	Eliminations	Merged Totals
Capital and surplus	\$ 2,875,879	\$ 3,143,630	\$ (2,713,908)	\$ 3,305,601
Total premiums and other revenues	36,940,976	908,478	21,617	37,871,071
Total benefits and expenses	36,732,225	699,871	(109,128)	37,322,968
Net income (loss)	(209,334)	(215)	130,746	(78,803)

Athene Annuity and Life Company

Notes to Financial Statements – Statutory-Basis

December 31, 2025, 2024 and 2023

(Dollars in thousands)

As described in Note 2, the Company utilizes certain accounting practices prescribed by the Iowa Department to account for its derivative instruments and indexed annuity policy reserves. These accounting practices differed from the methods utilized by AADE. Effective on the date of merger, these prescribed practices were applied to the former AADE block, including for the calculation of balances impacting reinsurance settlements for business ceded under affiliated reinsurance treaties. Also effective on the date of merger, the Company removed AVR balances previously ceded by AADE. In accordance with SSAP No. 3, *Accounting Changes and Correction of Errors*, the effects of these accounting changes were recorded directly to surplus in 2024, and the historical financials were not restated. The net impact of adopting these accounting changes, net of reinsurance and taxes, decreased surplus by \$388,057 as of the merger effective date, primarily driven by the removed ceded AVR balances which did not have an impact on total adjusted capital.

Regulatory Closed Blocks

The Company established two regulatory closed blocks, on March 31, 2000 for Indianapolis Life Insurance Company and June 30, 1996 for AmerUs Life Insurance Company, in connection with the reorganization of two mutual insurance predecessor entities of the Company to a stock form. Insurance policies which had a dividend scale in effect at the time of the reorganizations were included in the closed blocks. The closed blocks were designed to give reasonable assurance to owners of affected policies that assets will be available to support such policies, including maintaining dividend scales in effect at the time of the reorganization, if the experience underlying such scales continues. The assets allocated to the closed blocks, including revenue therefrom, will accrue solely to benefit the owners of policies included in the block until the block is no longer in effect. Payment of dividends on closed block policies will be supported by closed block assets; however, in the unlikely event the closed block assets are insufficient to meet minimum policy obligations, dividend payments will be made from the general funds.

Basis of Presentation

The preparation of financial statements of insurance companies requires management to make estimates and assumptions that affect amounts reported in the financial statements and accompanying notes. Such estimates and assumptions could change in the future as more information becomes known, which could impact the amounts reported and disclosed herein.

The accompanying financial statements have been prepared on the basis of accounting practices prescribed or permitted by the Iowa Department. The State of Iowa has adopted the National Association of Insurance Commissioners' (NAIC) *Accounting Practices and Procedures Manual*. These practices differ from accounting principles generally accepted in the United States of America (GAAP) and are presumed to be material.

The more significant of the differences from those prescribed or permitted by the Iowa Department and GAAP are as follows:

Fixed Maturity Securities: Investments in bonds, redeemable preferred stocks, and surplus notes are reported at amortized cost or fair value based on their rating by the NAIC; for GAAP, such investments would be designated at purchase as held-to-maturity, trading or available-for-sale. For GAAP, held-to-maturity fixed maturity investments would be reported at amortized cost, and the remaining fixed maturity investments would be reported at fair value with unrealized holding gains and losses reported in operations for those designated as trading and as a separate component of other comprehensive income for those designated as available-for-sale.

A decline in a security's estimated fair value that is other-than-temporary is treated as a realized loss in the statements of operations and the cost basis of the security is reduced to its estimated fair value. Under GAAP, available-for-sale securities with a fair value that has declined below amortized cost are evaluated to determine how the decline in fair value should be recognized. If it is determined, based on

Athene Annuity and Life Company

Notes to Financial Statements – Statutory-Basis

December 31, 2025, 2024 and 2023

(Dollars in thousands)

the facts and circumstances related to the specific security, that the holder intends to sell a security or it is more likely than not that the holder would be required to sell a security before the recovery of its amortized cost, any existing allowance for credit losses is reversed and the amortized cost of the security is written down to fair value. If neither of these conditions exist, the holder evaluates whether the decline in fair value has resulted from a credit loss or other factors. If the decline in fair value resulted from a credit loss, the cost basis is not reduced but rather a valuation allowance is established and is remeasured each period for the passage of time, any change in expected cash flows, and changes in the fair value of the security.

Mortgage Loans: Mortgage loans are reported at amortized cost. Valuation allowances, if necessary, are established for mortgage loans based on the difference between the net value of the collateral, determined as the fair value of the collateral less estimated costs to obtain and sell, and the recorded investment in the mortgage loan. Under GAAP, such allowances are established for the expected credit losses at the time of purchase and represent the portion of the asset's amortized cost basis the Company does not expect to collect due to credit losses over the asset's contractual life. Expected credit losses consider past events, current conditions, and reasonable and supportable forecasts of future economic conditions or macroeconomic forecasts. Effective January 1, 2022, the Company elected the fair value option on the Company's mortgage loan portfolio for GAAP. Changes in the fair value of the mortgage loan portfolio are reported in investment related gains (losses).

Real Estate: Investments in real estate are reported net of related obligations. Under GAAP, real estate is reported on a gross basis.

Short-term Investments: Short-term investments include investments with maturities less than one year from the date of acquisition and are included in cash, cash equivalents and short-term investments in the balance sheets and statements of cash flows. Under GAAP, investments with maturities less than three months from the date of acquisition are included in cash and cash equivalents while investments with maturities less than one year but greater than three months are included in short-term investments and are not part of cash and cash equivalents in the statements of cash flows.

Derivatives: Derivative instruments used in hedging transactions that meet the criteria of an effective hedge, and are designated in a hedge accounting relationship, are valued and reported in a manner that is consistent with the hedged asset or liability (e.g., amortized cost or fair value with the net unrealized capital gains (losses) reported in surplus along with any adjustment for federal income taxes). Embedded derivatives are not accounted for separately from the host contract. Under GAAP, all derivatives are reported on the balance sheets at fair value, and an embedded derivative within a contract that is not clearly and closely related to the economic characteristics and risks of the host contract is accounted for separately from the host contract and valued and reported at fair value. Derivative instruments used in hedging transactions that do not meet or no longer meet the criteria of an effective hedge, or that meet the required criteria but the Company has chosen not to apply hedge accounting, are accounted for at fair value and the changes in the fair value are recorded as unrealized gains or unrealized losses directly to surplus rather than to income as required under GAAP. Refer to Note 2 for discussion surrounding the Company's prescribed practices applied to derivatives.

Other Invested Assets: Changes in value of certain other long-term investments accounted for under the equity method of accounting are recorded as unrealized gains and losses as a component of surplus. Under GAAP, such changes are recorded through earnings.

Interest Maintenance Reserve (IMR): Under a formula prescribed by the NAIC, the Company defers the portion of realized capital gains and losses on sales of fixed income investments attributable to changes in the general level of interest rates and amortizes those deferrals over the remaining period to maturity of the individual security sold. The Company also defers the gains and losses related to the market value adjustment (MVA) on annuity policies. The net deferral is reported as IMR in the accompanying balance

Athene Annuity and Life Company

Notes to Financial Statements – Statutory-Basis

December 31, 2025, 2024 and 2023

(Dollars in thousands)

sheets. Realized capital gains and losses are reported in income net of federal income tax and transfers to the IMR. Under GAAP, realized capital gains and losses and the MVA would be reported in the statements of operations on a pretax basis in the period that the assets giving rise to the gains or losses are sold or the MVA was realized.

Asset Valuation Reserve (AVR): The AVR provides a valuation allowance for invested assets and is determined by an NAIC prescribed formula with changes reflected directly in surplus; AVR is not recognized for GAAP.

Policy Acquisition Costs: The costs of acquiring and renewing business are expensed as incurred. Under GAAP, acquisition costs directly related to successful acquisition of new or renewal contracts are capitalized and amortized over the life of the contracts.

Nonadmitted Assets: Certain assets are designated as nonadmitted; principally, as applicable, certain receivables from agents and bills receivable, electronic data processing equipment, capitalized software, furniture and equipment, prepaid expenses, certain deferred income tax assets, non-insurance subsidiaries for which audited GAAP financial statements are not obtained, and other certain assets not specifically identified as an admitted asset within the NAIC Accounting Practices and Procedures Manual, are excluded from the accompanying balance sheets and are charged directly to surplus. Under GAAP, there is no concept of nonadmitted assets.

Universal Life and Annuity Policies: Revenues for universal life and annuity policies with mortality or morbidity risk (including annuities with purchase rate guarantees) consist of the entire premium received. Benefits incurred represent the total of surrender and death benefits paid and the change in policy reserves. Interest on these policies is reflected in other benefits. Premiums received and benefits incurred for annuity policies without mortality or morbidity risk are recorded using deposit accounting, and recorded directly to an appropriate policy reserve account, without recognizing premium income or benefits paid. Under GAAP, premiums received on universal life are recorded directly to the reserve liability and benefits incurred represent interest credited to the policy account value and the excess of benefits paid over the policy account value. For deferred annuity policies and single premium immediate annuity (SPIA) policies without life contingencies, premiums received and benefits paid are recorded directly to the policy reserve liability.

Deposit-Type Contracts: The Company records the liability for guaranteed interest contracts and fixed coupon rate funding agreements in the amount equal to the present value of the future interest payments and maturity payments discounted at the appropriate statutory valuation rate. For floating coupon rate funding agreements, the Company records the liability in the amount equal to the notional value plus the accrued interest on the next coupon payment. Under GAAP, these liabilities are recorded using the effective interest method based on the initial deposit and projected future coupon payments and maturity value. For funding agreements denominated in foreign currencies, the liabilities are calculated in the foreign currency and then converted to US dollars using the spot foreign exchange rate as of the balance sheet date.

For SPIA without life contingencies, the Company records the liability as the present value of cash flows discounted using prescribed valuation interest rates. Under GAAP, these liabilities are recorded using the effective interest method whereby an effective interest rate is solved for such that the present value of benefits and maintenance expenses equals the gross premium received less deferrable acquisition costs.

Benefit Reserves: Certain policy reserves, including the group annuity contracts related to PGAs, are calculated as the present value of cash flows discounted using prescribed valuation interest rates and prescribed mortality rather than on estimated expected experience or actual account balances as would be required under GAAP. For group annuity contracts related to PGA business, the Company received

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approval from the Iowa Department to use an alternative methodology where mortality is based on prudent best estimate assumptions rather than prescribed mortality. For PGA group annuity contracts with deferred lives (participants not currently receiving pension benefits but eligible to commence at a future date), the present value of expected benefits is determined using prudent best estimate assumptions (mortality, election type, election age, etc.) based on any plan experience, industry data and actuarial judgment.

Reinsurance: Policy and contract liabilities ceded to reinsurers under coinsurance agreements have been reported as reductions of the related reserves rather than as assets as would be required by GAAP. Any reinsurance balances deemed to be uncollectible are written off through a charge to earnings. A liability for reinsurance balances is provided for unsecured policy reserves ceded to reinsurers not authorized to assume such business. Changes to those amounts are credited or charged directly to surplus. Under GAAP, an allowance for expected credit losses is established through a charge to earnings with subsequent changes to expected credit losses recognized as an adjustment to that allowance through a charge to earnings. Upfront commissions allowed by reinsurers on business ceded are reported as income when received rather than being deferred and amortized with deferred policy acquisition costs as required under GAAP.

Deferred Income Taxes: Deferred tax assets are limited to: 1) the amount of capital gains taxes paid in prior years that can be recovered through capital loss carrybacks for existing temporary differences that reverse during a time frame corresponding with Internal Revenue Service (IRS) tax loss carryback provisions, not to exceed three years, plus 2) the lesser of the amount of the remaining gross deferred tax assets expected to be realized within three years of the balance sheet date or 15% of adjusted capital and surplus excluding any net deferred income tax assets, electronic data processing equipment and operating software and any net positive goodwill, plus 3) the amount of remaining gross deferred tax assets that can be offset against existing gross deferred tax liabilities after considering the character (i.e. ordinary versus capital) of the deferred tax assets and liabilities. The remaining deferred tax assets are nonadmitted. Deferred taxes do not include amounts for state taxes. Under GAAP, state taxes are included in the computation of deferred taxes, a deferred tax asset is recorded for the amount of gross deferred tax assets expected to be realized in future years, and a valuation allowance is established for deferred tax assets not realizable.

Policyowner Dividends: Policyowner dividends are recognized when declared rather than over the term of the related policies as required by GAAP, and are reserved one year in advance through charges to operations.

Subsidiaries, Controlled and Affiliated Entities: The accounts and operations of the Company's subsidiaries are not consolidated with the accounts and operations of the Company. Under GAAP, such consolidation would be required.

Comprehensive Income: Comprehensive income and its components are not presented in the financial statements, which is required under GAAP.

Separate Accounts: Separate account premiums and benefits are recognized in the accompanying statements of operations and transferred to or from the separate account. Under GAAP, separate account premiums and benefits are not recognized. The accounts and operations of the Company's Funding Agreements, Group Annuity, and Index-Linked Annuity Separate Accounts are not consolidated with the accounts and operations of the Company as would be required under GAAP.

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Other significant accounting policies follow:

Investments

The Company's bonds, asset-backed securities, preferred stocks, affiliated and unaffiliated common stocks, mortgage loans, real estate, policy loans, short-term investments, cash equivalents and other invested assets are stated using methods prescribed by the NAIC, as follows:

- Bonds not backed by other loans are principally stated at amortized cost using the modified scientific method unless they are designated by the Securities Valuation Office (SVO) of the NAIC as Class 6, in which case they are reported at the lower of amortized cost or fair value. Bonds containing issuer call provisions (except "make-whole" call provisions) are amortized to the call or maturity value and date which produces the lowest asset value (yield-to-worst).
- Asset-backed securities are valued at amortized cost using the interest method including anticipated prepayments unless they are designated by the Securities Valuation Office (SVO) of the NAIC as Class 6, in which case they are reported at the lower of amortized cost or fair value. Prepayment assumptions are obtained from dealer surveys or internal estimates and are based on the current interest rate and economic environment. The retrospective adjustment method is used to value all such securities, except for principal-only, interest-only, purchased credit impaired securities, and securities not highly rated at the time of purchase, which are valued using the prospective method.
- Perpetual preferred stock is carried at fair value, not to exceed any currently effective call price. The related net unrealized capital gains or losses are reported in surplus along with any adjustment for federal income taxes. Redeemable preferred stock designated by the SVO as Class 3 or better is carried at amortized cost. Redeemable preferred stock designated by the SVO as Class 4 to 6 is carried at the lower of cost or fair value.
- Affiliated common stock of the Company's insurance subsidiaries is reported in accordance with SSAP No. 97, *Investments in Subsidiary, Controlled and Affiliated Entities*, at the subsidiary's underlying capital and surplus plus unamortized goodwill. The Company's investment in non-insurance subsidiaries is reported at the subsidiary's GAAP book value. The net change in the underlying book value of the subsidiaries is reflected within surplus as a change in unrealized capital gains and losses.
- Unaffiliated common stocks are reported at fair value based on quoted market prices or commercially available vendor prices and the related net unrealized capital gains or losses are reported in surplus along with any adjustment for federal income taxes. The Company is a member of the Federal Home Loan Bank (FHLB) of Des Moines which requires members to purchase FHLB capital stock in relation to the amount of FHLB advances drawn by such member. There is no active market for FHLB stock, and the stock is carried at cost, which is equivalent to fair value.
- There are no restrictions on assets, except for those disclosed in Note 4.
- Mortgage loans are reported at unpaid principal balances, net of unamortized premiums and discounts, less valuation allowance for specific reserves. A mortgage loan is considered for a specific allowance when, based on current information and events, it is probable that the Company will be unable to collect all principal and interest amounts due according to the contractual terms of the mortgage agreement. When management determines that it will not be able to collect all scheduled principal and interest, a valuation allowance is established and the mortgage loan is written down to the net value of the collateral, determined as the fair value of the collateral less estimated costs to obtain and sell and the recorded investment in the mortgage loan. The creation of a valuation allowance for specific reserves or change to an existing valuation allowance for specific reserves is reflected within surplus as a change in

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unrealized gains and losses. Mortgage loans for which foreclosure is probable are considered permanently impaired and a direct write down is recognized as a realized loss in the statements of operations and a new cost basis is established.

- Real estate classified as held for sale is reported at lower of depreciated cost or fair value, net of related obligations. Real estate classified as held for the production of income is reported at depreciated cost net of related obligations.
- Policy loans are valued at unpaid principal balances.
- Short-term investments include investments with remaining maturities of one year or less at the time of acquisition (excluding those investments classified as cash equivalents as defined below) and are principally stated at amortized cost. Short-term investments include bonds and money market instruments.
- Cash equivalents are money market mutual funds or short-term highly liquid investments with an original or remaining maturity of three months or less at the date of purchase and are principally stated at amortized cost.
- Other invested assets are primarily comprised of partnership interests. Partnership interests are accounted for under the equity method of accounting under which the carrying value of the related partnership interest is based on the Company's proportional share of the GAAP equity of the partnership. Any difference between the cost basis and carrying value of the partnership interest is reflected in surplus. Other than partnerships, other invested assets may include surplus notes, debt securities that do not qualify as bonds, collateral loans secured by mortgage loans and tax credit investments. Surplus notes with an NAIC 1 or NAIC 2 designation are reported at amortized cost. Surplus notes with an NAIC 3 through NAIC 6 designation are reported at the lesser of amortized cost or fair value, with fluctuations in fair value reflected within surplus as a change in unrealized gains and losses. Debt securities that do not qualify as bonds are carried at the lesser of amortized cost or fair value, with fluctuations in fair value reflected within surplus as a change in unrealized gains and losses. In addition, residual interests in securitization vehicles that do not qualify as bonds are reported using the calculated practical expedient method, where the book/adjusted carrying value is reduced by distributions received until the residual interests have a book/adjusted carrying value of zero. Any distributions received thereafter are recognized as interest income. Collateral loans secured by mortgage loans follow the mortgage loan accounting previously discussed. Tax credit investments (including low-income housing and other federal and state tax credit structures) are carried at proportional amortized cost, net of amortization recognized over the expected period of projected tax credits and other tax benefits. Impairments that are other-than-temporary are recognized in realized losses; ongoing accretion and amortization is reflected in net investment income.
- Repurchase agreements and reverse repurchase agreements are agreements between a seller and a buyer, whereby the seller of securities sells and simultaneously agrees to purchase the same or substantially the same securities from the buyer at an agreed upon price and, usually, at a stated date as defined in SSAP No. 103, *Accounting for Transfers and Servicing of Financial Assets and Extinguishments of Liabilities*. The Company's repurchase agreements are accounted for as secured borrowings. The Company pledges investments, receives cash as collateral and establishes a liability to return the collateral. For reverse repurchase agreements, the Company lends cash and establishes a short-term investment or cash equivalent for the principal amount loaned under the agreement.

Changes in unrealized gains or losses on bonds, preferred stocks, and common stocks carried at fair value are credited or charged directly to surplus, except those securities with OTTI. A decline in a security's estimated fair value that is other-than-temporary is treated as a realized loss in the statements of operations and the cost basis of the security is reduced to its estimated fair value. The Company identifies fixed income and equity securities that could potentially have impairments that are other-than-temporary by monitoring changes in fair value of its securities relative to the amortized cost of those

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securities. The Company reviews its bonds and stocks on a case-by-case basis to determine whether an OTTI exists and whether losses should be recognized through earnings. The Company considers relevant facts and circumstances in evaluating whether a credit or interest rate-related impairment of a security is other-than-temporary. Relevant facts and circumstances considered include: (1) the extent and length of time the fair value has been below cost; (2) the reasons for the decline in fair value; (3) the issuer's financial position and access to capital; and (4) for fixed income securities, the Company's intent to sell a security or whether it is more likely than not it will be required to sell the security before the recovery of its amortized cost (which, in some cases, may extend to maturity) and for equity securities, the Company's ability and intent to hold the security for a period of time that allows for the recovery in value. To the extent the Company determines that a security is deemed to be other-than-temporarily impaired, an impairment loss is recognized.

The recognition of an OTTI for asset-backed securities is dependent upon the Company's ability and intent to hold the security until the ultimate recovery of amortized cost. SSAP No. 43, *Asset-backed Securities*, requires that an OTTI loss be recognized in earnings for an asset-backed security in an unrealized loss position when it is anticipated that the cost basis will not be recovered. When an OTTI is recognized, the non-interest related portion of the OTTI loss is recorded through AVR and the interest related portion is recorded through IMR. In situations where the Company intends to sell the security, or it does not have the intent and ability to hold the security until recovery of the amortized cost basis, the entire difference between the security's amortized cost and estimated fair value is recognized as an OTTI loss in the statements of operations. In situations where the Company does not intend to sell the security, and has both the intent and ability to hold the security until recovery of the amortized cost basis but does not expect to recover the entire amortized cost, the difference between the amortized cost basis of the security and the net present value of the future cash flows expected to be collected is recognized as an OTTI loss in the statements of operations.

Realized capital gains and losses are determined on a first-in, first-out basis and are recorded net of related federal income taxes. The AVR is established by the Company to provide for potential losses in the event of default by issuers of certain invested assets. These amounts are determined using a formula prescribed by the NAIC and are reported as a liability. The formula for the AVR provides for a corresponding adjustment for realized gains and losses. Under a formula prescribed by the NAIC, the Company defers, in the IMR, the portion of realized gains and losses on sales of fixed income investments (principally bonds and mortgage loans) attributable to changes in the general level of interest rates and amortizes those deferrals over the remaining period to maturity of the security.

Changes in nonadmitted asset carrying amounts are recorded directly to surplus.

Interest income is recognized on an accrual basis. The Company does not accrue income on bonds in default, mortgage loans on real estate in default or foreclosure or which are delinquent more than 90 days. Income is also not accrued when collection is uncertain. In addition, accrued interest is excluded from interest income when payment exceeds 90 days past due.

Derivatives

Derivatives are carried on the Company's balance sheets as both derivative assets and derivative liabilities. The Company currently executes both bilateral trades and cleared trades. For bilateral trades, the Company has elected to present any derivatives subject to master netting provisions as a gross asset or liability, gross of collateral presented. Cleared trades are cleared and settled through the broker, the central clearing counterparty and Futures Commission Merchant (FCM). On the date a derivative contract is executed, the Company designates derivatives as either a cash flow hedge, fair value hedge, or a free-standing derivative held for other risk management purposes, which primarily involve managing asset or liability risks associated with the Company's reinsurance treaties which do not qualify for hedge accounting. Free-standing derivatives also include derivatives that economically hedge interest rate risk and other cash flows risks but do not qualify for, or the Company has chosen not to apply, hedge

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accounting. The Company's policy is to align the derivative income or expense to the statements of operations line item for which it relates.

For bilateral derivative positions, in order to reduce the amount of exposure on derivative instruments, the Company may be required to pledge or receive collateral for any derivative contracts that are entered into. The amount of collateral that is required is based on the fair value of the contract and credit threshold of the counterparty. For cleared derivative positions, the Company is required to satisfy daily collateral requirements associated with our FCM agreement and these amounts include initial margin requirements.

Derivative instruments that qualify for hedge accounting are valued and reported in a manner consistent with the hedged asset or liability. To qualify for hedge accounting, the Company must maintain specific documentation regarding the risk management objectives of the hedge and demonstrate on an ongoing basis that the hedging relationship remains highly effective. Derivatives that do not qualify for, or for which the Company has elected not to apply hedge accounting, excluding replication transactions and those accounted for in accordance with Iowa Administrative Code Section 191-97, *Accounting for Certain Derivative Instruments Used to Hedge the Growth in Interest Credited for Indexed Insurance Products and Accounting for the Indexed Insurance Products Reserve* (IAC Section 191-97) (refer to discussion in Note 2), are measured at fair value each reporting period with changes in fair value recorded as unrealized gains or losses in surplus. Cash payments made or received on these derivative instruments are recorded through income.

Futures are recorded at fair value of margin on deposit with the clearing broker and changes in this margin on deposit are recognized in the summary of operations through investment income.

Separate Accounts

Separate account assets and liabilities reported in the balance sheets represent funds that are separately administered. The Company maintains five separate account arrangements. The first arrangement includes one separate account containing funding agreements. The assets within this separate account represent a reinsurance receivable, as these funding agreements are ceded as discussed in Note 7.

The second arrangement includes three separate accounts, consisting of previously sold variable annuity and variable universal life products. The Company ceased marketing these products in 2009. The assets and liabilities of the variable lines of business are reported at fair value since the underlying investment risks are assumed by the policy owners. Investment income and gains or losses arising from the variable lines of business accrue directly to the policy owners and are, therefore, not included in investment earnings in the accompanying statements of operations.

The third arrangement, known as Group Annuity Separate Accounts, includes separate accounts supporting annuity contracts issued to various employers, or trusts established by such employers, in respect of those employers' pension plans. The group fixed annuity contracts obligate the Company's general account to make annuity payments if the separate account is not able to do so.

The fourth arrangement, known as Index-Linked Deferred Annuity Contract Separate Accounts, supports registered index-linked deferred annuity contracts issued by the Company. The Company's general account has guaranteed the amounts under the index-linked deferred annuity contracts, to the extent not covered by the assets in the separate account.

The fifth arrangement, known as Private Placement Variable Annuity Separate Accounts, supports private placement variable deferred annuity contracts issued by the Company to purchasers meeting the requirements as a qualified purchaser or an accredited investor under applicable federal securities laws.

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Contract owners bear the entire investment risk, including the risk of loss of principal for all amounts invested in the contract.

Premiums and Annuity Considerations

Revenues for policies with mortality or morbidity risk (including annuities with purchase rate guarantees) consist of the entire premium received. These revenues are recognized when due. Benefits incurred represent the total of surrender and death benefits paid and the change in policy reserves. Premiums received and benefits paid for annuity policies without mortality or morbidity risk are recorded using deposit accounting, and recorded directly to an appropriate policy reserve account, without recognizing premium income or benefits paid. Accident and health premiums are earned pro-rata over the terms of the policies.

Deferred and uncollected life insurance premiums represent annual or fractional premiums, either due and uncollected or not yet due, where policy reserves have been provided on the assumption that the full premium for the current year has been collected.

Policy Reserves and Funds on Deposit

Policy reserves for life and annuity contracts, including the group annuity contracts related to PGA, are developed using prescribed actuarial methods. Life reserves are calculated using the Net Level Premium method, Commissioner's Reserve Valuation Method, or a modified method. Annuity reserves are calculated using the Commissioner's Annuity Reserve Valuation Method, or for certain group fixed indexed annuities, the Commissioner's Reserve Valuation Method. The use of these reserve methods for life policies is to partially offset the effect of immediately expensing acquisition costs by providing a policy reserve increase in the first policy year, which is less than the reserve increase in renewal years. For group annuity contracts related to PGA business, the Company received approval from the Iowa Department to use an alternative methodology, under Iowa code with commissioner approval, where prudent best estimate mortality assumptions are used. Reserves meet the minimum requirements of the insurance laws and regulations of the state of domicile.

Accident and health policy reserves are calculated using statistical analyses to develop and estimate the ultimate net cost of reported and unreported losses. The reserves also include an amount for unearned premiums determined by prorating the premiums received over the terms of the policies and active-life mid-terminal reserves for individual non-cancelable and guaranteed renewable policies using the net level premium method.

The reserves related to fixed-rate investment contracts and policyowner funds left on deposit with the Company are generally equal to fund balances less applicable surrender charges.

The Company offers riders on its fixed annuities which provide for future withdrawal and death benefits. In accordance with the NAIC's *Accounting Practices and Procedures Manual*, the rider should be reserved for under Actuarial Guideline 33 (AG 33). The Company requested and received approval from the Iowa Department to use an alternative methodology under the Practical Considerations section of AG 33 for policies issued prior to January 1, 2014. The reserve held for policies issued prior to January 1, 2014 is based on Actuarial Guideline 43 (AG 43), the approved alternative method for these contracts. The reserve held for policies issued January 1, 2014 and after is based on AG 33.

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The Company uses an AG 43 reserving approach for the closed individual variable annuity block and index-linked annuity business not classified as a registered indexed linked annuity (RILA). All reinsurance applicable to this business, including treaties covering guaranteed minimum accumulation benefits and guaranteed minimum death benefit features, are covered by AG 43. AG 43 prescribes an approach to calculating reserves that uses a combination of a principles-based method and a rules-based method. Reserves are recorded in aggregate as the greater of (a) a principle-based approach using a range of stochastically generated economic scenarios applied to the in force policies in aggregate and (b) a rule-based, seriatim calculation using defined assumptions and a single economic scenario. Specific attributes of the business and its management, including guarantee features, fund allocation, hedging activity and revenue sources are reflected as well.

The Company uses the formulaic Commissioners Reserve Valuation Method, a rules-based method, to value the variable universal life policies. It is a closed block of business, issued from 1985 to 2008. The Company uses Valuation Manual 21 (VM-21) for RILA and private placement variable deferred annuity contracts. VM-21 became effective January 1, 2020 for new and existing variable and RILA contracts, however Athene received approval from the Iowa Department to continue to use AG 43 for the closed variable annuity block which the Company stopped marketing in 2002. VM-21 is a principles-based reserve approach that utilizes company specific assumptions and stochastic scenarios, floored by a standard projection which uses prescribed assumptions and acts as a guardrail against potential outliers resulting from company specific assumptions.

The Company waives deduction of deferred fractional premiums upon death of the insured and returns any portion of the premium beyond the date of death. Reserves are recognized for surrender values in excess of reserves as legally computed.

Additional premiums are charged for policies issued on substandard lives according to underwriting classification. Mean reserves are determined by computing the regular mean reserve for the policy and holding an additional one half of the extra premium charged for the year.

Tabular interest, tabular less actual reserves released and tabular cost have been determined using the underlying policy data.

The following summarizes the mortality tables used to compute life and annuity policy reserves on a net basis:

	December 31, 2025		December 31, 2024	
	Amount	Percent	Amount	Percent
Life insurance - (41 CSI, 41 CSO, 41 SSI, 58 CET, 58 CSO, 60 CSG, 61 CIET, 61 CSI, 80 CET, 80 CSO, 01 CSO, 17 CSO, AE, STD IND (2.0 - 7.5%))	\$ 47,634	0.0 %	\$ 53,368	0.1 %
Annuities - (71 IAM, 71 GAM, 83 GAM, 83 IAM, A2000, 12 IAR, VM21, 51 GAM, 83a, A2000BAS, 2012 IAR/IAR VM, 83 CARVM (1.00 - 11.25%))	110,240,030	99.7	96,225,542	99.6
Other - (0.75 - 11.25%)	328,085	0.3	322,595	0.3
Total	<u>\$ 110,615,749</u>	<u>100.0 %</u>	<u>\$96,601,505</u>	<u>100.0 %</u>

Contract Claim Reserves

Claim reserves represent the estimated accrued liability for claims reported to the Company and claims incurred but not yet reported through the date of the balance sheets. These reserves are estimated using either individual case-basis valuations or statistical analysis techniques. These estimates are subject to the effects of trends in claim severity and frequency. The estimates are continually reviewed and adjusted as necessary as experience develops or new information becomes available.

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Participating Business

Participating policies entitle the policyowners to receive dividends based on actual interest, mortality, morbidity, and expense experience for the related policies. These dividends are distributed to the policyowners through an annual dividend using current dividend scales, which are approved by the Company's Board of Directors. As of December 31, 2025 and 2024, 9.8% and 9.9%, respectively, of the Company's life policies were paying dividends.

The method of accounting for policyowner dividends is based upon dividends credited annually to policyowners on their policy anniversary date plus the change from the prior period on one year's projected dividend liability on policies in force at the statement date. There was no additional income allocated to participating policyowners for the years ended December 31, 2025 and 2024.

Corporate Owned Life Insurance

The Company is the owner and beneficiary of life insurance policies which are included as admitted assets in the balance sheets at their cash surrender values pursuant to SSAP No. 21, *Other Admitted Assets*. As of December 31, 2025 and 2024, the cash surrender value of the policies is \$2,062,897 and \$1,012,862, respectively, and is allocated 100% to other invested assets based on the primary underlying investment characteristics.

Reinsurance

Reinsurance premiums and benefits, paid or provided, are accounted for on a basis consistent with those used in accounting for the policy as originally issued and with the terms of the reinsurance contracts. Gains associated with reinsurance of in force blocks of business are included in surplus and are amortized into income as earnings emerge on the business reinsured. Premiums ceded and recoverable losses have been reported as a reduction of premium income and benefits, respectively. Policy liabilities and accruals are reported in the accompanying financial statements net of amounts ceded. For the Company's modified coinsurance agreements, the profit and loss with respect to policyholder reserves and the assets supporting the reserves are reflected through the modified coinsurance adjustment ceded line in the accompanying statements of operations. The policyholder reserves are reported within the policy and contract liabilities lines and the assets supporting the reserve are reported within investment asset and liabilities lines of the accompanying balance sheets. Reinsurance recoverable are amounts due from reinsurers on benefits paid by the Company. Reinsurance receivables consist of commissions and expense allowances due and other refunds due from the reinsurer. Reinsurance payables consist of premiums and other refunds due to the reinsurer. The Company has elected to present receivables and payables from affiliated reinsurance agreements on a net basis on the balance sheets.

Federal Income Taxes

Deferred federal income taxes are calculated as defined by SSAP No. 101, *Income Taxes*. SSAP No. 101 establishes deferred tax assets and liabilities based on differences between statutory and tax reporting. The deferred tax assets are then subject to an admissibility test which can limit the amount of deferred tax assets that are recorded.

Accounting Changes

Effective January 1, 2025, the Company adopted the principle-based-bond definition (PBBB). This adoption clarifies that securities qualifying as issuer credit obligations fall under the scope of SSAP No. 26, *Bonds*, while those qualifying as asset-backed securities fall under SSAP No. 43, *Asset-Backed Securities*. Securities that do not meet these criteria are reported as debt securities that do not qualify as bonds, residual tranches, other invested assets, or non-admitted assets. Changes in the measurement of bonds due to the transition is reported as a change in unrealized gains (losses) and not as a change in accounting principle. The impacts of securities reclassified under the PBBB are as follows:

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- As of January 1, 2025, the aggregate book adjusted carrying value prior to adoption of PBBD for all securities reclassified from bonds to other invested assets is \$1,648,522 in the general account and \$229,013 in the separate accounts.
- As of January 1, 2025, the aggregate book adjusted carrying value after adoption of PBBD for securities reclassified from bonds to other invested assets that resulted in a change in measurement basis from amortized cost to lower of amortized cost or fair value is \$872,113 in the general account and \$127,674 in the separate accounts.
- The aggregate surplus impact for securities reclassified from bonds to other invested assets includes the difference between the book adjusted carrying value as of December 31, 2024 and the book adjusted carrying value after adoption as of January 1, 2025 for those securities that resulted in a change in measurement basis. The total surplus impact from the change in measurement basis was not material.
- Contemporaneous with the January 1, 2025 adoption of the PBBD, the Company made conforming revisions for INT 24-01: *Principles-Based Bond Definition Implementation Questions and Answers*, which provided further clarification on the accounting for hybrid instruments, among other topics. Pursuant to this guidance, the Company reclassified certain hybrid instruments from preferred stock to other invested assets. The corresponding impact to surplus was not material.

During 2025, the Company elected to change the valuation rate basis on certain assumed blocks of deferred annuity business from issue year to change in funds. The cumulative effect of this change as of January 1, 2025, decreased policy reserve liabilities by \$83,153, and after consideration of modco reinsurance, increased surplus by \$24,659, which was recorded directly to surplus in accordance with SSAP No. 3, *Accounting Changes and Correction of Errors*.

During 2024, the Company elected to change the valuation rate basis for in force and future deferred annuity business from issue year to change in funds. The cumulative effect of this change as of January 1, 2024, decreased policy reserve liabilities net of coinsurance by \$342,623, and after consideration of modco reinsurance, increased surplus by \$136,183, which was recorded directly to surplus in accordance with SSAP No. 3, *Accounting Changes and Correction of Errors*.

Also during 2024, the Company elected to change the formula reserve basis for in force and future funding agreements to use the single premium immediate annuity statutory valuation interest rate to value fixed interest rate funding agreements. The cumulative effect of this change as of January 1, 2024, decreased policy reserve liabilities net of coinsurance by \$33,974, and after consideration of modco reinsurance, had no impact to surplus.

2. Prescribed and Permitted Statutory Accounting Practices

The Iowa Department recognizes only statutory accounting practices prescribed and permitted by the State of Iowa for determining and reporting the financial condition and results of operations of an insurance company and for determining its solvency under the Iowa Insurance Law. The NAIC's *Accounting Practices and Procedures Manual* has been adopted as a component of prescribed or permitted practices by the State of Iowa. The Commissioner of the Iowa Department (the Commissioner) has the right to permit other specific practices that deviate from prescribed practices.

Among the products issued by the Company are indexed universal life insurance and indexed annuities. These products allow a portion of the premium to earn interest based on certain indices, including the Standard & Poor's 500® Composite Stock Price Index (S&P) and other bespoke indices. Call options, futures, variance swaps and total return swaps are purchased to hedge the interest credited to the

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customer as a direct result of movements in the related indices. In 2006, the Commissioner issued Bulletin 06-01, *Accounting for Derivative Instruments Used to Hedge the Growth in Interest Credited for Index Products*, which prescribes that an insurer may elect to recognize changes in the fair value of derivative instruments purchased to hedge indexed products in the statements of operations. The Company has elected to apply Bulletin 06-01 to its futures, variance swaps and total return swaps that are hedging fixed indexed annuities. Application of Bulletin 06-01 does not impact the Company's surplus.

In 2009, the Commissioner of the Division promulgated Iowa Administrative Code (IAC) Section 191-97, *Accounting for Certain Derivative Instruments Used to Hedge the Growth in Interest Credited for Indexed Insurance Products and Accounting for the Indexed Insurance Products Reserve*, which prescribes that an insurer may elect (i) to use an amortized cost method to account for certain derivative instruments, such as call options, purchased to hedge the growth in interest credited to the customer on indexed insurance products and (ii) to utilize an indexed annuity reserve calculation methodology under which call options associated with the current index interest crediting term are valued at zero. IAC Section 191-97 does not apply to products that do not guarantee a minimum interest accumulation, such as our variable and index-linked deferred annuities. The Company has elected to apply IAC Section 191-97 to its eligible over the counter (OTC) call options and reserve liabilities.

The NAIC requires annuities issued by life insurance companies on or after January 1, 2015, to use the 2012 Individual Annuity Reserving (IAR) Mortality Table. During 2015, the Commissioner promulgated IAC Section 191-43.3(5), which sets an elective alternative effective date of January 1, 2016 for adoption of the 2012 IAR Mortality Table. The Company has chosen to use the Annuity 2000 Mortality Table for annuities issued between January 1, 2015 and December 31, 2015.

For the year ended December 31, 2025, the Company received a permitted accounting practice from the Iowa Department to record its investment in Apollo Aligned Alternatives Aggregator, L.P. (AAA) as if the underlying investments held by AAA were owned directly by the Company. The permission represents a deviation from SSAP No. 48, *Joint Ventures, Partnerships and Limited Liability Companies*, and requires the Company to apply look-through accounting and reporting to AAA's investments as if the investments were owned directly by the Company. Application of this permitted practice at January 1, 2025 reduced the Company's carrying value of AAA by \$212,312, and after applying reinsurance, reduced the Company's capital and surplus by \$8,112, which was recorded directly through surplus as a cumulative effect of change in accounting principle. As a result of this permitted practice, the Company's net income for the year ended December 31, 2025 decreased by \$20,002 and cumulative capital and surplus as of December 31, 2025 was reduced by \$262,983 prior to the application of reinsurance. After the application of reinsurance, the permitted practice increased net income for the year ended December 31, 2025 by \$8,112 and had no impact on the Company's capital and surplus.

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A reconciliation of the Company's net income and surplus between practices prescribed or permitted by the Iowa Department and NAIC Statutory Accounting Practices (NAIC SAP) is shown below:

	Years Ended December 31,		
	2025	2024	2023
Net income (loss), Iowa basis	\$ 1,091,573	\$ 949,491	\$ (78,803)
Iowa prescribed practice:			
Derivative instruments Bulletin 06-01	(17,652)	1,609	(9,233)
Derivative instruments IAC 191-97	81,558	52,527	(207,841)
2015 Mortality IAC 191-43.3(5)	(716)	645	(24)
Iowa permitted practice:			
AAA measurement	(8,112)	—	—
Net income (loss), NAIC statutory accounting practices	<u>\$ 1,146,651</u>	<u>\$ 1,004,272</u>	<u>\$ (295,901)</u>
Surplus, Iowa basis	\$ 4,121,784	\$ 3,899,057	\$ 3,305,601
Iowa prescribed practice:			
Derivative instruments IAC 191-97	52,276	(37,596)	2,174
2015 Mortality IAC 191-43.3(5)	(6,773)	(6,058)	(6,703)
Surplus, NAIC statutory accounting practices	<u>\$ 4,167,287</u>	<u>\$ 3,855,403</u>	<u>\$ 3,301,072</u>

The Company owns all of the outstanding capital stock of Athene Re IV, a special purpose financial captive life insurance company domiciled in the State of Vermont. Athene Re IV, with the explicit permission of the Commissioner of the Vermont Department of Financial Regulation of the State of Vermont, has included as an admitted asset a letter of credit serving as collateral for reinsurance credit taken by the Company in connection with reinsurance agreements entered into between Athene Re IV and the Company. Under NAIC SAP, the letter of credit would not otherwise be treated as an admitted asset.

There is no difference in Athene Re IV's net income between NAIC statutory accounting practices and practices prescribed or permitted by the Vermont Department for the year ended December 31, 2025, 2024 or 2023.

A reconciliation of Athene Re IV's surplus between practices prescribed and permitted by the State of Vermont and NAIC SAP is shown below:

	Years Ended December 31,		
	2025	2024	2023
Surplus, Vermont basis	\$ 41,517	\$ 42,097	\$ 42,815
Vermont permitted practice:			
Letter of credit	(76,004)	(86,109)	(96,314)
Surplus, NAIC statutory accounting practices	<u>\$ (34,487)</u>	<u>\$ (44,012)</u>	<u>\$ (53,499)</u>

If Athene Re IV had not been permitted to include the letter of credit in surplus, its risk-based capital would have been below Mandatory Control Level.

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The Company carries its investment in Athene Re IV at Athene Re IV's capital and surplus of \$41,517. If Athene Re IV had not been permitted to include the letter of credit in surplus, Athene Re IV's capital and surplus would be negative and the Company would have carried its investment in Athene Re IV at \$0.

3. Correction of Prior Period Errors

During 2025, the Company discovered an error which resulted in a \$9,252 understatement of asset valuation reserve (AVR) and a corresponding overstatement of surplus in the prior period financial statements. The Company also discovered an error in 2025 which resulted in a \$64,047 understatement of annuity contract reserve liabilities and a \$51,238 understatement of reserves ceded under modco reinsurance, resulting in a \$12,809 overstatement of surplus in the prior period financial statements. In accordance with SSAP No. 3, *Accounting Changes and Correction of Errors*, these corrections were recorded directly to surplus.

Also during 2025, the Company discovered an error which resulted in a \$13,428 overstatement of commissions and expense allowances on reinsurance ceded in the separate account prior period financial statements. In accordance with SSAP No. 3, the correction was recorded directly to surplus in the separate account and is included within the other changes in surplus in separate accounts statement line of the statements of changes in capital and surplus in these financial statements.

The net impact of these 2025 corrections decreased surplus on the general account by a total of \$35,490, representing 0.9% of ending capital and surplus as of both December 31, 2025 and 2024.

During 2024, the Company discovered an error which resulted in a \$59,214 understatement of commissions and expense allowances on reinsurance ceded and a \$12,435 understatement of federal income tax payable in the prior period financial statements. In accordance with SSAP No. 3, these corrections were recorded directly to surplus.

The Company also discovered an error in 2024 in the tax reserves which resulted in a \$54,361 understatement of federal income tax payable, and a \$3,569 understatement of net deferred income tax asset in the prior period financial statements. In accordance with SSAP No. 3, the federal income tax expense correction was recorded directly to surplus.

The net impact of both of these 2024 corrections decreased surplus by a total of \$4,013, representing 0.1% of ending capital and surplus as of both December 31, 2024 and 2023.

During 2023, the Company discovered an error in the tax reserves which resulted in a \$70,481 understatement of federal income tax payable and a \$12,556 understatement of admitted net deferred income tax asset in the prior period financial statements. In accordance with SSAP No. 3, the current tax expense correction was recorded directly to surplus. The net impact of the corrections decreased surplus by \$57,925, representing 1.8% of ending capital and surplus as of December 31, 2023.

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4. Investments

The carrying value and estimated fair value of investments principally held at amortized cost are summarized as follows:

	Carrying Value	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value
December 31, 2025				
Issuer credit obligations				
U.S. government obligations	\$ 14,783,433	\$ 109,352	\$ 643,540	\$ 14,249,245
Non-U.S. sovereign jurisdiction securities	640,533	7,857	122,104	526,286
Municipal bonds - general obligations (direct & guaranteed)	34,712	338	1,411	33,639
Municipal bonds - special revenue	343,244	8,216	35,412	316,048
Project finance bonds issued by operating entities	5,634,436	35,111	30,927	5,638,620
Corporate bonds	40,883,031	553,167	2,430,824	39,005,374
Mandatory convertible bonds	20,659	6,884	—	27,543
Single entity backed obligations	8,711,535	271,125	268,271	8,714,389
Bonds issued by funds representing operating entities	11,834,873	167,409	135,970	11,866,312
Bank loans - issued	1,058,120	4,232	940	1,061,412
Bank loans - acquired	1,443,904	1,127	12,299	1,432,732
Total issuer credit obligations	<u>85,388,480</u>	<u>1,164,818</u>	<u>3,681,698</u>	<u>82,871,600</u>
Asset-backed securities				
Financial asset-backed securities - self- liquidating	58,721,405	513,341	744,039	58,490,707
Financial asset-backed securities - not self-liquidating	10,088,798	636	34,650	10,054,784
Non-financial asset-backed securities	4,653,712	49,799	63,090	4,640,421
Total asset-backed securities	<u>73,463,915</u>	<u>563,776</u>	<u>841,779</u>	<u>73,185,912</u>
Total bonds	<u>\$ 158,852,395</u>	<u>\$ 1,728,594</u>	<u>\$ 4,523,477</u>	<u>\$ 156,057,512</u>
Short-term investments	<u>\$ 18,569</u>	<u>\$ 13</u>	<u>\$ —</u>	<u>\$ 18,581</u>
Cash equivalents	<u>\$ 7,283,525</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 7,283,525</u>

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	Carrying Value	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value
December 31, 2024				
Bonds				
U.S. governments	\$ 5,691,898	\$ 7,834	\$ 723,050	\$ 4,976,682
All other governments	534,630	11	148,354	386,287
U.S. states, territories and possessions, etc. guaranteed	26,984	—	2,842	24,143
U.S. political subdivisions of states, territories, and possessions, guaranteed	36,508	84	703	35,888
U.S. special revenue and special assessment obligations, etc. non- guaranteed	1,245,585	27,818	51,540	1,221,863
Industrial and miscellaneous	92,650,264	778,284	4,605,296	88,823,251
Hybrid securities	300,009	9,195	3,090	306,115
Parent, subsidiaries and affiliates	29,239,015	111,592	454,347	28,896,260
Unaffiliated bank loans	1,237,549	4,437	27,333	1,214,653
Total bonds	<u>\$ 130,962,442</u>	<u>\$ 939,255</u>	<u>\$ 6,016,555</u>	<u>\$ 125,885,142</u>
Short-term investments	<u>\$ 1,017,411</u>	<u>\$ 530</u>	<u>\$ 74</u>	<u>\$ 1,017,867</u>
Cash equivalents	<u>\$ 6,831,570</u>	<u>\$ 119</u>	<u>\$ —</u>	<u>\$ 6,831,688</u>

A summary of the carrying value and fair value of the Company's investments in bonds at December 31, 2025, by contractual maturity, is as follows:

	Carrying Value	Fair Value
Due in one year or less	\$ 1,548,741	\$ 1,547,325
Due after one year through five years	19,176,805	19,380,243
Due after five years through ten years	16,049,469	15,930,852
Due after ten years	48,613,466	46,013,180
Asset-backed securities	73,463,914	73,185,912
Total	<u>\$158,852,395</u>	<u>\$156,057,512</u>

The actual maturities may differ from the contractual maturities in the foregoing table because certain borrowers have the right to call or prepay obligations with or without call or prepayment penalties.

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The following tables show unrecognized gross unrealized losses and fair value for investments which other-than-temporary declines in value have not been recognized in the current period, aggregated by investment category and length of time the individual securities have been in a continuous unrealized loss position:

	Less than Twelve Months		Twelve Months or More		Total	
	Gross Unrealized Losses		Gross Unrealized Losses		Gross Unrealized Losses	
	Fair Value		Fair Value		Fair Value	
December 31, 2025						
Issuer credit obligations						
U.S. government obligations	\$ 5,642,735	\$ 88,171	\$ 2,137,107	\$ 555,369	\$ 7,779,842	\$ 643,540
Non-U.S. sovereign jurisdiction securities	11,224	103	354,176	122,001	365,400	122,104
Municipal bonds - general obligations (direct & guaranteed)	344	—	8,184	1,411	8,528	1,411
Municipal bonds - special revenue	2,509	56	196,781	35,356	199,290	35,412
Project finance bonds issued by operating entities	2,015,564	12,561	103,305	18,366	2,118,869	30,927
Corporate bonds	6,497,315	112,087	14,050,543	2,318,737	20,547,858	2,430,824
Single entity backed obligations	120,994	655	2,625,955	267,616	2,746,949	268,271
Bonds issued by funds representing operating entities	464,869	2,765	1,244,623	133,205	1,709,492	135,970
Bank loans - issued	462,228	614	43,133	326	505,361	940
Bank loans - acquired	394,736	3,353	364,049	8,946	758,785	12,299
Total issuer credit obligations	15,612,518	220,365	21,127,856	3,461,333	36,740,374	3,681,698
Asset-backed securities						
Financial asset-backed securities - self-liquidating	18,315,119	178,848	7,763,652	565,191	26,078,771	744,039
Financial asset-backed securities - not self-liquidating	2,773,766	30,046	627,056	4,604	3,400,822	34,650
Non-financial asset-backed securities	275,048	1,685	1,258,208	61,405	1,533,256	63,090
Total asset-backed securities	21,363,933	210,579	9,648,916	631,200	31,012,849	841,779
Total bonds	\$36,976,451	\$ 430,944	\$ 30,776,772	\$4,092,533	\$67,753,223	\$4,523,477
Preferred stocks	\$ —	\$ —	\$ 709,957	\$ 398	\$ 709,957	\$ 398
Debt securities that do not qualify as bonds	\$ 733,012	\$ 31,747	\$ —	\$ —	\$ 733,012	\$ 31,747
Total	\$37,709,463	\$ 462,691	\$ 31,486,729	\$4,092,931	\$69,196,192	\$4,555,622

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	Less than Twelve Months		Twelve Months or More		Total	
	Gross Unrealized		Gross Unrealized		Gross Unrealized	
	Fair Value	Losses	Fair Value	Losses	Fair Value	Losses
December 31, 2024						
Bonds						
U.S. governments	\$ 2,709,698	\$ 110,760	\$ 1,629,049	\$ 612,290	\$ 4,338,747	\$ 723,050
All other governments	52,041	4,528	333,542	143,826	385,583	148,354
U.S. states, territories and possessions, etc. guaranteed	—	—	24,143	2,842	24,143	2,842
U.S. political subdivisions of states, territories, and possessions, guaranteed	23,595	284	3,210	419	26,805	703
U.S. special revenue and special assessment obligations, etc. non-guaranteed	455,333	12,486	187,382	39,054	642,715	51,540
Industrial and miscellaneous	19,320,939	494,895	26,731,924	4,110,401	46,052,863	4,605,296
Hybrid securities	12,071	49	33,384	3,041	45,455	3,090
Parent, subsidiaries, and affiliates	10,345,774	142,588	4,098,655	311,759	14,444,429	454,347
Unaffiliated bank loans	371,017	660	203,298	26,673	574,315	27,333
Total bonds	<u>\$ 33,290,468</u>	<u>\$ 766,250</u>	<u>\$ 33,244,587</u>	<u>\$ 5,250,305</u>	<u>\$ 66,535,055</u>	<u>\$ 6,016,555</u>
Preferred stocks	<u>\$ 64,995</u>	<u>\$ 1</u>	<u>\$ 709,950</u>	<u>\$ 405</u>	<u>\$ 774,945</u>	<u>\$ 406</u>
Short-term investments	<u>\$ 116,275</u>	<u>\$ 74</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 116,275</u>	<u>\$ 74</u>
Total	<u>\$ 33,471,738</u>	<u>\$ 766,325</u>	<u>\$ 33,954,537</u>	<u>\$ 5,250,710</u>	<u>\$ 67,426,275</u>	<u>\$ 6,017,035</u>

Included in the above tables are 4,346 securities from 2,038 issuers at December 31, 2025 and 5,187 securities from 2,166 issuers at December 31, 2024. The unrealized losses on corporate securities come primarily from the Consumer Non-cyclical, Electric, Energy, Consumer Cyclical, and Communications sectors. The unrealized losses are primarily attributable to changes in market interest rates since acquisition. Unrealized losses were not recognized in income as the Company intends to hold these securities and it is not more likely than not that the Company will be required to sell a security before the recovery of its amortized cost.

The following table shows unrecognized gross unrealized losses and fair value on asset-backed securities and length of time that individual securities have been in a continuous unrealized loss position as of December 31, 2024. These asset-backed securities were included within the bonds lines of the above table for 2024.

	Less than Twelve Months		Twelve Months or More		Total	
	Gross Unrealized		Gross Unrealized		Gross Unrealized	
	Fair Value	Losses	Fair Value	Losses	Fair Value	Losses
Asset-backed securities	\$16,658,621	\$ 261,954	\$12,560,446	\$ 1,172,029	\$29,219,067	\$ 1,433,983

The evaluation of OTTI for the Company's investments considered the factors discussed in Note 1.

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The Company recognized OTTI on asset-backed securities due to the intent to sell or inability or lack of intent to retain the investment for a period of time sufficient to recover the amortized cost basis as follows:

	Year Ended December 31,	Year Ended December 31,	Year Ended December 31,
	2025	2024	2023
Amortized cost basis prior to OTTI	\$ 1,766	\$ —	\$ 31,140
Less: OTTI recognized	224	—	3,400
Fair value and amortized cost after OTTI	\$ 1,542	\$ —	\$ 27,740

OTTI was recognized on the following asset-backed securities in 2025 due to the present value of the cash flows expected to be collected being less than the amortized cost basis:

Security	Date of Impairment	Amortized Cost Prior to OTTI	OTTI Recognized in Earnings	Fair Value at Time of OTTI	Amortized Cost After OTTI
05532VBB2	3/31/2025	\$ 352	\$ 7	\$ 193	\$ 345
05543DBQ6	3/31/2025	4,323	46	4,109	4,277
05952FAG8	3/31/2025	1,828	25	1,654	1,803
12668AQ24	3/31/2025	3,088	28	3,060	3,060
12668BMY6	3/31/2025	1,430	2	1,346	1,428
126694G93	3/31/2025	552	25	506	527
126694JH2	3/31/2025	153	4	98	149
362334MH4	3/31/2025	1,355	1	1,319	1,354
362341FN4	3/31/2025	1,526	54	1,455	1,472
38375UFL9	3/31/2025	142	4	100	138
38375UPB0	3/31/2025	313	11	223	302
38375UTQ3	3/31/2025	164	—	112	164
38375UUT5	3/31/2025	780	78	516	702
38376R2Y1	3/31/2025	1,139	6	791	1,133
38376RAR7	3/31/2025	406	3	273	403
38376RBL9	3/31/2025	106	3	73	103
38376RHQ2	3/31/2025	207	4	147	203
38376RQH2	3/31/2025	597	22	427	575
38376RWU6	3/31/2025	932	1	629	931
38380LC92	3/31/2025	174	1	116	173
41161PVJ9	3/31/2025	5,413	36	5,022	5,377
466247JW4	3/31/2025	2,445	13	2,346	2,432
466247UG6	3/31/2025	459	80	373	379
46630KAC0	3/31/2025	1,842	11	1,718	1,831
62951MAY6	3/31/2025	2,613	18	2,365	2,595
761118QM3	3/31/2025	6,572	234	6,104	6,338
86361XAA7	3/31/2025	7,451	354	7,089	7,097
91863*AB1	3/31/2025	14,458	5,689	2,828	8,769
G0445QAA6	3/31/2025	1,440	32	1,420	1,408
00212JBN1	6/30/2025	9,543	42	8,891	9,501
05533WBF0	6/30/2025	3,651	1	3,347	3,650
05952FAG8	6/30/2025	1,769	23	1,644	1,746
05952FAL7	6/30/2025	826	9	772	817

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Security	Date of Impairment	Amortized Cost Prior to OTTI	OTTI Recognized in Earnings	Fair Value at Time of OTTI	Amortized Cost After OTTI
12489WGD0	6/30/2025	925	42	882	883
12667F5W1	6/30/2025	1,709	11	1,693	1,698
12667GDA8	6/30/2025	3,374	17	3,326	3,357
12668BTG8	6/30/2025	353	9	335	344
225458Y28	6/30/2025	149	1	134	148
251510HW6	6/30/2025	300	1	283	299
36185MBJ0	6/30/2025	4,722	11	4,579	4,711
36185NQ94	6/30/2025	99	3	68	96
3622MWAS2	6/30/2025	363	2	351	361
3622N6AA7	6/30/2025	1,406	4	1,247	1,402
362341WZ8	6/30/2025	50	3	47	47
38375BMU3	6/30/2025	106	6	84	100
38375UEE6	6/30/2025	248	3	164	245
38375ULF5	6/30/2025	475	25	320	450
38375UQG8	6/30/2025	525	23	363	502
38375UTQ3	6/30/2025	132	3	91	129
38375UXF2	6/30/2025	134	2	109	132
38376R2Y1	6/30/2025	1,002	50	708	952
38376R5B8	6/30/2025	294	10	195	284
38376RAR7	6/30/2025	353	1	238	352
38376RHQ2	6/30/2025	171	5	115	166
38376RSY3	6/30/2025	382	20	256	362
38376RWU6	6/30/2025	866	57	565	809
38376RWW2	6/30/2025	619	10	424	609
38378U8F7	6/30/2025	272	10	171	262
41161PVJ9	6/30/2025	5,258	35	4,950	5,223
41164LAB5	6/30/2025	789	4	767	785
45660L4W6	6/30/2025	2,783	11	2,772	2,772
45661EGH1	6/30/2025	815	2	744	813
466247UG6	6/30/2025	415	43	372	372
55275BAA5	6/30/2025	1,229	2	1,213	1,227
59025GAA9	6/30/2025	522	1	518	521
59025QAC3	6/30/2025	323	18	229	305
61748HVV1	6/30/2025	684	11	659	673
61748JAE7	6/30/2025	907	27	874	880
61749WAT4	6/30/2025	365	1	344	364
61755GAM5	6/30/2025	166	—	138	166
61755GBF9	6/30/2025	1,218	—	1,027	1,218
61915YAE1	6/30/2025	2,130	44	2,076	2,086
62951MAY6	6/30/2025	2,529	17	2,315	2,512
62951MAZ3	6/30/2025	800	11	765	789
649603AP2	6/30/2025	212	7	196	205
65536XAN3	6/30/2025	678	9	568	669
68403KAD7	6/30/2025	236	1	232	235
75114HAD9	6/30/2025	12,555	550	11,863	12,005
761118EN4	6/30/2025	191	—	183	191
863579RT7	6/30/2025	1,114	3	1,110	1,111
86359DRS8	6/30/2025	4,175	19	4,156	4,156

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Security	Date of Impairment	Amortized Cost Prior to OTTI	OTTI Recognized in Earnings	Fair Value at Time of OTTI	Amortized Cost After OTTI
86361XAA7	6/30/2025	7,160	158	7,001	7,002
872227AE3	6/30/2025	1,129	3	1,126	1,126
91863*AA3	6/30/2025	85,089	30,495	37,449	54,594
91863*AB1	6/30/2025	7,907	7,790	117	117
949789AA9	6/30/2025	1,033	7	1,018	1,026
94986KAA4	6/30/2025	443	5	431	438
G0445QAA6	6/30/2025	1,448	12	507	1,436
05532VBB2	9/30/2025	208	29	105	179
12667GDA8	9/30/2025	3,324	36	3,288	3,288
12668BZB2	9/30/2025	2,200	69	2,130	2,131
126694G93	9/30/2025	466	21	434	445
32051GYL3	9/30/2025	816	22	770	794
36185MBJ0	9/30/2025	4,687	327	4,201	4,360
36185MEV0	9/30/2025	4,047	5	3,308	4,042
362334MH4	9/30/2025	2,582	20	2,462	2,562
38375BKM3	9/30/2025	200	8	133	192
38375UBG4	9/30/2025	164	7	124	157
38375UEE6	9/30/2025	218	14	156	204
38375UFL9	9/30/2025	114	5	92	109
38375UQG8	9/30/2025	461	25	311	436
38375UTN0	9/30/2025	365	51	213	314
38375UXA3	9/30/2025	171	3	119	168
38375UZG8	9/30/2025	215	—	148	215
38375UZL7	9/30/2025	120	5	89	115
38376R3Q7	9/30/2025	252	—	173	252
38376R5B8	9/30/2025	248	2	168	246
38376RAR7	9/30/2025	327	2	221	325
38376RDA1	9/30/2025	402	1	266	401
38376RDN3	9/30/2025	670	31	463	639
38376RFS0	9/30/2025	521	7	372	514
38376RJQ0	9/30/2025	409	1	295	408
38376RMF0	9/30/2025	248	15	227	233
38376RQH2	9/30/2025	413	9	308	404
38376RSY3	9/30/2025	326	22	221	304
38376RT55	9/30/2025	182	8	116	174
38376RWU6	9/30/2025	711	11	499	700
38376RWW2	9/30/2025	543	26	366	517
38376RZ66	9/30/2025	225	15	141	210
38378U8F7	9/30/2025	242	17	139	225
38380LC92	9/30/2025	138	4	89	134
41164LAB5	9/30/2025	772	14	754	758
45660L4E6	9/30/2025	1,377	10	1,153	1,367
45660LMX4	9/30/2025	4,869	128	4,741	4,741
45668LAA9	9/30/2025	2,886	33	2,453	2,853
46628TAD3	9/30/2025	7,591	67	7,524	7,524
46628TAE1	9/30/2025	8,031	52	7,979	7,979
59025QAC3	9/30/2025	351	53	210	298
61748HYQ8	9/30/2025	7,487	190	7,297	7,297

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61748JAE7	9/30/2025	857	7	850	850
61766LAE9	9/30/2025	2,381	36	1,219	2,345
62951MAY6	9/30/2025	2,456	17	2,255	2,439
761118QM3	9/30/2025	6,094	69	5,749	6,025
78473WAC7	9/30/2025	969	19	934	950
87244BAA6	9/30/2025	6,618	1,808	4,382	4,810
91863*AA3	9/30/2025	53,810	17,285	25,147	36,525
91863*AB1	9/30/2025	79	31	48	48
408203AL1	9/30/2025	101,287	16,043	45,970	85,244
BAN0VUVR8	9/30/2025	7,044	985	4,549	6,059
004421YB3	12/31/2025	415	94	321	321
05532VBB2	12/31/2025	173	35	106	138
05533WBF0	12/31/2025	3,507	33	3,220	3,474
073881AD6	12/31/2025	3,395	28	3,257	3,367
1248MBAF2	12/31/2025	8,364	106	7,375	8,258
12639MFA8	12/31/2025	1,293	19	1,274	1,274
12645VAC1	12/31/2025	2,048	52	1,773	1,996
12669GK67	12/31/2025	450	23	389	427
16165LAF7	12/31/2025	18,967	105	16,457	18,862
32051GYL3	12/31/2025	765	24	741	741
36185MEV0	12/31/2025	3,991	24	3,270	3,967
362341LL1	12/31/2025	1,771	21	1,734	1,750
362341WE5	12/31/2025	501	38	435	463
38375ULF5	12/31/2025	382	56	228	326
38375UPB0	12/31/2025	186	22	119	164
38375UQG8	12/31/2025	390	32	281	358
38375UQJ2	12/31/2025	129	15	78	114
38375UTN0	12/31/2025	276	35	180	241
38375UUT5	12/31/2025	364	3	256	361
38376RFS0	12/31/2025	440	8	324	432
38376RHQ2	12/31/2025	120	1	81	119
38376RSY3	12/31/2025	270	16	194	254
38376RTF3	12/31/2025	173	3	115	170
38376RVB9	12/31/2025	255	2	170	253
38378U8F7	12/31/2025	214	29	119	185
41161PTN3	12/31/2025	489	7	474	482
41164LAB5	12/31/2025	11,785	143	11,642	11,642
45660L4E6	12/31/2025	1,352	24	1,132	1,328
45660LT25	12/31/2025	845	40	691	805
466247JW4	12/31/2025	2,346	19	2,255	2,327
59025QAC3	12/31/2025	336	139	188	197
61748HQQW4	12/31/2025	5,388	160	5,122	5,228
61748HUF6	12/31/2025	6,667	83	6,584	6,584
61748HYQ8	12/31/2025	6,972	94	6,879	6,878
61756XAG0	12/31/2025	5,011	24	4,469	4,987
61915YAE1	12/31/2025	2,106	70	2,004	2,036
62951MAY6	12/31/2025	4,245	38	4,013	4,207
62951MAZ3	12/31/2025	742	24	704	718

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65536XAN3	12/31/2025	660	89	571	571
749691C41	12/31/2025	2,321	82	2,238	2,239
749691F71	12/31/2025	2,472	70	2,402	2,402
761118DN5	12/31/2025	1,184	16	1,136	1,168
761118QM3	12/31/2025	5,833	279	5,554	5,554
76114BAB4	12/31/2025	1,725	9	1,548	1,716
81743QAG9	12/31/2025	1,177	24	1,153	1,153
81743QAJ3	12/31/2025	3,440	3	3,310	3,437
86358LAA8	12/31/2025	187	45	141	142
86361PAN6	12/31/2025	3,693	67	3,617	3,626
86361XAA7	12/31/2025	7,027	376	6,651	6,651
878048AL1	12/31/2025	626	105	484	521
881561F33	12/31/2025	1,275	44	1,211	1,231
91863*AA3	12/31/2025	36,414	16,817	14,531	19,597
91863*AB1	12/31/2025	39	38	44	1
95000TBA3	12/31/2025	2,337	580	1,758	1,757
G0445QAA6	12/31/2025	1,267	725	543	542
			<u>\$ 105,205</u>		

OTTI was recognized on the following asset-backed securities in 2024 due to the present value of the cash flows expected to be collected being less than the amortized cost basis:

Security	Date of Impairment	Amortized Cost Prior to OTTI	OTTI Recognized in Earnings	Fair Value at Time of OTTI	Amortized Cost After OTTI
05529DAA0	3/31/2024	\$ 5,943	\$ 43	\$ 5,901	\$ 5,900
07386HUL3	3/31/2024	734	108	626	626
12543WAA6	3/31/2024	1,215	28	1,059	1,187
12566QAE3	3/31/2024	414	24	384	390
12566QAG8	3/31/2024	388	23	361	366
12566RAD3	3/31/2024	1,260	106	1,154	1,154
12566WAM2	3/31/2024	227	38	189	189
12641TAS5	3/31/2024	4,459	382	3,983	4,077
12641TCC8	3/31/2024	3,042	142	2,521	2,900
12668A5X9	3/31/2024	4,938	81	4,768	4,857
16165TAH6	3/31/2024	1,073	259	814	814
17307GY51	3/31/2024	4,581	73	4,509	4,508
17309KAK3	3/31/2024	3,057	82	2,975	2,975
17309VAA1	3/31/2024	1,072	56	970	1,016
173105AH0	3/31/2024	815	42	758	773
36185MBJ0	3/31/2024	5,075	212	4,757	4,863
36185MEV0	3/31/2024	4,476	8	3,538	4,468
38375ULF5	3/31/2024	904	2	628	902
38375UQG8	3/31/2024	995	30	654	965
38375UTN0	3/31/2024	716	30	502	686
38375UWN6	3/31/2024	798	22	543	776
38375UWQ9	3/31/2024	1,138	73	747	1,065
38375UXF2	3/31/2024	213	4	179	209

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Security	Date of Impairment	Amortized Cost Prior to OTTI	OTTI Recognized in Earnings	Fair Value at Time of OTTI	Amortized Cost After OTTI
38375UZL7	3/31/2024	166	1	115	165
38376R2Y1	3/31/2024	1,857	5	1,196	1,852
38376RAA4	3/31/2024	1,443	90	919	1,353
38376RDS2	3/31/2024	1,416	28	1,025	1,388
38376RHQ2	3/31/2024	292	7	206	285
38376RK88	3/31/2024	443	21	297	422
38376RLK0	3/31/2024	1,123	23	795	1,100
38376RLS3	3/31/2024	239	6	165	233
38376RMF0	3/31/2024	758	222	536	536
38376RNG7	3/31/2024	296	5	207	291
38376RNN2	3/31/2024	512	8	346	504
38376RNY8	3/31/2024	942	25	634	917
38376RQF6	3/31/2024	1,991	30	1,398	1,961
38376RQH2	3/31/2024	1,068	19	739	1,049
38376RRP3	3/31/2024	1,043	2	716	1,041
38376RSA5	3/31/2024	1,165	2	750	1,163
38376RTF3	3/31/2024	478	19	310	459
38376RWU6	3/31/2024	1,440	28	972	1,412
38376RZ66	3/31/2024	464	21	296	443
38380LC92	3/31/2024	281	10	171	271
45660L4E6	3/31/2024	1,505	4	1,252	1,501
61761PAG0	3/31/2024	3,293	16	2,993	3,277
65540AAB3	3/31/2024	5,376	25	5,086	5,351
86361XAA7	3/31/2024	7,013	156	6,849	6,857
872227AE3	3/31/2024	2,267	58	1,894	2,209
87222PAB9	3/31/2024	2,579	67	2,495	2,512
91863*AB1	3/31/2024	28,697	511	17,995	28,186
026933AA9	6/30/2024	3,824	327	3,416	3,497
05490AAG8	6/30/2024	8,845	8,845	—	—
12667GDA8	6/30/2024	3,975	16	3,827	3,959
16678RFC6	6/30/2024	2,417	288	1,810	2,129
251510GR8	6/30/2024	963	153	809	810
251510LF8	6/30/2024	664	22	642	642
38375BKW1	6/30/2024	106	38	50	68
38375BQY1	6/30/2024	111	29	66	82
38375UFR6	6/30/2024	222	24	126	198
38375ULF5	6/30/2024	818	25	554	793
38375UMZ0	6/30/2024	424	31	282	393
38375UPY0	6/30/2024	1,170	37	858	1,133
38375UUT5	6/30/2024	1,169	35	824	1,134
38375UXF2	6/30/2024	197	3	168	194
38375UZG8	6/30/2024	421	13	296	408
38376R2Y1	6/30/2024	1,708	93	1,079	1,615
38376R3Q7	6/30/2024	451	12	312	439
38376R5B8	6/30/2024	483	38	295	445
38376RAR7	6/30/2024	544	42	344	502
38376RBN5	6/30/2024	504	30	348	474
38376RDA1	6/30/2024	762	55	480	707

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38376RDN3	6/30/2024	1,395	76	995	1,319
38376RDS2	6/30/2024	1,197	13	893	1,184
38376RDZ6	6/30/2024	501	6	354	495
38376RFS0	6/30/2024	1,007	21	713	986
38376RJQ0	6/30/2024	934	39	662	895
38376RLK0	6/30/2024	943	34	669	909
38376RLS3	6/30/2024	220	6	161	214
38376RN51	6/30/2024	320	34	217	286
38376RNN2	6/30/2024	435	8	298	427
38376RRC2	6/30/2024	1,281	58	854	1,223
38376RRP3	6/30/2024	917	10	625	907
38376RSA5	6/30/2024	1,067	60	681	1,007
38376RSY3	6/30/2024	616	19	420	597
38376RT55	6/30/2024	336	15	221	321
38376RUM6	6/30/2024	1,339	51	915	1,288
38376RWW2	6/30/2024	1,095	47	719	1,048
38378U8F7	6/30/2024	510	27	338	483
38380LC92	6/30/2024	241	3	152	238
466247UG6	6/30/2024	438	63	375	375
46631JAA6	6/30/2024	3,557	16	2,885	3,541
61748HQQW4	6/30/2024	6,648	169	6,008	6,479
61749LAF8	6/30/2024	670	111	556	559
61762UCH4	6/30/2024	6,774	77	6,480	6,697
75114NAA2	6/30/2024	7,049	13	7,036	7,036
75114NAC8	6/30/2024	3,744	18	3,726	3,726
751150AA1	6/30/2024	13,092	796	11,721	12,296
91863*AB1	6/30/2024	28,259	6,974	14,297	21,285
95000TBC9	6/30/2024	655	109	438	546
BAN0VUVR8	6/30/2024	13,880	4,686	7,480	9,194
BAN0VUVS6	6/30/2024	5,803	3,235	2,184	2,568
02147UAA1	9/30/2024	978	19	942	959
05531XAG9	9/30/2024	4,014	38	3,338	3,976
05532GAF7	9/30/2024	2,164	9	2,140	2,155
07386HUL3	9/30/2024	920	81	839	839
12641TAS5	9/30/2024	3,901	50	3,851	3,851
12641TCC8	9/30/2024	2,802	177	2,456	2,625
126694MU9	9/30/2024	1,491	12	1,232	1,479
16678RFC6	9/30/2024	2,308	243	1,847	2,065
17324KAA6	9/30/2024	4,146	845	3,301	3,301
362611BR5	9/30/2024	1,237	7	1,175	1,230
38375B3G5	9/30/2024	290	2	223	288
38375BGQ9	9/30/2024	106	12	76	94
38376RAR7	9/30/2024	499	7	359	492
38376RBL9	9/30/2024	157	6	111	151
38376RBZ8	9/30/2024	130	23	104	107
38376RWU6	9/30/2024	1,248	55	845	1,193
38377EX74	9/30/2024	95	16	78	79
41161PK44	9/30/2024	4,382	42	4,034	4,340

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466247QP1	9/30/2024	1,587	1	1,519	1,586
466247UG6	9/30/2024	407	23	385	384
46631JAA6	9/30/2024	3,523	17	2,978	3,506
46631NAT6	9/30/2024	2,456	88	2,329	2,368
61748HWT4	9/30/2024	1,753	28	1,621	1,725
61763GEQ2	9/30/2024	14,307	69	13,754	14,238
81744LAN4	9/30/2024	1,409	4	1,304	1,405
86212VAE4	9/30/2024	16,640	25	16,116	16,615
86361XAA7	9/30/2024	7,665	217	7,448	7,448
87244BAA6	9/30/2024	9,579	3,173	3,815	6,406
91863*AB1	9/30/2024	21,315	5,933	9,992	15,382
93935HAJ6	9/30/2024	2,492	6	2,307	2,486
G0445QAA6	9/30/2024	3,470	869	2,056	2,601
00192JAE6	12/31/2024	1,640	15	1,570	1,625
00442BAD3	12/31/2024	1,190	25	1,123	1,165
00442BAE1	12/31/2024	2,700	56	2,592	2,644
00443KAD2	12/31/2024	2,046	97	1,945	1,949
00443LAA6	12/31/2024	1,008	14	977	994
007036PG5	12/31/2024	462	32	406	430
026933AA9	12/31/2024	3,437	346	3,092	3,091
05532VBB2	12/31/2024	449	83	230	366
05952FAG8	12/31/2024	1,867	9	1,679	1,858
07400NAH3	12/31/2024	118	44	13	74
12464YAA7	12/31/2024	1,661	28	1,567	1,633
12464YAB5	12/31/2024	1,338	23	1,275	1,315
12465MAA2	12/31/2024	1,039	22	959	1,017
12667F5W1	12/31/2024	1,844	40	1,803	1,804
12667GDA8	12/31/2024	3,602	11	3,591	3,591
126694JG4	12/31/2024	1,951	15	1,896	1,936
16678RFC6	12/31/2024	2,104	191	1,885	1,913
17324KAC2	12/31/2024	1,181	644	537	537
32051GYL3	12/31/2024	898	15	883	883
36185MBJ0	12/31/2024	4,840	36	4,641	4,804
36245RAA7	12/31/2024	1,454	42	1,369	1,412
36245RAB5	12/31/2024	845	23	787	822
38375B3G5	12/31/2024	266	5	188	261
38375BGQ9	12/31/2024	99	36	62	63
38375BKM3	12/31/2024	258	4	202	254
38375BLM2	12/31/2024	104	35	69	69
38375BSB9	12/31/2024	107	39	67	68
38375UEE6	12/31/2024	349	21	194	328
38375UFR6	12/31/2024	168	5	107	163
38375ULD0	12/31/2024	102	29	73	73
38375UQG8	12/31/2024	692	7	452	685
38375UQJ2	12/31/2024	218	20	159	198
38375UQL7	12/31/2024	109	41	67	68
38375UTN0	12/31/2024	484	14	334	470
38375UTQ3	12/31/2024	202	8	137	194

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38375UWN6	12/31/2024	546	12	372	534
38375UXA3	12/31/2024	255	3	183	252
38375UZL7	12/31/2024	113	—	80	113
38376R2Y1	12/31/2024	1,287	4	874	1,283
38376R3Q7	12/31/2024	354	3	257	351
38376R5B8	12/31/2024	376	10	241	366
38376R5Z5	12/31/2024	194	11	124	183
38376RAA4	12/31/2024	1,192	100	784	1,092
38376RAR7	12/31/2024	453	16	311	437
38376RBL9	12/31/2024	128	1	87	127
38376RBZ8	12/31/2024	101	17	84	84
38376RDS2	12/31/2024	842	10	612	832
38376RDZ6	12/31/2024	377	3	264	374
38376RFT8	12/31/2024	646	6	469	640
38376RJD9	12/31/2024	87	6	81	81
38376RK88	12/31/2024	303	1	217	302
38376RLH7	12/31/2024	289	7	215	282
38376RNG7	12/31/2024	186	2	132	184
38376RNN2	12/31/2024	333	1	232	332
38376RNQ5	12/31/2024	131	2	92	129
38376RNY8	12/31/2024	619	2	429	617
38376RQF6	12/31/2024	1,292	5	922	1,287
38376RQH2	12/31/2024	678	10	497	668
38376RRC2	12/31/2024	969	20	662	949
38376RSY3	12/31/2024	501	18	336	483
38376RT55	12/31/2024	258	6	176	252
38376RTF3	12/31/2024	327	22	207	305
38376RVB9	12/31/2024	412	15	278	397
38376RW36	12/31/2024	103	31	72	72
38376RWU6	12/31/2024	1,049	12	703	1,037
38376RWW2	12/31/2024	849	1	578	848
38376RZ66	12/31/2024	309	3	208	306
38377EX74	12/31/2024	76	12	64	64
38380LC92	12/31/2024	199	4	128	195
41161PTN3	12/31/2024	1,535	7	1,444	1,528
41161PVJ9	12/31/2024	5,639	60	5,167	5,579
41164LAB5	12/31/2024	830	5	793	825
43709XAE1	12/31/2024	5,045	91	4,818	4,954
466309AC5	12/31/2024	605	51	554	554
46631JAA6	12/31/2024	3,441	14	2,832	3,427
59024FAE4	12/31/2024	1,114	61	1,053	1,053
59025QAC3	12/31/2024	369	111	258	258
61755GBF9	12/31/2024	1,282	3	1,046	1,279
61762UCH4	12/31/2024	6,502	147	6,355	6,355
61766LAG4	12/31/2024	2,121	1,455	666	666
61766LAQ2	12/31/2024	1,224	926	298	298
61915YAE1	12/31/2024	2,224	113	2,102	2,111
62951MAY6	12/31/2024	2,674	17	2,415	2,657

Athene Annuity and Life Company
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Security	Date of Impairment	Amortized Cost Prior to OTTI	OTTI Recognized in Earnings	Fair Value at Time of OTTI	Amortized Cost After OTTI
75114HAD9	12/31/2024	12,539	246	12,293	12,293
761118DN5	12/31/2024	1,355	30	1,280	1,325
761118QM3	12/31/2024	6,712	61	6,481	6,651
872227AE3	12/31/2024	2,122	318	1,800	1,804
91863*AB1	12/31/2024	16,427	2,215	8,770	14,212
BAN0VUVR8	12/31/2024	8,868	643	7,253	8,225
BAN0VUVS6	12/31/2024	2,320	30	1,981	2,290
G0445QAA6	12/31/2024	2,251	842	1,408	1,409
			<u>\$ 52,221</u>		

OTTI was recognized on the following asset-backed securities in 2023 due to the present value of the cash flows expected to be collected being less than the amortized cost basis:

Security	Date of Impairment	Amortized Cost Prior to OTTI	OTTI Recognized in Earnings	Fair Value at Time of OTTI	Amortized Cost After OTTI
00192JAD8	3/31/2023	\$ 1,536	\$ 129	\$ 1,392	\$ 1,407
05952HAD1	3/31/2023	1,527	12	1,443	1,515
1248MBAF2	3/31/2023	9,869	62	8,539	9,807
12639MFA8	3/31/2023	788	18	691	770
12641TAS5	3/31/2023	4,943	65	4,363	4,878
12668BMY6	3/31/2023	1,812	5	1,612	1,806
126694K31	3/31/2023	383	7	329	376
17322JAB9	3/31/2023	1,435	13	1,422	1,422
61748HQQW4	3/31/2023	7,771	104	7,338	7,667
61755GBF9	3/31/2023	1,504	3	1,197	1,501
65540AAB3	3/31/2023	6,065	2	5,649	6,063
74958TAB9	3/31/2023	2,035	6	1,932	2,029
76114BAB4	3/31/2023	1,995	9	1,747	1,986
863579JH2	3/31/2023	929	35	873	895
00212JBN1	3/31/2023	23,384	6	21,371	23,378
02151HAC9	3/31/2023	1,848	3	1,837	1,846
05543DBQ6	3/31/2023	4,914	4	4,739	4,909
05952FAG8	3/31/2023	2,049	25	1,906	2,025
05956DAD6	3/31/2023	1,334	25	1,309	1,309
073881AD6	3/31/2023	3,974	30	3,348	3,944
07388DAC2	3/31/2023	3,784	17	3,728	3,766
12642LBS0	3/31/2023	1,186	2	1,114	1,183
12645VAC1	3/31/2023	3,183	69	2,890	3,113
12646AAY8	3/31/2023	6,224	29	6,183	6,195
12646NAL8	3/31/2023	662	14	610	648
12667GMA8	3/31/2023	1,513	21	1,359	1,492
12668BCL5	3/31/2023	2,478	8	2,462	2,470
16165TAZ6	3/31/2023	1,049	14	944	1,035
17309KAK3	3/31/2023	3,385	52	3,333	3,333
45660LTS8	3/31/2023	508	3	419	506
45661EGC2	3/31/2023	772	26	680	746

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Security	Date of Impairment	Amortized Cost Prior to OTTI	OTTI Recognized in Earnings	Fair Value at Time of OTTI	Amortized Cost After OTTI
456681AE5	3/31/2023	4,319	22	4,134	4,298
466278BR8	3/31/2023	1,872	59	1,802	1,813
46628BCC2	3/31/2023	921	33	824	888
46632BAE4	3/31/2023	824	18	696	806
61748HUF6	3/31/2023	8,784	167	8,192	8,617
61756VBE8	3/31/2023	2,538	24	2,094	2,515
69121PCH4	3/31/2023	3,514	11	3,443	3,503
74927XAE2	3/31/2023	482	26	456	456
749691C41	3/31/2023	2,429	115	2,298	2,314
749691F71	3/31/2023	2,547	43	2,504	2,504
00192JAD8	6/30/2023	1,375	20	1,328	1,355
12639MFA8	6/30/2023	767	9	653	758
61748HQQW4	6/30/2023	7,277	6	6,966	7,271
00442BAD3	6/30/2023	1,376	74	1,234	1,302
00442BAE1	6/30/2023	3,121	168	2,818	2,953
00442JAD6	6/30/2023	462	27	363	435
058930AD0	6/30/2023	2,650	22	2,388	2,628
16162WPZ6	6/30/2023	1,826	16	1,731	1,810
16165TAB9	6/30/2023	521	88	433	433
41161PVK6	6/30/2023	6,567	52	6,160	6,514
41161UAC6	6/30/2023	3,179	21	2,661	3,158
46631JAA6	6/30/2023	3,929	48	3,123	3,881
55027BAA6	6/30/2023	14,350	184	13,393	14,167
59023MAD2	6/30/2023	2,568	124	2,214	2,444
61748HYQ8	6/30/2023	8,725	30	8,252	8,695
61763GEQ2	6/30/2023	16,145	14	14,735	16,131
863579RT7	6/30/2023	99	1	97	98
87222PAB9	6/30/2023	2,730	53	2,678	2,678
94983JAG7	6/30/2023	1,775	52	1,671	1,723
94984NAA0	6/30/2023	1,513	82	1,382	1,431
05952FAG8	6/30/2023	1,991	15	1,855	1,976
073881AD6	6/30/2023	3,712	5	3,259	3,707
07388DAC2	6/30/2023	3,647	6	3,542	3,641
12645VAC1	6/30/2023	3,102	37	2,730	3,065
12646AAY8	6/30/2023	6,003	19	5,909	5,984
12646NAL8	6/30/2023	646	8	576	638
61748HUF6	6/30/2023	8,563	17	8,241	8,546
74927XAE2	6/30/2023	434	14	413	420
00443KAD2	6/30/2023	2,430	120	2,291	2,310
00443LAA6	6/30/2023	1,112	29	999	1,083
05539BEH3	6/30/2023	4,767	2	4,241	4,765
12489WGD0	6/30/2023	1,462	45	1,416	1,416
12667GRV7	6/30/2023	4,735	12	4,516	4,723
12668BBN2	6/30/2023	10,233	90	10,143	10,143
170257AH2	6/30/2023	850	12	786	838
17307G3F3	6/30/2023	142	4	136	138
225470RU9	6/30/2023	2,361	95	2,161	2,266
2254W0MF9	6/30/2023	1,581	—	1,401	1,581

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3623418H5	6/30/2023	102	33	69	69
362528AA9	6/30/2023	4,085	22	3,941	4,063
41161PK44	6/30/2023	2,248	—	2,057	2,247
41161PWC3	6/30/2023	1,196	12	1,070	1,183
45254TQW7	6/30/2023	2,822	49	2,507	2,773
46634DCP1	6/30/2023	1,373	1	1,276	1,372
46635AAH6	6/30/2023	2,921	48	2,664	2,873
46637JCJ9	6/30/2023	2,679	45	2,506	2,634
55275BAA5	6/30/2023	1,528	53	1,475	1,475
59024FAD6	6/30/2023	864	86	722	777
59024FAE4	6/30/2023	1,350	134	1,127	1,216
61758LAD1	6/30/2023	1,764	8	1,751	1,756
65539KAF5	6/30/2023	4,206	46	3,764	4,160
65539LAF3	6/30/2023	2,925	30	2,577	2,895
863579XC7	6/30/2023	4,536	25	4,512	4,512
86363GAF1	6/30/2023	84	1	78	83
12641TAS5	9/30/2023	4,759	146	4,250	4,613
61748HQQ4	9/30/2023	7,215	115	6,674	7,100
12669GK67	9/30/2023	615	58	423	556
38375BLM2	9/30/2023	260	14	144	246
38375BTZ5	9/30/2023	275	1	157	274
38375ULD0	9/30/2023	240	1	147	239
38375ULQ1	9/30/2023	535	5	406	529
38375UMZ0	9/30/2023	491	39	276	452
38375UNX4	9/30/2023	365	5	199	361
38375UPB0	9/30/2023	510	46	324	464
38375UQJ2	9/30/2023	436	8	266	429
38375UTQ3	9/30/2023	457	5	295	452
38375UTU4	9/30/2023	753	44	465	709
38375UWQ9	9/30/2023	1,664	146	775	1,518
38375UXF2	9/30/2023	356	38	179	318
38375UZL7	9/30/2023	239	15	153	224
38376R2Y1	9/30/2023	2,421	21	1,479	2,400
38376R3Q7	9/30/2023	644	8	433	636
38376RAA4	9/30/2023	1,820	82	913	1,738
38376RAP1	9/30/2023	130	4	81	126
38376RAR7	9/30/2023	819	37	403	782
38376RBL9	9/30/2023	365	10	210	355
38376RBN5	9/30/2023	632	51	373	581
38376RBZ8	9/30/2023	264	2	172	262
38376RDA1	9/30/2023	903	59	516	843
38376RDC7	9/30/2023	700	7	603	693
38376RDZ6	9/30/2023	878	22	558	856
38376RHQ2	9/30/2023	490	53	224	437
38376RK88	9/30/2023	570	6	382	564
38376RLH7	9/30/2023	580	4	383	576
38376RLS3	9/30/2023	467	57	171	409
38376RNG7	9/30/2023	425	6	274	419

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38376RT55	9/30/2023	529	11	329	518
38376RW36	9/30/2023	252	3	150	249
38376XNE9	9/30/2023	1,021	17	595	1,004
38380LVM2	9/30/2023	962	26	646	936
872227AE3	9/30/2023	2,421	86	2,102	2,334
12642LBS0	9/30/2023	1,062	35	951	1,027
61748HUF6	9/30/2023	8,440	99	7,975	8,341
55275BAA5	9/30/2023	1,434	42	1,298	1,392
07386HUL3	9/30/2023	786	117	669	669
07386HYW5	9/30/2023	1,425	33	1,391	1,391
16165TAH6	9/30/2023	1,013	211	802	802
3622EAAC4	9/30/2023	5,336	94	5,128	5,242
38375BKW1	9/30/2023	127	5	82	122
38375UFN5	9/30/2023	969	14	728	955
38375UFR6	9/30/2023	306	7	178	299
38375UQG8	9/30/2023	1,432	22	846	1,410
38375UVC1	9/30/2023	693	11	542	682
38375UVZ0	9/30/2023	119	—	72	118
38375UWN6	9/30/2023	1,299	45	717	1,254
38375UZG8	9/30/2023	545	—	339	544
38376R5B8	9/30/2023	741	20	420	721
38376RDN3	9/30/2023	1,841	212	1,062	1,629
38376RFS0	9/30/2023	1,361	55	762	1,306
38376RFT8	9/30/2023	912	63	549	848
38376RJQ0	9/30/2023	1,399	13	961	1,386
38376RNN2	9/30/2023	843	25	454	819
38376RNQ5	9/30/2023	210	5	137	205
38376RRP3	9/30/2023	1,525	14	932	1,511
38376RSA5	9/30/2023	1,489	101	824	1,388
38376RSY3	9/30/2023	1,111	16	616	1,095
38376RTF3	9/30/2023	685	1	401	684
38376RUM6	9/30/2023	2,271	43	1,358	2,228
38376RWU6	9/30/2023	2,148	147	989	2,001
38376RWW2	9/30/2023	1,778	55	1,074	1,724
38378U8F7	9/30/2023	932	16	549	916
38380LC92	9/30/2023	407	12	216	395
45668LAA9	9/30/2023	5,228	53	4,153	5,175
61759FAJ0	9/30/2023	965	207	759	759
86361XAA7	12/31/2023	7,900	156	7,567	7,744
91863*AB1	12/31/2023	42,124	13,334	19,461	28,790
61762UCH4	9/30/2023	6,989	4	6,633	6,984
76110H7A1	9/30/2023	2,418	18	2,255	2,400
00192JAD8	12/31/2023	1,300	14	1,278	1,286
61748HQW4	12/31/2023	6,901	94	6,779	6,807
16165TAB9	12/31/2023	516	121	392	396
38375BLM2	12/31/2023	211	47	123	164
38375BTZ5	12/31/2023	234	43	130	191
38375ULD0	12/31/2023	199	31	123	168

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38375UNX4	12/31/2023	311	77	169	234
38375UQJ2	12/31/2023	386	56	233	330
38375UTQ3	12/31/2023	395	41	255	355
38375UTU4	12/31/2023	698	47	452	651
38375UWQ9	12/31/2023	1,460	283	826	1,177
38375UXF2	12/31/2023	301	78	192	222
38375UZL7	12/31/2023	194	5	130	189
38376R2Y1	12/31/2023	2,169	133	1,287	2,036
38376R3Q7	12/31/2023	576	21	375	555
38376RAA4	12/31/2023	1,679	239	940	1,440
38376RAR7	12/31/2023	763	149	411	615
38376RBL9	12/31/2023	306	56	167	250
38376RBN5	12/31/2023	568	46	362	522
38376RBZ8	12/31/2023	220	17	143	203
38376RDA1	12/31/2023	821	32	506	789
38376RDZ6	12/31/2023	747	90	476	657
38376RHQ2	12/31/2023	401	96	211	304
38376RLH7	12/31/2023	488	37	327	452
38376RLS3	12/31/2023	388	137	174	251
38376RNG7	12/31/2023	351	16	236	334
38376RT55	12/31/2023	457	32	283	425
38376RW36	12/31/2023	209	35	125	173
38376XNE9	12/31/2023	732	61	463	671
00256DAB8	12/31/2023	1,328	206	870	1,122
126694JH2	12/31/2023	343	153	159	189
38375B3G5	12/31/2023	472	57	286	415
38375BKM3	12/31/2023	460	—	324	460
38375BMU3	12/31/2023	297	45	191	253
38375BQY1	12/31/2023	138	30	85	107
38375UEH9	12/31/2023	138	29	75	109
38375ULF5	12/31/2023	1,107	110	681	998
38375UQL7	12/31/2023	190	27	107	163
38375UUT5	12/31/2023	1,717	210	1,073	1,507
38375UXA3	12/31/2023	510	58	308	451
38376R5Z5	12/31/2023	394	63	216	331
38376RLK0	12/31/2023	1,459	177	922	1,282
38376RQF6	12/31/2023	2,556	310	1,571	2,246
38376RQH2	12/31/2023	1,306	99	832	1,207
38376RRC2	12/31/2023	1,954	361	1,078	1,593
38377EX74	12/31/2023	172	23	127	149
61756VAG4	12/31/2023	1,840	19	1,455	1,821
12667GMA8	12/31/2023	1,323	21	1,180	1,302
17309KAK3	12/31/2023	3,213	10	3,195	3,204
12489WGD0	12/31/2023	1,338	53	1,285	1,285
170257AH2	12/31/2023	745	58	620	687
55275BAA5	12/31/2023	1,377	12	1,366	1,366
38375UQG8	12/31/2023	1,227	125	735	1,102
38375UWN6	12/31/2023	1,099	216	604	884

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Security	Date of Impairment	Amortized Cost Prior to OTTI	OTTI Recognized in Earnings	Fair Value at Time of OTTI	Amortized Cost After OTTI
38375UZG8	12/31/2023	477	70	291	407
38376R5B8	12/31/2023	645	75	355	570
38376RDN3	12/31/2023	1,615	167	1,031	1,447
38376RFS0	12/31/2023	1,275	187	732	1,088
38376RFT8	12/31/2023	838	58	539	780
38376RJQ0	12/31/2023	1,258	58	851	1,201
38376RNN2	12/31/2023	723	149	390	575
38376RRP3	12/31/2023	1,331	131	796	1,200
38376RSA5	12/31/2023	1,300	44	791	1,255
38376RSY3	12/31/2023	946	180	526	766
38376RTF3	12/31/2023	609	81	351	528
38376RUM6	12/31/2023	1,982	280	1,173	1,702
38376RWU6	12/31/2023	1,930	454	983	1,476
38376RWW2	12/31/2023	1,493	124	918	1,369
38378U8F7	12/31/2023	818	148	471	671
38380LC92	12/31/2023	361	52	187	309
05532VBB2	12/31/2023	591	17	517	575
12645QAC2	12/31/2023	2,290	38	2,252	2,252
12667GT86	12/31/2023	1,083	16	982	1,068
36185MBJ0	12/31/2023	5,106	43	4,864	5,063
38375BKB7	12/31/2023	281	11	227	270
38375BQQ8	12/31/2023	330	33	232	296
38375BZT2	12/31/2023	541	53	349	488
38375UBG4	12/31/2023	447	31	310	417
38375UEE6	12/31/2023	556	54	309	503
38375UTN0	12/31/2023	1,053	259	554	795
38376RDS2	12/31/2023	1,728	102	1,113	1,626
38376RM52	12/31/2023	461	99	255	361
38376RN51	12/31/2023	521	111	262	410
38376RNY8	12/31/2023	1,253	194	720	1,060
38376RVB9	12/31/2023	802	107	462	695
38379RHB2	12/31/2023	286	44	230	242
74923JAH0	12/31/2023	551	242	309	309
761118KU1	12/31/2023	703	10	5,901	693
761118NN4	12/31/2023	13,680	194	13,486	13,486
05490AAJ2	12/31/2023	8,401	8,247	154	154
			<u>\$ 36,882</u>		

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5GI Securities

The following table displays the carrying value and associated fair values for 5GI securities, by investment type. 5GI securities are unrated by the NAIC, but are current on principal and interest payments.

	December 31, 2025			December 31, 2024		
	Number of 5GI Securities	Book Adjusted Carrying Value	Fair Value	Number of 5GI Securities	Book Adjusted Carrying Value	Fair Value
Asset-backed securities	1	\$ 209	\$ 247	1	\$ 257	\$ 268
Total	1	\$ 209	\$ 247	1	\$ 257	\$ 268

Sub-Prime Mortgage Related Risk Exposure

The Company has exposure to the sub-prime mortgage credit market through certain mortgage-backed securities (MBS). These securities consist of diversified investments with both fixed-rate and variable-rate collateral, are focused on senior positions within the structure, have borrowers which have demonstrated attachment and ability to pay despite financial stress, and the vast majority are rated 1 or 2 by the NAIC. At December 31, 2025 and 2024, the Company held MBS with sub-prime exposure with a carrying value of \$176,477 and \$179,343, respectively, a cost of \$168,680 and \$171,170, respectively, and a fair value of \$179,557 and \$176,431, respectively. There were \$162 and \$1,028 of other-than-temporary impairments recognized on these securities during 2025 and 2024, respectively.

The Company generally defines sub-prime residential whole mortgage loans as borrowers with impaired credit history and lower FICO scores. The price paid for the sub-prime residential whole mortgage loans factored in the consideration of the borrower's ability to repay along with the overall credit profile of the loan. The Company continues to monitor the performance of the sub-prime residential whole mortgage loans along with performance expectations. The Company held the following in sub-prime residential whole mortgage loans:

	December 31, 2025			
	Book Adjusted Carrying Value	Fair Value	Value of Land and Buildings	Other-Than- Temporary Impairment Losses Recognized
Mortgages in the process of foreclosure	\$ 19,839	\$ 21,987	\$ 55,059	\$ —
Mortgages in good standing	433,171	418,496	915,990	—
Mortgages with restructured terms	—	—	—	—
Total	\$ 453,010	\$ 440,483	\$ 971,049	\$ —

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	December 31, 2024			
	Book Adjusted Carrying Value	Fair Value	Value of Land and Buildings	Other-Than- Temporary Impairment Losses Recognized
Mortgages in the process of foreclosure	\$ 32,296	\$ 33,656	\$ 77,080	\$ —
Mortgages in good standing	467,339	437,493	958,633	—
Mortgages with restructured terms	—	—	—	—
Total	\$ 499,635	\$ 471,149	\$ 1,035,713	\$ —

Mortgage Loans, Including Mezzanine Real Estate Loans

The Company's investments in mortgage loans on real estate consist primarily of mortgage loans made on a full recourse basis. During 2025, the Company acquired residential mortgage loans (RMLs) with interest rates ranging from 3% to 15%. Of the RMLs acquired during 2025, the maximum percentage of any one loan to the value at the time of the loan was 148%.

During 2025, the Company acquired commercial mortgage loans (CMLs) with interest rates ranging from 3% to 10%. The Company invests in both fixed-rate and variable-rate loans and manages its credit risk associated with these loans by diversifying its mortgage portfolio by property type and geographic location. Of the CMLs acquired in 2025, the maximum loan to value of any one loan, exclusive of insured or guaranteed or purchase money mortgages, was 82%. Mezzanine CMLs comprise 3% and 3% of the total CMLs for the years ending December 31, 2025 and 2024, respectively.

The portfolio credit risk for mortgage loans was concentrated in the following geographic regions:

	December 31, 2025		December 31, 2024	
	Carrying Value	Percent of Total	Carrying Value	Percent of Total
North Central	\$ 2,361,373	2.7 %	\$ 1,574,213	2.6 %
South Central	2,765,172	3.2	1,874,323	3.1
South Atlantic	6,523,387	7.5	5,678,365	9.4
Pacific	5,904,984	6.8	5,721,636	9.5
Mountain	1,554,094	1.8	1,345,131	2.2
Atlantic	8,396,296	9.7	7,204,977	12.0
New England	1,002,405	1.2	1,006,741	1.7
International	6,042,718	7.0	4,300,444	7.2
Total commercial mortgage loans	34,550,429	39.9	28,705,830	47.7
Total residential mortgage loans	52,088,099	60.1	31,520,394	52.3
Total mortgage loans	\$ 86,638,528	100.0 %	\$ 60,226,224	100.0 %

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The Company's RML portfolio includes first lien RMLs, collateralized by properties located in the United States, United Kingdom and the Netherlands. At December 31, 2025, California, Texas, and Florida represented 23.7%, 15.9%, and 10.6%, respectively, of the portfolio. The remaining 49.8% represented all other states, with each individual state comprising less than 5% of the RML portfolio. At December 31, 2024, California, Florida, and Texas represented 27.1%, 12.7%, and 7.5%, respectively, of the portfolio, and the remaining 52.7% represented all other states, with each individual state comprising less than 5% of the RML portfolio.

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The age analysis of mortgage loans by type and identification is as follows:

	December 31, 2025				
	Residential		Commercial	Mezzanine	Total
	Insured	All Other			
Recorded investment (all)					
Current	\$ 187,713	\$ 50,016,045	\$ 32,851,139	\$ 937,435	\$ 83,992,332
30-59 days past due	49,786	954,576	362,294	—	1,366,656
60-89 days past due	18,050	273,858	216,511	—	508,419
90-179 days past due	16,717	213,431	38,232	—	268,380
180+ days past due	17,278	340,645	144,818	—	502,741
Total mortgage loans	<u>\$ 289,544</u>	<u>\$ 51,798,555</u>	<u>\$ 33,612,994</u>	<u>\$ 937,435</u>	<u>\$ 86,638,528</u>
Accruing interest 90 - 179 days past due					
Recorded investment	\$ —	\$ —	\$ —	\$ —	\$ —
Interest accrued	91	—	412	—	503
Accruing interest 180+ days past due					
Recorded investment	\$ —	\$ —	\$ —	\$ —	\$ —
Interest accrued	516	4	1,601	—	2,121
Interest reduced					
Recorded investment	\$ —	\$ —	\$ —	\$ —	\$ —
Number of loans	—	—	—	—	—
Percent reduced	— %	— %	— %	— %	— %
Participant or co-lender in a mortgage loan agreement					
Recorded investment	\$ —	\$ —	\$ —	\$ —	\$ —
Investment in impaired loans					
Average recorded investment	\$ —	\$ 517	\$ 42,092	\$ 24,150	\$ 66,759
Interest income recognized	—	—	—	—	—
Recorded investments on nonaccrual status	—	48,041	420,922	72,451	541,414
Amount of interest income recognized using a cash-basis method of accounting	—	—	—	—	—

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	December 31, 2024				
	Residential		Commercial	Mezzanine	Total
	Insured	All Other			
Recorded investment (all)					
Current	\$ 217,492	\$ 28,933,306	\$ 27,210,711	\$ 970,434	\$ 57,331,943
30-59 days past due	51,319	1,252,938	308,126	—	1,612,383
60-89 days past due	22,107	361,798	191,656	—	575,561
90-179 days past due	22,855	258,862	—	—	281,717
180+ days past due	24,037	375,680	24,903	—	424,620
Total Mortgage Loans	<u>\$ 337,810</u>	<u>\$ 31,182,584</u>	<u>\$ 27,735,396</u>	<u>\$ 970,434</u>	<u>\$ 60,226,224</u>
Accruing interest 90 - 179 days past due					
Recorded investment	\$ 22,855	\$ 39,149	\$ —	\$ —	\$ 62,004
Interest accrued	160	606	—	—	766
Accruing interest 180+ days past due					
Recorded investment	\$ 24,037	\$ 96,605	\$ 23,932	\$ —	\$ 144,574
Interest accrued	847	1,031	320	218	2,416
Interest reduced					
Recorded investment	\$ —	\$ —	\$ —	\$ —	\$ —
Number of loans	—	—	—	—	—
Percent reduced	— %	— %	— %	— %	— %
Participant or co-lender in a mortgage loan agreement					
Recorded investment	\$ —	\$ —	\$ —	\$ —	\$ —
Investment in impaired loans					
Average recorded investment	\$ —	\$ 525	\$ 12,197	\$ 24,150	\$ 36,872
Interest income recognized	—	—	—	—	—
Recorded investments on nonaccrual status	—	51,927	24,395	72,451	148,773
Amount of interest income recognized using a cash-basis method of accounting	—	—	—	—	—

Allowance for credit losses for mortgage loans are as follows:

	Years Ended December 31,		
	2025	2024	2023
Balance at beginning of period	\$ 68,096	\$ 68,792	\$ 43,140
Additions charged to operations	45,206	28,596	27,206
Direct write-downs charged against the allowances	(765)	—	—
Recoveries of amounts previously charged off	(5,645)	(29,292)	(1,554)
Balance at end of period	<u>\$ 106,892</u>	<u>\$ 68,096</u>	<u>\$ 68,792</u>

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Mortgage loans derecognized as a result of foreclosure are as follows:

	Years Ended December 31,		
	2025	2024	2023
Aggregate amount of mortgage loans derecognized	\$ 71,695	\$ 35,933	\$ 78,740
Real estate collateral recognized	71,695	35,933	78,740
Other collateral recognized	—	—	—
Receivables recognized from a government guarantee of the foreclosed mortgage loan	—	—	—

At December 31, 2025 and 2024, there were no taxes, assessments or amounts which had been advanced but not repaid and not included in the mortgage loan. The primary credit quality indicator monitored is loan performance. Nonperforming mortgage loans are 90 days or more past due and are in non-accrual status. The Company accrues interest income on impaired loans to the extent deemed collectible (delinquent less than 90 days) and the loan continues to perform under its original or restructured contractual terms. The Company recognizes interest income on its impaired loans upon receipt.

Real Estate

The Company did not acquire real estate held for the production of income in 2025 or 2024.

There were no sales of real estate in 2025, 2024 and 2023. There were no gains or losses recognized as a result of sales during 2025, 2024 and 2023.

The Company had \$0, \$17,314 and \$0 of impairment losses recognized on real estate that are included in net realized capital gains or losses for the years ended December 31, 2025, 2024 and 2023, respectively.

Other Invested Assets

The Company has no investments in joint venture, partnerships or limited liability companies that exceed 10% of its admitted assets. During 2025, 2024 and 2023, there were impairments of \$11,809, \$2,823 and \$0, respectively, on other invested assets. The impairments were based on an assessment that future cash flows of affected investments would be less than the cost basis. Fair value is determined utilizing statements received from the partnerships and limited liability companies or commercial pricing services using a variety of market observable information in their valuation techniques, or an internal model.

The Company invests in renewable, solar energy and low income housing projects that provide tax benefits, reducing the Company's tax liability. As of December 31, 2025 and 2024, the Company had \$48,603 and \$7,637, respectively, of investment in these tax credit investment structures and recognized \$506,668, \$74,086 and \$52,773 of amortization and non-income tax related activity through net investment income and other income for the years ended December 31, 2025, 2024 and 2023, respectively. The Company recognized tax credits and other tax benefits of \$547,606, \$81,701 and \$64,457 during 2025, 2024 and 2023, respectively. The Company did not recognize impairments on the tax credit investments during 2025, 2024 or 2023. As of December 31, 2025, the Company has commitments to provide additional contributions of \$284,160 to tax credit investments for the years 2026-2035.

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The tax credits expected to be generated by the Company's investments in future periods is as follows:

2026	\$	29,977
2027		29,977
2028		29,977
2029		29,977
2030		29,977
Thereafter		123,795
Total	\$	<u>273,680</u>

As of December 31, 2025 and 2024, the Company held \$707,254 and \$900,000, respectively, collateral loans for which mortgage loans served as the qualifying investment collateral. These collateral loans are reported within other invested assets on the balance sheets.

Investment Income

Major categories of investment income (loss) are summarized as follows:

	Years Ended December 31,		
	2025	2024	2023
Bonds	\$ 8,279,778	\$ 6,612,392	\$ 4,669,744
Preferred stocks	106,539	103,593	72,243
Common stocks	82,338	38,740	23,974
Mortgage loans	4,736,362	3,400,112	1,982,371
Real estate	37,404	37,281	32,137
Derivatives	458,865	708,426	(926,714)
Policy loans	5,546	7,778	7,741
Cash, cash equivalents and short-term investments	422,726	577,610	545,665
Other invested assets	(132,205)	65,963	56,879
Other, net	13,455	(24)	(2,302)
Total gross investment income	14,010,808	11,551,871	6,461,738
Less: Investment expenses	1,278,109	1,050,392	817,439
Net investment income	<u>\$12,732,699</u>	<u>\$10,501,479</u>	<u>\$ 5,644,299</u>

Investment income due and accrued with amounts over 90 days past due, with the exception of mortgage loans in default, is nonadmitted. The components of accrued investment income are as follows:

	December 31,	
	2025	2024
Gross accrued investment income	\$ 2,482,135	\$ 2,020,422
Nonadmitted accrued investment income	(2,508)	(3,770)
Accrued investment income	<u>\$ 2,479,627</u>	<u>\$ 2,016,652</u>

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As of December 31, 2025 and 2024, deferred interest was \$2,624 and \$201,349, respectively. As of December 31, 2025 and 2024, cumulative paid-in-kind interest was \$112,792 and \$93,956, respectively, and has been included in the principal balance of invested assets.

The Company disposed of securities with callable features which generated prepayment fee income as follows:

	Years Ended December 31,		
	2025	2024	2023
General Account - number of securities	14	26	64
General Account - amount of income	\$ 563	\$ 3,023	\$ 5,227
Separate Account - number of securities	8	16	25
Separate Account - amount of income	\$ 115	\$ 782	\$ 837

Proceeds from bonds and related gross realized gains and losses were as follows:

	Years Ended December 31,		
	2025	2024	2023
Proceeds	\$ 39,527,727	\$ 20,835,521	\$ 6,717,840
Gross realized gains	\$ 625,019	\$ 325,426	\$ 107,449
Gross realized losses	(641,436)	(481,715)	(416,459)
Net realized gains (losses) on bonds	\$ (16,417)	\$ (156,289)	\$ (309,010)

Gross realized losses on bonds for the years ended December 31, 2025, 2024 and 2023 include \$110,227, \$96,319 and \$138,834, respectively, of losses recognized on other-than-temporary impairments in values of investments.

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Realized capital gains and losses are reported net of amounts transferred to the IMR and federal income taxes as follows:

	Years Ended December 31,		
	2025	2024	2023
Bonds	\$ (16,417)	\$ (156,289)	\$ (309,010)
Stocks	3,557	2,614	(41,952)
Mortgage loans	60,082	(208,806)	(37,766)
Real estate	—	(17,314)	—
Derivatives	(538,998)	42,314	97,363
Other invested assets	(90,029)	(12,895)	17,113
Foreign exchange on cash	46,575	(16,698)	(24,900)
Other	(12,962)	33,565	11,085
Total net realized gains (losses) on investments	(548,192)	(333,509)	(288,067)
Less amount transferred to IMR (net of related taxes of \$ (7,182) in 2025, \$ (12,229) in 2024 and \$ (24,835) in 2023)	(27,020)	(46,007)	(93,425)
Federal income tax expense (benefit)	12,105	(1,751)	(20,251)
Net realized capital gains (losses), net of tax and transfers to interest maintenance reserve	<u>\$ (533,277)</u>	<u>\$ (285,751)</u>	<u>\$ (174,391)</u>

The proceeds received and amortized cost were used as the basis for determining the realized gain or loss on sale.

The change in net unrealized capital gains and losses on investments recorded in surplus is as follows:

	Year Ended December 31,		
	2025	2024	2023
Bonds	\$ 19,043	\$ (10,714)	\$ (15,430)
Stocks	83,864	35,416	23,058
Derivatives	798,266	568,425	367,675
Mortgage Loans	(38,797)	696	(25,652)
Other invested assets	1,055,962	836,140	704,809
Foreign exchange	190,138	291,029	(29,606)
Other	1,450	(1,448)	(2)
Total change in net unrealized capital gains (losses)	2,109,926	1,719,544	1,024,852
Deferred capital gains tax	476,359	185,230	212,220
Change in net unrealized capital gains (losses), net of deferred tax	<u>\$1,633,567</u>	<u>\$1,534,314</u>	<u>\$ 812,632</u>

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Pledged and Restricted Assets

Assets pledged to others as collateral or otherwise restricted by the Company are as follows:

December 31, 2025				
	Total General Account	Supporting Separate Account Activity	Percentage of Total Assets	Percentage of Admitted Assets
Repurchase Agreements	\$ 6,310,542	\$ 118,757	1.9 %	1.9 %
Reverse Repurchase Agreements	1,546,951	—	0.5	0.5
On deposit with states	11,552	—	0.0	0.0
FHLB capital stock	1,057,204	—	0.3	0.3
Pledged collateral to FHLB (including assets backing funding agreements)	—	43,563,085	12.8	12.8
Pledged as collateral for derivatives	1,947,575	—	0.6	0.6
Reinsurance trust	19,802,922	—	5.8	5.8
Pledged asset - funding agreement	25,339,987	—	7.4	7.4
Derivative and other collateral received	5,837,970	—	1.7	1.7
Total	<u>\$ 61,854,703</u>	<u>\$ 43,681,842</u>	<u>31.0 %</u>	<u>31.0 %</u>

December 31, 2024				
	Total General Account	Supporting Separate Account Activity	Percentage of Total Assets	Percentage of Admitted Assets
Repurchase Agreements	\$ 6,615,296	\$ 107,627	2.4 %	2.4 %
Reverse Repurchase Agreements	723,671	—	0.3	0.3
On deposit with states	9,812	—	0.0	0.0
FHLB capital stock	710,704	—	0.3	0.3
Pledged collateral to FHLB (including assets backing funding agreements)	183,976	29,854,473	10.8	10.8
Pledged as collateral for derivatives	683,370	—	0.2	0.2
Reinsurance trust	13,139,434	—	4.7	4.7
Commercial mortgages	50	—	0.0	0.0
Pledged asset - funding agreement	16,171,957	—	5.8	5.8
Derivative and other collateral received	5,617,217	—	2.0	2.0
Total	<u>\$ 43,855,487</u>	<u>\$ 29,962,100</u>	<u>26.5 %</u>	<u>26.5 %</u>

As of December 31, 2025, the Company has invested assets in the general and separate accounts of \$176,261,406 held under modco reinsurance and \$66,318,994 held under funds withheld reinsurance agreements, which represented 51.7% and 19.5% of total admitted assets, respectively. Of these amounts, \$43,909,968 were considered related party investments for the reinsurer.

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Repurchase Agreement Transactions Accounted for as Secured Borrowing

The Company participates in repurchase agreements with unaffiliated financial institutions. Under these agreements, the Company lends bonds and receives cash as collateral. The Company monitors the estimated fair value of the collateral and the securities loaned throughout the duration of the contract and contributes additional collateral as necessary. Securities loaned under these agreements may be sold or re-pledged by the transferee.

Certain repurchase agreements and reverse repurchase agreements are presented net on the balance sheets when they are subject to master netting arrangements and when the Company has both (1) the legal right to offset the amounts owed with amounts due from the same counterparty and (2) the intent to settle the transactions on a net basis or to realize the asset and settle the liability simultaneously. Amounts that are not eligible for offset are presented on a gross basis on the balance sheets.

The Company had repurchase agreements that were bilateral trades with the following scheduled maturities:

	December 31,	
	2025	2024
Open, no maturity	\$ —	\$ —
Overnight	—	—
2 days to 1 week	—	—
Over 1 week to 1 month	2,795,934	3,051,375
Over 1 month to 3 months	—	—
Over 3 months to 1 year	—	1,095,145
Over 1 year	3,156,997	1,479,181
Total ¹	<u>\$ 5,952,931</u>	<u>\$ 5,625,701</u>

¹ Included in repurchase agreement liability on the balance sheets.

The ending book adjusted carrying value and fair value of the securities sold under the repurchase agreements by NAIC designation are as follows:

	December 31,			
	2025		2024	
	Book Adjusted Carrying Value	Fair Value	Book Adjusted Carrying Value	Fair Value
Bonds				
NAIC 1	\$ 4,968,509	\$ 4,835,033	\$ 5,374,334	\$ 4,676,837
NAIC 2	1,342,033	1,279,855	1,240,962	1,100,229
NAIC 3	—	—	—	—
NAIC 4	—	—	—	—
NAIC 5	—	—	—	—
NAIC 6	—	—	—	—
Total	<u>\$ 6,310,542</u>	<u>\$ 6,114,888</u>	<u>\$ 6,615,296</u>	<u>\$ 5,777,066</u>

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Reverse Repurchase Agreement Transactions Accounted for as Secured Borrowing

The Company participates in reverse repurchase agreements that use bilateral and tri-party trades. Under these agreements, the Company purchases securities with the agreement that the securities will be repurchased by the seller at a specified price within a specified period of time. The Company monitors the estimated fair value of the securities loaned throughout the duration of the contract and receives additional collateral from the counterparty as necessary. As of December 31, 2025 and 2024, amounts loaned under reverse repurchase agreements were \$1,546,951 and \$723,671, respectively. The fair value of the securities acquired, comprised of U.S. government and agencies, was \$1,546,442 as of December 31, 2025. The fair value of the securities acquired, comprised of commercial mortgage loans and asset-backed securities, was \$1,066,272, as of December 31, 2024.

The reverse repurchase agreements have the following scheduled maturities:

	December 31,	
	2025	2024
Open, no maturity	\$ —	\$ —
Overnight	640,000	—
2 days to 1 week	—	—
Over 1 week to 1 month	906,951	—
Over 1 month to 3 months		397,495
Over 3 months to 1 year		326,176
Over 1 year	—	—
Total	<u>\$ 1,546,951</u>	<u>\$ 723,671</u>

5. Derivatives

The Company utilizes derivative instruments which may include the following:

Options: The Company has issued fixed indexed and index-linked products. These contracts credit interest based on certain indices, including the S&P and other bespoke indices. OTC call and put option contracts are purchased to hedge the interest credited to the customer as a direct result of movements in the underlying indices. Upon exercise, the Company will receive the fair value of the call option.

Variance Swaps: The Company offers fixed indexed products. These contracts credit interest based on certain indices, including the S&P and other bespoke indices. The Company uses variance swaps to hedge the market risks from changes in volatility for these products. Under variance swaps, the Company and the counterparty agree to exchange amounts calculated based on a fixed rate (implied volatility at inception of transaction) and realized volatility over the life of the transaction (similar to an interest rate swap). Generally, no cash is exchanged at the outset of the contract and neither party makes principal payments.

Interest Rate Swaps: The Company uses interest rate swaps to reduce market risks from changes in interest rates and to alter interest rate exposure arising from mismatches between assets and liabilities. The Company also uses interest rate swaps to synthetically create the characteristics of a bond, referred to as a replication synthetic asset transaction (RSAT). An RSAT is created by pairing underlying bonds with the interest rate swap to create a synthetic instrument with different interest payment profiles. Under interest rate swaps, the Company agrees with other parties to exchange, at specified intervals, the difference between fixed-rate and floating-rate interest amounts calculated by reference to an agreed

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notional principal amount. Generally, no cash is exchanged at the outset of the contract and neither party makes principal payments.

Futures: Under exchange-traded futures contracts, the Company agrees to purchase a specified number of contracts with other parties and to post variation margin on a daily basis in an amount equal to the difference in the daily fair values of those contracts. Futures contracts are purchased to hedge the interest credited to the customer as a direct result of movements in the related indices.

Futures are recorded at fair value of margin on deposit with the clearing broker. For futures that hedge fixed indexed annuity products, changes in margin on deposit are recognized through investment income. For futures that hedge index-linked annuity products, changes in margin on deposit are recorded as unrealized capital gains or losses until the time of sale.

Currency Swaps: Foreign currency swaps are used by the Company to reduce the risk from fluctuations in foreign currency exchange rates associated with its assets denominated in foreign currencies. With a foreign currency swap transaction, the Company agrees with another party to exchange, at specified intervals, the difference between one currency and another at a forward exchange rate calculated by reference to an agreed upon notional amount. The notional amount of each currency is exchanged at the termination of the currency swap by each party.

The currency swaps for which the Company has not applied hedge accounting are recorded at fair value each reporting period with changes in fair value recorded as unrealized gains or losses and included in surplus in accordance with SSAP No. 86, *Derivatives*. Cash which is exchanged as the difference between fixed and floating interest rates is recognized in the statements of operations through investment income. If the contract is terminated prior to maturity, a realized gain or loss is reported in the statements of operations for the amount of cash exchanged in order to close the contract.

The Company has currency swaps in qualifying hedge relationships at December 31, 2025 and 2024. Currency swaps are accounted for as cash flow hedges. Interest rate swaps are accounted for as fair value hedges.

Forwards: The Company uses foreign exchange forward contracts to hedge certain invested assets against movement in foreign currency. The price is agreed upon at the time of the contract and payment for such a contract is made at a specified future date.

Credit Default Swaps: Credit default swaps are used in RSAT transactions to synthetically create the characteristics of a bond, or hedge credit risk. These transactions provide the Company with a periodic premium to compensate it for accepting credit risk and are used to enhance investment income or improve the default characteristics of the portfolio. The exposure amount of such agreement, which is usually the notional amount, is equal to the maximum proceeds that must be paid by a counterparty for the defaulted security. Should a credit event occur on a reference entity, a counterparty would be required to pay the notional amount in exchange for receipt of an obligation of the reference entity. Credit default swaps used in replication transactions are carried at amortized cost. The premiums received are accrued and recognized in the summary of operations through investment income over the life of the agreements. A capital loss would be recorded on the date of default, through the summary of operations, to reflect the difference between the amount paid and the fair value of the bonds received.

Total Return Swaps: The Company purchases total rate of return swaps to gain exposure and benefit from a reference asset without actually having to own it. Total rate of return swaps are contracts in which one party makes payments based on a set rate, either fixed or variable, while the other party makes payments based on the return of the underlying asset, which includes both the income it generates and any capital gains.

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The parties with whom the Company enters into OTC option contracts, OTC swap contracts, and OTC forward contracts are highly rated financial institutions whereby contracts are supported by collateral, which minimizes the credit risk associated with such contracts. The parties with whom the Company enters into cleared futures and cleared interest rate swap contracts are regulated commission merchants who are members of a trading exchange. The parties with whom the Company enters into OTC interest rate swap contracts are highly rated financial institutions whereby contracts are supported by collateral, which minimizes the credit risk associated with such contracts.

During 2025, 2024 and 2023, the Company did not recognize gains or losses resulting from any derivative instruments which previously qualified for hedge accounting that no longer qualify for hedge accounting (or which were ineffective for a portion of the year).

At December 31, 2025 and 2024, the Company's outstanding derivative instruments, shown in notional or contract amounts and fair value, are summarized as follows:

	Contract or Notional Amount		Fair Value	
	2025	2024	2025	2024
Derivative assets:				
Options	\$ 85,967,255	\$ 74,368,184	6,756,740	4,835,805
Credit default swaps	510,000	10,000	75,820	(509)
Interest rate swaps	39,746,274	22,535,230	100,683	(231,089)
Total return swaps	388,320	76,507	892	223
Futures	138,587	36,011	189,091	90,665
Currency swaps	11,893,736	18,807,758	557,144	1,077,930
Forwards	7,321,202	9,774,773	207,548	650,475
Swaptions	1,653,069	2,204,092	382	2,136
Equity warrants	—	—	1,148	405
Derivative liabilities:				
Options	5,621,497	3,642,738	168,308	125,578
Interest rate swaps	543,895	550,895	11,469	28,224
Total return swaps	144,462	152,544	1,606	3,593
Futures	445	—	1,031	11,361
Currency swaps	26,443,163	8,361,062	1,237,479	895,773
Forwards	11,950,311	4,715,214	309,962	192,164

6. Fair Value

Included in the financial statements are certain financial instruments carried at fair value. Other financial instruments are periodically measured at fair value, such as certain bonds and preferred stock carried at the lower of cost or fair value.

The fair value of an asset and a liability is the amount at which that asset could be bought or sold and the liability could be transferred in a current transaction between willing parties, that is, other than in a forced or liquidation sale.

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Determination of Fair Value

The following methods and assumptions were used by the Company in estimating fair value for financial instruments in the accompanying financial statements and notes thereto:

Bonds, preferred stocks, cash equivalents, short-term investments (bonds), and unaffiliated common stocks: Fair values of these investments are based on quoted market prices or commercially available pricing vendors, when available. If neither a quoted market price nor vendor price is available, the Company obtains broker quotes or utilizes an internally-developed model to estimate fair value.

In the case of privately placed corporate bonds, fair values are estimated by discounting expected future cash flows using a current market rate applicable to the yield, credit quality and maturity of the investments.

The fair values for unaffiliated common stock are derived based on the process described above, except for FHLB common stock, which is valued at cost which is equivalent to fair value.

Mortgage loans: The estimated net cash flows to maturity were discounted to derive an estimated fair value using a discount rate based on the loan's remaining weighted average life and credit quality. Loans which have been restructured are valued primarily at the discounted estimated net cash flows to maturity. Loans that are in foreclosure or are significantly delinquent were valued at the underlying collateral value.

Policy loans, cash, and short-term investments (money market): The carrying amounts reported in the accompanying balance sheets for these instruments approximates fair value.

Derivative instruments: Fair values for derivative instruments included in both derivative assets and derivative liabilities are principally valued using an income approach with valuations principally provided by third party brokers. Counterparty credit risk is considered and incorporated in the Company's valuation process through counterparty credit rating requirements and monitoring of overall exposure.

Derivative collateral asset and liability: The carrying amounts reported in the accompanying balance sheets approximate fair value, as the collateral is held in cash.

Other invested assets: Partnership interests are valued based on the most recent net asset value (NAV) obtained from fund managers, adjusted for contribution and distribution activity to roll forward the NAV to the balance sheet date. For fixed-rate and variable-rate investments, the carrying amounts reported in the accompanying balance sheets approximate fair value. Surplus notes are valued consistent with bonds, as discussed above. Certain assets included within other invested assets are valued based on cost.

Separate account assets - variable products: Assets held in separate accounts are reported at the quoted fair values of the underlying investments in the separate accounts. The underlying investments generally include mutual funds, short-term investments and cash, the valuations of which are based upon a quoted market price or commercially available pricing vendors.

Separate account assets and liabilities - group annuity and index-linked annuity: Fair values of the underlying separate accounts assets and liabilities supporting PGA and index-linked annuity follow the same fair value assumptions and methods utilized in the general account.

Separate account liabilities – funding agreements: Fair values of the separate account funding agreement liabilities follow the same fair value assumptions and methods utilized in the general account.

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Deposit-type contracts: Fair values of the Company's liabilities under contracts not involving mortality or morbidity risks (principally, immediate annuities and supplementary contracts) are calculated by discounting best estimate cash flows based on market interest rate assumptions. Fair value of funding agreements are calculated by discounting future cash flows using market rates on the valuation date.

Repurchase agreements: Repurchase agreements are short-term in nature, therefore the carrying value approximates fair value.

Valuation Hierarchy

The Company's financial assets and liabilities carried at fair value have been classified, for disclosure purposes, based on a hierarchy defined by SSAP No. 100, *Fair Value*. The hierarchy gives the highest ranking to fair values determined using unadjusted quoted prices in active markets for identical assets and liabilities (Level 1) and the lowest ranking to fair values determined using methodologies and models with significant unobservable inputs (Level 3). An asset's or a liability's classification is based on the lowest level input that is significant to its measurement. For example, a Level 3 fair value measurement may include inputs that are both observable (Levels 1 and 2) and unobservable (Level 3). The levels of the fair value hierarchy are as follows:

Level 1 - Values are unadjusted quoted prices for identical assets and liabilities in active markets accessible at the measurement date.

Level 2 - Inputs include quoted prices for similar assets or liabilities in active markets, quoted prices from those willing to trade in markets that are not active, or other inputs that are observable or can be corroborated by market data for the term of the instrument. Such inputs include market interest rates and volatilities, spreads and yield curves.

Level 3 - Certain inputs are unobservable (supported by little or no market activity) and significant to the fair value measurement. Unobservable inputs reflect the Company's best estimate of what hypothetical market participants would use to determine a transaction price for the asset or liability at the reporting date.

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Fair Value Measurements

The following tables provide information about the Company's financial assets and liabilities which are measured and reported at fair value in the balance sheets:

	December 31, 2025			
	Level 1	Level 2	Level 3	Total
Assets at fair value				
Bonds	\$ 10,030	\$ 80,157	\$ 20,049	\$ 110,236
Preferred stocks	140,569	459,220	—	599,789
Common stocks - unaffiliated	20,980	1,057,204	7,499	1,085,683
Derivative assets:				
Options	—	2,730,260	—	2,730,260
Interest rate swaps	381	82	—	463
Total return swaps	—	892	—	892
Futures	189,091	—	—	189,091
Currency swaps	—	120,620	—	120,620
Forwards	—	207,548	—	207,548
Swaptions	—	382	—	382
Equity warrants	—	—	1,148	1,148
Other invested assets	—	689,832	47,939	737,771
Separate account assets - group annuity	6,027	198,499	6,993	211,519
Separate account assets - index-linked annuity	1,631	23,150	33	24,814
Separate account assets - variable products	—	206,645	—	206,645
Total assets at fair value	<u>\$ 368,709</u>	<u>\$ 5,774,491</u>	<u>\$ 83,661</u>	<u>\$ 6,226,861</u>
Liabilities at fair value				
Derivative liabilities:				
Options	\$ —	\$ 150,484	\$ —	\$ 150,484
Interest rate swaps	68	—	—	68
Total return swaps	—	1,606	—	1,606
Futures	1,031	—	—	1,031
Currency swaps	—	368,285	—	368,285
Forwards	—	309,962	—	309,962
Separate account liabilities - group annuity	—	75,901	—	75,901
Separate account liabilities - index-linked annuity	—	5,907	—	5,907
Separate account liabilities - variable products	—	204,129	—	204,129
Total liabilities at fair value	<u>\$ 1,099</u>	<u>\$ 1,116,274</u>	<u>\$ —</u>	<u>\$ 1,117,373</u>

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	December 31, 2024			
	Level 1	Level 2	Level 3	Total
Assets at fair value				
Bonds	\$ —	\$ 95,522	\$ 22,705	\$ 118,227
Preferred stocks	143,491	843,107	—	986,598
Common stocks - unaffiliated	21,577	710,704	8,792	741,073
Derivative assets:				
Options	—	1,730,125	—	1,730,125
Interest rate swaps	1,178	216	—	1,394
Total return swaps	—	223	—	223
Futures	90,665	—	—	90,665
Currency swaps	—	403,157	—	403,157
Forwards	—	650,475	—	650,475
Swaptions	—	2,136	—	2,136
Equity warrants	—	—	405	405
Other invested assets	—	—	2,601	2,601
Separate account assets - group annuity	6,349	374,272	4,590	385,211
Separate account assets - index-linked annuity	1,766	34,864	34	36,664
Separate account assets - variable products	—	135,679	—	135,679
Total assets at fair value	<u>\$ 265,026</u>	<u>\$ 4,980,480</u>	<u>\$ 39,127</u>	<u>\$ 5,284,633</u>
Liabilities at fair value				
Derivative liabilities:				
Options	\$ —	\$ 92,675	\$ —	\$ 92,675
Interest rate swaps	236	—	—	236
Total return swaps	—	3,593	—	3,593
Futures	11,361	—	—	11,361
Currency swaps	—	110,634	—	110,634
Forwards	—	192,164	—	192,164
Separate account liabilities - group annuity	—	19,271	—	19,271
Separate account liabilities - index-linked annuity	—	2,606	—	2,606
Separate account liabilities - variable products	—	135,607	—	135,607
Total liabilities at fair value	<u>\$ 11,597</u>	<u>\$ 556,550</u>	<u>\$ —</u>	<u>\$ 568,147</u>

The methodologies and inputs utilized in estimating the fair values of assets and liabilities measured and reported at fair value are reliant on the assumptions used. Fair value estimates are based on quoted market prices and commercially available vendor prices, when available. When those prices are not available, fair value is generally estimated using discounted cash flow analyses, incorporating current market inputs for similar financial instruments with comparable terms and credit quality. In instances where there is little or no market activity for the same or similar instruments, the Company estimates the fair value using methods, models and assumptions that management believes market participants would use to determine a current transaction price. These valuation techniques involve some level of management estimation and judgment which may become significant with increasingly complex instruments or pricing models. Where appropriate, adjustments are included to reflect risk inherent in a particular methodology, model or input employed. For further discussion regarding which financial instruments are included at each applicable level, please refer to the “Fair Value of All Financial Instruments” section below.

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Level 3 Reconciliation

The following tables summarize the changes in assets and liabilities classified as Level 3:

Year Ended December 31, 2025								
	Beginning Balance at January 1, 2025	Transfers into Level 3	Transfers out of Level 3	Total Gains (Losses) Included in Net Income	Total Gains (Losses) Included in Surplus	Purchases	Sales	Total Ending Balance at December 31, 2025
Assets								
Bonds	\$ 22,706	\$ 39,128	\$ (18,854)	\$ (18,728)	\$ (3,764)	\$ 333		\$ 20,049
Common stocks	8,792				(1,293)			7,499
Derivative assets:								
Equity warrants	405				743			1,148
Other invested assets	2,601	46	(406,057)		(21,248)	476,542	(3,945)	47,939
Separate account assets - group annuity	4,590	10,958	(2,025)	(5,660)	(836)			6,993
Separate account assets - index-linked annuity	34				(1)			33
Total assets	\$ 39,128	\$ 50,132	\$ (426,936)	\$ (24,388)	\$ (26,399)	\$ 476,875	\$ (3,945)	\$ 83,661
Year Ended December 31, 2024								
	Beginning Balance at January 1, 2024	Transfers into Level 3	Transfers out of Level 3	Total Gains (Losses) Included in Net Income	Total Gains (Losses) Included in Surplus	Purchases	Sales	Total Ending Balance at December 31, 2024
Assets								
Bonds	\$ 5,629	\$ 80,648	\$ (55,692)	\$ 52	\$ (4,406)	\$ —	\$ (3,164)	\$ 22,706
Preferred stocks	—	4,575	(4,538)	—	(37)	—	—	—
Common stocks	7,386	—	—	—	(307)	1,713	—	8,792
Derivative assets:								
Equity warrants	—	389	—	—	16	—	—	405
Other invested assets	2,772	—	—	(171)	—	—	—	2,601
Separate account assets - group annuity	1,934	30,919	(26,293)	194	(1,268)	—	(892)	4,590
Separate account assets - index-linked annuity	—	33	—	—	1	—	—	34
Total assets	\$ 17,721	\$ 116,564	\$ (86,523)	\$ 75	\$ (6,001)	\$ 1,713	\$ (4,056)	\$ 39,128

Transfers

Transfers between fair value hierarchy levels are recognized at the end of the period in which the transfer occurs. Transfers into and out of Level 3 represent securities which are carried at lower of cost or fair value resulting in periodic transfers into and out of Level 3 financial instruments which are characterized as carried at fair value.

Fair Value of All Financial Instruments

The aggregate fair value of the Company's financial instruments and the level within the fair value hierarchy are presented in the following tables and with the related admitted values. Pursuant to SSAP No.100, insurance contracts (other than deposit-type contracts) and affiliated common stocks have been excluded.

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Type of Financial Instrument	December 31, 2025					
	Aggregate Fair Value	Admitted Values	NAV ¹	Level 1	Level 2	Level 3
Assets						
Bonds	\$156,057,512	\$158,852,395	\$ —	\$ 14,259,275	\$101,736,089	\$ 40,062,148
Preferred stock	1,450,802	1,450,140	—	140,782	459,220	850,800
Common stocks - unaffiliated	1,085,683	1,085,683	—	20,980	1,057,204	7,499
Mortgage loans	86,104,239	86,638,528	—	—	—	86,104,239
Policy loans	130,700	130,700	—	—	130,700	—
Cash, cash equivalents and short-term investments	9,357,365	9,357,352	—	8,695,383	661,982	—
Derivative assets:						
Options	6,756,740	4,338,015	—	—	6,756,740	—
Credit default swap	75,820	68,487	—	—	76,196	(376)
Interest rate swaps	100,683	463	—	12,913	87,770	—
Total return swaps	892	892	—	—	892	—
Futures	189,091	189,091	—	189,091	—	—
Currency swaps	557,144	589,727	—	—	557,144	—
Forwards	207,548	207,548	—	—	207,548	—
Swaptions	382	382	—	—	382	—
Equity warrants	1,148	1,148	—	—	—	1,148
Derivative collateral asset	655,644	655,644	—	655,644	—	—
Other invested assets	17,724,178	17,387,119	12,434,181	—	3,867,927	1,422,070
Separate account assets - variable products	206,645	206,645	—	—	206,645	—
Separate account assets - group annuity	39,580,470	42,617,549	1,702,590	2,537,012	26,396,025	8,944,843
Separate account assets - index-linked annuity	3,973,372	3,985,792	188,769	167,171	2,352,057	1,265,375
Total assets	<u>\$324,216,058</u>	<u>\$327,763,300</u>	<u>\$ 14,325,540</u>	<u>\$ 26,678,251</u>	<u>\$144,554,521</u>	<u>\$138,657,746</u>
Liabilities						
Deposit-type contracts	\$ 64,868,361	\$ 64,259,784	\$ —	\$ —	\$ 64,242,983	\$ 625,378
Derivative liabilities:						
Options	168,308	158,893	—	—	168,308	—
Interest rate swaps	11,469	3,683	—	11,469	—	—
Total return swaps	1,606	1,606	—	—	1,606	—
Futures	1,031	1,031	—	1,031	—	—
Currency swaps	1,237,479	1,219,505	—	—	1,237,479	—
Forwards	309,962	309,962	—	—	309,962	—
Derivative and other collateral	5,837,970	5,837,970	—	5,837,970	—	—
Repurchase agreements	5,045,980	5,045,980	—	—	5,045,980	—
Separate account liabilities - funding agreements	22,770,478	22,408,086	—	—	22,770,478	—
Separate account liabilities - group annuity deposit-type contracts	5,712	5,870	—	—	—	5,712
Separate account liabilities - group annuity derivatives	273,322	310,040	—	—	273,322	—
Separate account liabilities - index-linked annuity derivatives	26,258	26,280	—	—	26,258	—
Total liabilities	<u>\$100,557,936</u>	<u>\$ 99,588,690</u>	<u>\$ —</u>	<u>\$ 5,850,470</u>	<u>\$ 94,076,376</u>	<u>\$ 631,090</u>

¹ Investments measured at NAV as a practical expedient in determining fair value have not been classified in the fair value hierarchy.

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Type of Financial Instrument	December 31, 2024					
	Aggregate Fair Value	Admitted Values	NAV ¹	Level 1	Level 2	Level 3
Assets						
Bonds	\$125,885,142	\$130,962,442	\$ —	\$ 4,774,146	\$ 93,657,013	\$ 27,453,983
Preferred stock	1,821,817	1,819,311	—	143,650	843,107	835,060
Common stocks - unaffiliated	741,072	741,073	—	21,576	710,704	8,792
Mortgage loans	58,273,683	60,226,224	—	—	—	58,273,683
Policy loans	140,451	140,451	—	—	140,451	—
Cash, cash equivalents and short-term investments	9,764,737	9,764,163	—	8,746,076	859,325	159,336
Derivative assets:						
Options	4,835,805	3,123,186	—	—	4,835,805	—
Credit default swaps	(509)	—	—	—	—	(509)
Interest rate swaps	(231,089)	1,394	—	(162,202)	(68,887)	—
Total return swaps	223	223	—	—	223	—
Futures	90,665	90,665	—	90,665	—	—
Currency swaps	1,077,930	977,141	—	—	1,077,930	—
Forwards	650,475	650,475	—	—	650,475	—
Swaptions	2,136	2,136	—	—	2,136	—
Equity warrants	405	405	—	—	—	405
Derivative collateral asset	579,393	579,393	—	579,393	—	—
Other invested assets	11,483,483	11,568,991	9,522,646	—	503,290	1,457,547
Separate account assets - variable products	135,679	135,679	—	—	135,679	—
Separate account assets - group annuity	40,326,648	44,313,961	1,964,880	1,828,004	26,380,545	10,153,219
Separate account assets - index-linked annuity	2,868,822	2,933,115	44,091	133,584	1,827,199	863,948
Total assets	<u>\$258,446,968</u>	<u>\$268,030,428</u>	<u>\$ 11,531,617</u>	<u>\$ 16,154,892</u>	<u>\$131,554,995</u>	<u>\$ 99,205,464</u>
Liabilities						
Deposit-type contracts	\$ 35,630,247	\$ 36,359,016	\$ —	\$ —	\$ 35,159,930	\$ 470,317
Derivative liabilities:						
Options	125,578	104,654	—	—	125,578	—
Interest rate swaps	28,224	7,035	—	28,224	—	—
Total return swaps	3,593	3,593	—	—	3,593	—
Futures	11,361	11,361	—	11,361	—	—
Currency swaps	895,773	711,288	—	—	895,773	—
Forwards	192,164	192,164	—	—	192,164	—
Derivative and other collateral	5,617,217	5,617,217	—	5,617,217	—	—
Repurchase agreements	5,625,701	5,625,701	—	—	5,625,701	—
Separate account liabilities - funding agreements	14,901,401	14,841,302	—	—	14,901,401	—
Separate account liabilities - group annuity deposit-type contracts	7,533	7,710	—	—	—	7,533
Separate account liabilities - group annuity derivatives	118,437	121,631	—	—	118,437	—
Separate account liabilities - index-linked annuity derivatives	3,878	3,710	—	—	3,878	—
Total liabilities	<u>\$ 63,161,107</u>	<u>\$ 63,606,382</u>	<u>\$ —</u>	<u>\$ 5,656,802</u>	<u>\$ 57,026,455</u>	<u>\$ 477,850</u>

¹ Investments measured at NAV as a practical expedient in determining fair value have not been classified in the fair value hierarchy.

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Bonds, preferred stocks, unaffiliated common stocks, cash equivalents, short-term investments, and other invested assets (surplus notes): Bonds, preferred stocks, cash equivalents, short-term investments, and surplus notes (included in other invested assets) classified as Level 2 are valued by commercially available vendors using observable inputs or inputs which can be corroborated by market data. Unaffiliated common stocks classified as Level 2 includes FHLB stock, which is carried at fair value and presumed to be at par value because it can only be redeemed by the bank. Bonds, short-term investments and unaffiliated common stock classified as Level 3 are valued using broker quotes or internal models containing significant unobservable inputs.

Mortgage loans: Mortgage loans classified as Level 3 are primarily valued based on estimated net cash flows to maturity, discounted at a rate based on the loan's remaining weighted average life and credit quality, which contains significant unobservable inputs.

Policy loans: The fair value of policy loans classified as Level 2 is equal to the carrying value of the loans, which are collateralized by the cash surrender value of the associated insurance contract.

Cash, cash equivalents, short-term investments, and derivative collateral asset and liability: The fair value of cash, short-term investments (excluding those short-term investments classified as Level 2 described above), and derivative collateral (which is held entirely in cash) classified as Level 1 are valued using quoted market prices and carrying value approximates fair value.

Derivative assets and derivative liabilities: Derivatives classified as Level 1 are valued using quoted market prices on active exchanges. Derivatives classified as Level 2 are valued based on broker quotes corroborated through internal modeling using market observable data. Derivatives classified as Level 3 are valued utilizing non-corroborated broker quotes or internal modeling containing significant unobservable inputs.

Other invested assets (excluding surplus notes): For fixed-rate and variable-rate investments included in other invested assets classified as Level 3, fair value approximates the carrying value in the accompanying balance sheets. Certain assets included within other invested assets classified as Level 3 are valued based on cost. The Company's investment in AAA and other joint venture and partnership interests included within other invested assets are not classified in the fair value hierarchy and are reported in the NAV column, which is the practical expedient in determining fair value. NAV is adjusted for contribution and distribution activity to roll forward the NAV to the balance sheet date. At December 31, 2025, the Company's general and separate accounts have \$5,523,744 unfunded commitments to invest in AAA and other joint venture and partnership interests.

Separate account assets - variable products: Separate account assets classified as Level 2 are valued based on the fair value of the underlying funds.

Separate account assets - group annuity and index-linked annuity: Separate account assets classified as Level 1, 2 and 3 or included in the NAV column are valued using the same fair value assumptions and methods utilized in the general account.

Deposit-type contracts (including separate account group annuity and funding agreements): Deposit-type contracts classified as Level 3 include SPIA and supplemental contracts. Fair value of SPIA and supplemental contracts, including separate account group annuity contracts, are calculated by discounting best estimate cash flows based on market interest rate assumptions. Fair value of the funding agreements are calculated by discounting future cash flows using market rates on the valuation date, and are classified as Level 2.

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Repurchase agreements - The carrying value of the repurchase agreements liability approximates fair value and is reported as Level 2.

7. Reinsurance

Reinsurance allows life insurance companies to share risk on a case-by-case or aggregated basis with other insurance and reinsurance companies. The Company generally reinsures the majority of in force and all future annuity business, after the impacts of all other reinsurance are applied, on a quota share modified coinsurance or coinsurance funds withheld basis to AARe, an affiliated reinsurer domiciled in Bermuda. Under modified coinsurance, all assets and liabilities are retained by the ceding company, and the reinsurer is required to indemnify the ceding company on the reinsurer's share of the assets and liabilities. The Company's funding agreements are generally reinsured on a modified coinsurance basis to AARe. In addition, any life insurance blocks previously written by the Company are generally sold or completely reinsured to another life insurance company.

The Company's ceded reinsurance arrangements reduced certain items in the accompanying financial statements for the years ended December 31, 2025, 2024, and 2023, by the following amounts:

	2025	2024	2023
Premiums	\$35,780,892	\$32,174,847	\$39,983,744
Policy and contract liabilities	74,388,788	62,236,931	12,087,176

Life insurance in force ceded under risk sharing arrangements at December 31, 2025 and 2024, totaled \$15,459,765 and \$17,062,518, respectively. The Company enters into trust agreements with reinsurers as security in support of the reserves ceded to these reinsurers.

The Company recorded reinsurance recoveries in the amount of \$5,341,469, \$5,061,872, and \$4,384,235 during 2025, 2024, and 2023, respectively.

The following table illustrates the amounts the Company assumed under reinsurance treaties for the years ended December 31, 2025, 2024, and 2023:

	2025	2024	2023
Premiums	\$ 8,188,561	\$ 2,790,570	\$ 4,076,814
Policy and contract liabilities	21,114,165	15,137,303	13,798,423

Gains on cession of in force blocks of business are to be accounted for in accordance with Appendix A-791 of the NAIC *Accounting Practices and Procedures Manual* which requires that any increase in surplus (net of federal income tax) resulting from reinsurance agreements entered into or amended which involve the reinsurance of business issued prior to the effective date of the agreements shall be deferred and identified separately as a surplus item by the ceding company. Subsequent recognition of the surplus increase as income shall be reflected on a net of tax basis as earnings emerge from the business reinsured. Based on the emergence of earnings of previous reinsurance of in force blocks of business in 2025, 2024 and 2023, \$17,376, \$13,782, and \$12,251, respectively, was amortized into income.

The Company is liable for the portion of the policies reinsured under each of its existing reinsurance agreements in the event the assuming companies are unable to pay their portion of any reinsured claim. Management believes that any liability from this contingency is unlikely. The Company evaluates the financial condition of its reinsurers and monitors concentration of credit risk. The Company is not aware

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of any issues surrounding the financial condition of its reinsurers that would have a material impact on the Company.

Annuity Reinsurance

The Company entered into a modified coinsurance agreement effective January 1, 2024 with AARe pursuant to which it cedes a quota share of certain of the Company's retail annuity business issued on or after January 1, 2024. Modified coinsurance reserves ceded to AARe under this agreement were \$5,745,786 and \$3,954,946 as of December 31, 2025 and 2024, respectively.

The Company entered into a modified coinsurance agreement effective January 1, 2023 with AARe pursuant to which it cedes a quota share of certain of the Company's retail annuity business issued on or after January 1, 2023. Effective July 1, 2024, the agreement was amended to convert the basis of reinsurance from modified coinsurance to coinsurance funds withheld. In connection with this amendment, the Company paid AARe a \$260,000 ceding commission. The Company has recognized a reserve credit of \$65,263,421 and \$50,135,336 and reported funds held under reinsurance of \$65,543,637 and \$50,299,856 as of December 31, 2025 and 2024, respectively, for this agreement.

Effective January 1, 2023, the Company entered into a modified coinsurance agreement with AARe, pursuant to which it cedes a quota share of certain funding agreements issued after the effective date of the treaty in both the general and separate accounts. Modified coinsurance reserves ceded to AARe under this agreement were \$16,353,293 and \$4,089,636 as of December 31, 2025 and 2024, respectively.

Effective January 1, 2023, the Company entered into a modified coinsurance agreement with AARe, pursuant to which it cedes a quota share of certain pension group annuity business issued after the effective date of the treaty. Modified coinsurance reserves ceded to AARe were \$857,578 and \$1,083,033 as of December 31, 2025 and 2024, respectively.

Effective June 12, 2023, the Company entered into a coinsurance agreement with USAA Life Insurance Company (USAA) to assume a quota share of multi-year guaranteed annuities issued by USAA on or after the effective date of the treaty. Effective August 21, 2023, an amendment was made to the existing treaty to assume a quota share of fixed indexed annuities issued by USAA on or after the effective date of the amended treaty. The Company retrocedes 80% of this block of business to AARe under an existing modified coinsurance treaty. Assumed reserves were \$8,745,003 and \$2,716,522 at December 31, 2025 and 2024, respectively, of which \$6,996,002 and \$2,173,218 represented modified coinsurance reserves ceded to AARe at December 31, 2025 and 2024, respectively.

Effective October 1, 2016, the Company entered into a coinsurance agreement with Hannover Life Reassurance Company of America (Hannover). The agreement cedes a quota share of certain benefits of fixed indexed annuity products. Effective July 1, 2023, the Company amended the coinsurance agreement to modify the quota share of benefits. The quota share was further modified via an amendment on October 1, 2024. On the effective date of each amendment, the Company recognized a reserve credit of \$139,145 in 2024 and \$284,216 in 2023 equal to the difference between the existing reserves on in force policies ceded to Hannover and the reserve calculated under the amended agreement. As each amended agreement covers business issued prior to the effective date, the initial after-tax gain net of affiliated reinsurance impacts of \$21,614 in 2024 and \$34,484 in 2023 was recognized directly in surplus and will be amortized into income in accordance with Appendix A-791 of the NAIC *Accounting Practices and Procedures Manual*. The Company has recognized a reserve credit of \$4,046,483 and \$2,759,545 for this agreement as of December 31, 2025 and 2024, respectively. In addition, the Company maintains a liability equal to \$589,676 and \$410,225 as of December 31, 2025 and 2024, respectively, which is reported within other reinsurance liability on the balance sheets.

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Effective July 1, 2022, the Company entered into a quota share coinsurance agreement with Protective Life Insurance Company (Protective) to assume a quota share of fixed indexed annuities and multi-year guaranteed annuities issued by Protective on or after the effective date of the treaty. The Company also entered into a retrocession modified coinsurance agreement with AARE effective July 1, 2022 to cede 80% of this block of business to AARE. Assumed reserves were \$3,169,029 and \$1,012,996 at December 31, 2025 and 2024, respectively, of which \$2,535,223 and \$810,397 represented modified coinsurance reserves ceded to AARE at December 31, 2025 and 2024, respectively.

Effective January 1, 2022, the Company entered into a modified coinsurance agreement with AARE, pursuant to which it cedes a quota share, specified by the Company, of certain of the Company's retail annuity business issued on or after the effective date through December 31, 2022. This treaty is applied after the impacts of third party reinsurance. Modified coinsurance reserves were \$2,263,362 and \$2,774,587 as of December 31, 2025 and 2024, respectively.

Effective June 1, 2020, the Company entered into a modified coinsurance agreement with AARE to cede a quota share of all in force and certain future funding agreements in both the general and separate accounts. Modified coinsurance reserves for this agreement were \$22,982,198 as of December 31, 2024. Effective July 1, 2025, the Company amended this treaty to consolidate it with another legacy funding agreement funds withheld agreement with AARE. As of December 31, 2024, the Company recognized a reserve credit of \$4,075,227 and reported funds held under reinsurance for the legacy funds withheld agreement of \$4,064,144. Modified coinsurance reserves for the combined agreement were \$31,944,573 as of December 31, 2025.

Effective June 1, 2020, the Company entered into another modified coinsurance agreement with AARE to cede a quota share of certain future funding agreements. Modified coinsurance reserves for this agreement were \$5,730,168 and \$5,506,892 as of December 31, 2025 and 2024, respectively.

Effective July 1, 2019, the Company entered into a modified coinsurance agreement with AARE to cede 80% of certain index-linked deferred annuity business issued on or after the effective date of the treaty. The agreement is on a modified coinsurance basis, under which the Company retains the reserves and supporting assets relating to this business. These reserves and assets are held in a separate account and the reinsurance is recorded in the corresponding separate account. Modified coinsurance reserves for this agreement were \$5,151,614 and \$3,564,640 as of December 31, 2025 and 2024, respectively.

Effective January 1, 2018, the Company entered into a modified coinsurance agreement with AARE to cede 80% quota share of certain PGA business issued on or after April 1, 2017. The agreement is on a modified coinsurance basis, under which the Company retains the reserves and supporting assets relating to this business. These reserves and assets are held in one or more separate accounts and the reinsurance is recorded in the corresponding separate account. Modified coinsurance reserves for this agreement were \$7,527,642 and \$7,236,238 as of December 31, 2025 and 2024, respectively.

Effective September 17, 2018, the Company entered into a coinsurance agreement with Brighthouse Life Insurance Company (Brighthouse) to assume a quota share of certain multi-year guaranteed annuity policies issued by Brighthouse on or after the effective date of the treaty. This treaty was closed to new business effective April 30, 2024. The Company retrocedes 80% of this block to AARE under a modified coinsurance agreement. Assumed reserves were \$4,783,119 and \$6,371,968 at December 31, 2025 and 2024, respectively, of which \$3,826,495 and \$5,097,574 represented modified coinsurance reserves ceded to AARE at December 31, 2025, and 2024, respectively.

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Effective June 1, 2018, the Company entered into three quota share reinsurance agreements, two coinsurance and one modified coinsurance, with Venerable Insurance and Annuity Company (VIAC) to assume a 20% quota share of all fixed annuity and guaranteed minimum income benefit rider policies issued by VIAC prior to the effective date of the treaty. Effective July 1, 2023, VIAC recaptured \$564,137 of payout annuity reserves assumed by the Company under the two coinsurance agreements and the Company recognized a \$29,272 pretax gain upon settlement of the recapture agreement. Assumed reserves on the coinsurance treaties were \$1,030,833 and \$1,270,414 at December 31, 2025 and 2024, respectively, and modified coinsurance reserves held at VIAC for business assumed by the Company were \$28,062 and \$32,859 at December 31, 2025 and 2024, respectively.

Effective April 1, 2019, the Company entered into a modified coinsurance agreement with AARe to cede 80% quota share of certain PGA business issued on or after the effective date of the treaty. The agreement is on a modified coinsurance basis, under which the Company retains the reserves and supporting assets relating to this business. These reserves and assets are held in one or more separate accounts and the reinsurance is recorded in the corresponding separate account. Modified coinsurance reserves at December 31, 2025 and 2024 were \$24,887,919 and \$26,337,949, respectively.

Effective January 1, 2018, the Company entered into a modified coinsurance agreement with AARe to cede 80% of all fixed spread annuity and fixed spread life insurance business in force as of October 1, 2013. Modified coinsurance reserves at December 31, 2025 and 2024 were \$414,610 and \$472,903, respectively.

Effective January 1, 2018, the Company entered into a modified coinsurance agreement with AARe. The agreement ceded a quota share of certain in force and future annuity business after the effective date of the treaty. Effective July 1, 2025, the Company amended this treaty to consolidate it with another modified coinsurance treaty with AARe. This treaty was applied after the impacts of all other reinsurance agreements were applied. Modified coinsurance reserves for the consolidated treaty at December 31, 2025 and 2024 were \$51,226,397 and \$48,999,519, respectively.

Effective August 1, 2017, the Company entered into a variable quota share coinsurance agreement with The Lincoln National Life Insurance Company (LNL) to assume a percentage of LNL's multi-year guaranteed annuity and fixed indexed annuity business issued on or after the effective date of the treaty. The Company retrocedes 80% of the assumed business to AARe under a modified coinsurance agreement. Assumed reserves were \$281,020 and \$464,375 at December 31, 2025 and 2024, respectively, of which \$224,816 and \$371,500 represented modified coinsurance reserves ceded at December 31, 2025 and 2024, respectively.

Effective August 30, 2013, the Company entered into a reinsurance agreement with STAR, an affiliated reinsurer. The agreement ceded, through coinsurance, all annuity contracts issued by the Company (and its predecessor by merger, Aviva Life Insurance Company) to Aviva London Assignment Corporation, a former affiliated entity. The Company has taken a reserve credit of \$966,080 and \$992,442 for this agreement as of December 31, 2025 and 2024, respectively.

Effective April 1, 2014, AAE entered into a reinsurance agreement with STAR to assume a 20% quota share of a block of annuities under a coinsurance funds withheld reinsurance agreement. Prior to the merger of the Company and AAE, STAR recaptured this agreement effective July 1, 2024. In connection with the recapture, AAE paid a \$40,138 commission, recorded \$218,075 of negative assumed premiums and deposits, and released \$201,247 of policy and contract liabilities and \$16,828 of interest maintenance reserves. The impact of the recapture is reflected in the merged financial statements.

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Effective December 31, 2012, the Company entered into a coinsurance funds withheld agreement to assume 90% of AANY's annuity business. The Company retrocedes 89% of this block to AARE under a modified coinsurance agreement. Assumed reserves were \$2,714,555 and \$2,855,918 at December 31, 2025 and 2024, respectively, of which \$2,415,954 and \$2,541,767 represented modified coinsurance reserves ceded at December 31, 2025 and 2024, respectively.

Effective November 1, 2012, the Company entered into a coinsurance agreement with Liberty Bankers Life Insurance Company to assume 100% of an annuity block of business. The Company retrocedes 80% of this block to AARE under a modified coinsurance agreement. Assumed reserves were \$32,201 and \$40,281 at December 31, 2025 and 2024, respectively, of which \$25,761 and \$32,225 represented modified coinsurance reserves ceded at December 31, 2025 and 2024, respectively.

Effective December 16, 2011, the Company entered into an agreement with Transamerica Life Insurance Company to assume on a coinsurance basis 28.3% of a certain block of deferred annuity business. The Company retrocedes 80% of the assumed annuity business to AARE under a modified coinsurance agreement. Assumed reserves were \$205,178 and \$246,440 at December 31, 2025 and 2024, respectively, of which \$164,143 and \$197,152 represented modified coinsurance reserves ceded at December 31, 2025 and 2024, respectively.

Life Reinsurance

The Company entered into a reinsurance agreement on December 15, 2011 with Athene Re IV, an affiliated reinsurer. The agreement ceded, through funds withheld coinsurance, all policy liabilities of the regulatory closed block of the former AmerUs Life Insurance Company, a predecessor of the Company (the Closed Block). The Closed Block consists of participating whole life insurance, term life insurance, and dividend-paying universal life insurance. The Closed Block was formed on June 30, 1996 for the protection of dividend interests on dividend-paying policies. The formation of the Closed Block coincided with AmerUs Life's reorganization into a mutual holding company whereby AmerUs Life became a stock life insurance company, initially owned by American Mutual Holding Company. The Company has taken a reserve credit of \$1,192,260 and \$1,243,471 for this agreement as of December 31, 2025 and 2024, respectively. Funds held under reinsurance with unauthorized reinsurers for this agreement was \$1,151,367 and \$1,194,280 as of December 31, 2025 and 2024, respectively.

On April 29, 2011, the Company's predecessor by merger, AADE, reinsured substantially all of its life and health business, primarily to Protective Life Insurance Company under a coinsurance agreement. As of December 31, 2025 and 2024, the Company recognized a reserve credit of \$1,153,910 and \$1,198,859, respectively, on this business.

The Company entered into an assumption reinsurance agreement on October 1, 2013 with Accordia Life and Annuity Company (Accordia). The agreement ceded, through coinsurance, all open block life insurance contracts issued by the Company, with the exception of Enhanced Guarantee universal life insurance products. The Company has taken a reserve credit of \$1,017,897 and \$1,033,435 for this agreement as of December 31, 2025 and 2024, respectively. The AmerUs Life Insurance Company regulatory closed block has been ceded to Accordia (net of existing reinsurance) under this reinsurance agreement. As of December 31, 2025 and 2024, the aforementioned reinsurance between the Company and Athene Re IV remains in place, resulting in no amounts ceded to Accordia.

The Company entered into a reinsurance agreement on October 1, 2013 with Accordia. The agreement ceded, through coinsurance, all policy liabilities of the former Indianapolis Life Insurance Company regulatory closed block. The Company has taken a reserve credit of \$511,328 and \$532,786 for this agreement as of December 31, 2025 and 2024, respectively.

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During 2025 and 2024, the Company novated 474 and 1,067 life policies, respectively, with statutory policy reserves of \$31,498 and \$49,034, respectively, to Accordia. These policies were previously 100% ceded to Accordia through the open block assumption reinsurance agreement discussed above, and therefore the novation had no impact on the Company's balance sheet, income or capital and surplus position.

The Company cedes policies to Accordia and Athene Re IV, included in treaties noted above, that fall under the NAIC Term Life and Universal Life with Secondary Guarantees (XXX/AXXX) Credit for Reinsurance Model Regulation. The primary securities backing the reinsurance contracts related to these policies are greater than or equal to required levels as set forth by Appendix A-785 of the NAIC Accounting Practices and Procedures Manual.

The Company's reinsurance agreements do not require disclosure under paragraphs 78 through 84 of SSAP No. 61, *Life, Deposit-Type and Accident and Health Reinsurance*.

8. Life, Annuity and Deposit-Type Actuarial Reserves

Withdrawal characteristics of annuity and deposit-type actuarial reserves are as follows:

Individual Annuities

	December 31, 2025				
	General Account	Separate Accounts with Guarantees	Separate Account Non-Guaranteed	Total	Percentage of Total
Subject to discretionary withdrawal:					
With market value adjustment	\$131,375,827	\$ 6,439,518	\$ —	\$137,815,345	73.9 %
At book value, less surrender charge of 5% or more	21,935,905	—	—	21,935,905	11.8
At fair value	—	—	192,020	192,020	0.1
Total with market value adjustment or at fair value	153,311,732	6,439,518	192,020	159,943,270	85.8
At book value without adjustment (minimal or no charge or adjustment)	23,912,561	—	—	23,912,561	12.8
Not subject to discretionary withdrawal	2,691,736	—	—	2,691,736	1.4
Total (gross: direct + assumed)	179,916,029	6,439,518	192,020	186,547,567	100.0 %
Less: Reinsurance ceded	(70,146,568)	—	—	(70,146,568)	
Total (net)	\$109,769,461	\$ 6,439,518	\$ 192,020	\$116,400,999	

The amount included above in the at book value, less surrender charge of 5% or more line that will move to the at book value without adjustment line in the year subsequent to the balance sheet date is \$2,454,807.

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December 31, 2024					
	General Account	Separate Account with Guarantees	Separate Account Non-Guaranteed	Total	Percentage of Total
Subject to discretionary withdrawal:					
With market value adjustment	\$107,349,847	\$ —	\$ 4,455,800	\$111,805,647	72.6 %
At book value, less surrender charge of 5% or more	17,609,587	—	—	17,609,587	11.4
At fair value	—	5,077	118,526	123,603	0.1
Total with market value adjustment or at fair value	124,959,434	5,077	4,574,326	129,538,837	84.1
At book value without adjustment (minimal or no charge or adjustment)	21,810,286	—	—	21,810,286	14.2
Not subject to discretionary withdrawal	2,596,454	—	—	2,596,454	1.7
Total (gross: direct + assumed)	149,366,174	5,077	4,574,326	153,945,577	100.0 %
Less: Reinsurance ceded	(53,749,326)	—	—	(53,749,326)	
Total (net)	\$ 95,616,848	\$ 5,077	\$ 4,574,326	\$100,196,251	

Group Annuities

December 31, 2025					
	General Account	Separate Accounts with Guarantees	Separate Account Non-Guaranteed	Total	Percentage of Total
Subject to discretionary withdrawal:					
With market value adjustment	\$ —	\$ 2,636,989	\$ —	\$ 2,636,989	6.2 %
At book value, less surrender charge of 5% or more	38,875	—	—	38,875	0.1
Total with market value adjustment or at fair value	38,875	2,636,989	—	2,675,864	6.3
At book value without adjustment (minimal or no charge or adjustment)	711,432	137,738	—	849,170	1.9
Not subject to discretionary withdrawal	46,881	38,810,827	—	38,857,708	91.8
Total (gross: direct + assumed)	797,188	41,585,554	—	42,382,742	100.0 %
Less: Reinsurance ceded	—	—	—	—	
Total (net)	\$ 797,188	\$ 41,585,554	\$ —	\$ 42,382,742	

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December 31, 2024					
	General Account	Separate Accounts with Guarantees	Separate Account Non-Guaranteed	Total	Percentage of Total
Subject to discretionary withdrawal:					
With market value adjustment	\$ 35,695	\$ 2,817,302	\$ —	\$ 2,852,997	6.4 %
At book value, less surrender charge of 5% or more	32,756	—	—	32,756	0.1
Total with market value adjustment or at fair value	68,451	2,817,302	—	2,885,753	6.6
At book value without adjustment (minimal or no charge or adjustment)	809,687	113,588	—	923,275	2.0
Not subject to discretionary withdrawal	51,541	40,382,925	—	40,434,466	91.4
Total (gross: direct + assumed)	929,679	43,313,815	—	44,243,494	100.0 %
Less: Reinsurance ceded	—	—	—	—	
Total (net)	\$ 929,679	\$ 43,313,815	\$ —	\$ 44,243,494	

Deposit-Type Contracts (no life contingencies)

December 31, 2025				
	General Account	Separate Account with Guarantees	Separate Account Non-Guaranteed	Percentage of Total
Subject to discretionary withdrawal:				
At book value without adjustment (minimal or no charge or adjustment)	13,308	—	—	— %
Not subject to discretionary withdrawal	64,463,610	22,413,956	—	100.0
Total (gross: direct + assumed)	64,476,918	22,413,956	—	100.0 %
Less: Reinsurance ceded	(217,134)	—	—	
Total (net)	\$ 64,259,784	\$ 22,413,956	\$ —	\$ 86,673,740

December 31, 2024				
	General Account	Separate Account with Guarantees	Separate Account Non-Guaranteed	Percentage of Total
Subject to discretionary withdrawal:				
At book value without adjustment (minimal or no charge or adjustment)	\$ 13,497	\$ —	\$ —	— %
Not subject to discretionary withdrawal	40,650,323	14,849,012	—	100.0
Total (gross: direct + assumed)	40,663,820	14,849,012	—	100.0 %
Less: Reinsurance ceded	(4,304,804)	—	—	
Total (net)	\$ 36,359,016	\$ 14,849,012	\$ —	\$ 51,208,028

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A reconciliation of total annuity and deposit-type actuarial reserves is as follows:

	December 31,	
	2025	2024
General Account:		
Annuity reserves	\$ 110,240,030	\$ 96,225,542
Supplementary contracts with life contingencies	326,620	320,985
Deposit-type contracts	64,259,784	36,359,016
Separate Accounts:		
Annuity reserves	48,217,091	47,893,218
Deposit-type contracts	22,413,956	14,849,012
Total annuity and deposit-type actuarial reserves	<u>\$ 245,457,481</u>	<u>\$ 195,647,773</u>

Account value, cash value and reserves for life insurance by withdrawal characteristics is as follows:

	December 31, 2025					
	General Account			Separate Account - Nonguaranteed		
	Account Value	Cash Value	Reserve	Account Value	Cash Value	Reserve
Subject to discretionary withdrawal, surrender values, or policy loans:						
Term policies with cash value	\$ —	\$ 1,557,330	\$ 1,587,557	\$ —	\$ —	\$ —
Universal life	753,897	764,934	778,675	—	—	—
Universal life with secondary guarantees	5,177	5,116	39,818	—	—	—
Indexed universal life	183,612	182,668	158,876	—	—	—
Indexed universal life with secondary guarantees	229,131	226,895	606,493	—	—	—
Other permanent cash value life insurance	18,960	602,464	663,805	—	—	—
Variable universal life	3,118	3,118	3,118	13,078	13,078	12,109
Not subject to discretionary withdrawal or no cash values:						
Term Policies without cash value	—	—	98,837	—	—	—
Accidental death benefits	—	—	2,815	—	—	—
Disability - active lives	—	—	8,124	—	—	—
Disability - disabled lives	—	—	15,940	—	—	—
Miscellaneous reserves	—	—	66,876	—	—	—
Total (gross: direct + assumed)	<u>1,193,895</u>	<u>3,342,525</u>	<u>4,030,934</u>	<u>13,078</u>	<u>13,078</u>	<u>12,109</u>
Less: Reinsurance ceded	<u>(1,145,498)</u>	<u>(3,294,066)</u>	<u>(3,981,834)</u>	<u>—</u>	<u>—</u>	<u>—</u>
Total (net)	<u>\$ 48,397</u>	<u>\$ 48,459</u>	<u>\$ 49,100</u>	<u>\$ 13,078</u>	<u>\$ 13,078</u>	<u>\$ 12,109</u>

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December 31, 2024						
	General Account			Separate Account - Nonguaranteed		
	Account Value	Cash Value	Reserve	Account Value	Cash Value	Reserve
Subject to discretionary withdrawal, surrender values, or policy loans:						
Term policies with cash value	\$ —	\$ 1,624,106	\$1,656,085	\$ —	\$ —	\$ —
Universal life	790,153	800,733	814,764	—	—	—
Universal life with secondary guarantees	5,642	5,493	38,933	—	—	—
Indexed universal life	189,653	194,102	163,077	—	—	—
Indexed universal life with secondary guarantees	239,100	234,931	608,253	—	—	—
Other permanent cash value life insurance	19,847	625,384	690,310	—	—	—
Variable universal life	3,204	3,204	3,204	13,023	13,023	12,004
Not subject to discretionary withdrawal or no cash values:						
Term Policies without cash value	—	—	122,291	—	—	—
Accidental death benefits	—	—	2,949	—	—	—
Disability - active lives	—	—	7,503	—	—	—
Disability - disabled lives	—	—	16,586	—	—	—
Miscellaneous reserves	—	—	65,465	—	—	—
Total (gross: direct + assumed)	1,247,599	3,487,953	4,189,420	13,023	13,023	12,004
Less: Reinsurance ceded	(1,193,509)	(3,433,801)	(4,134,442)	—	—	—
Total (net)	\$ 54,090	\$ 54,152	\$ 54,978	\$ 13,023	\$ 13,023	\$ 12,004

A reconciliation of total life actuarial reserves, net of reinsurance, is as follows:

	December 31,	
	2025	2024
Life insurance	\$ 47,634	\$ 53,368
Accidental death benefits	1	1
Disability - active lives	(2)	(2)
Disability - disabled lives	18	19
Miscellaneous reserves	1,449	1,592
Life reserves - variable life separate account	12,109	12,004
Total life actuarial reserves	\$ 61,209	\$ 66,982

As of December 31, 2025 and 2024, the Company had insurance in force of \$1,790,666 and \$1,714,738, respectively, for which the gross premiums were less than the net premiums according to the standard of valuation set by the State of Iowa. Reserves to cover this shortfall in premium were \$30,928 and \$27,252 at December 31, 2025 and 2024, respectively.

Athene Annuity and Life Company

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(Dollars in thousands)

9. Borrowed Money and Funding Agreements

Liquidity Facility

On June 27, 2025, AHL, AARE, Athene Life Re Ltd. and the Company entered into a revolving credit agreement with a syndicate of banks and Wells Fargo Bank, National Association, as administrative agent (Liquidity Facility). The Liquidity Facility is unsecured and has a commitment termination date of June 26, 2026, subject to any extensions of additional 364-day periods with consent of extending lenders and/or “term-out” of outstanding loans (by which, at our election, the outstanding loans may be converted to term loans which shall have a maturity of up to one year after the original maturity date), in each case in accordance with the terms of the Liquidity Facility. In connection with the Liquidity Facility, AARE guaranteed all of the obligations of each other borrower under the Liquidity Facility and the related loan documents. The Liquidity Facility will be used for liquidity and working capital needs to meet short-term cash flow and investment timing differences. The borrowing capacity under the Liquidity Facility is \$2.6 billion, subject to being increased up to \$3.1 billion in total on the terms described in the Liquidity Facility. The Liquidity Facility contains various standard covenants with which we must comply, including the following: 1) AARE minimum consolidated net worth of no less than \$23.2 billion; and 2) restrictions on our ability to incur liens, with certain exceptions.

Interest accrues on outstanding borrowings at either the adjusted term secured overnight financing rate plus a margin or the base rate plus a margin, with applicable margin varying based on AARE’s financial strength rating. Rates and terms are as defined in the Liquidity Facility. As of December 31, 2025, the Company had no amounts outstanding under the Liquidity Facility and was in compliance with all financial covenants under the facility.

Promissory Note

Effective May 1, 2021, the Company entered into an unsecured revolving promissory note (the Promissory Note), with Athene USA Corporation (AUSA) and certain of AUSA’s other subsidiaries, pursuant to which the Company and other borrower parties thereto may borrow up to \$200,000 from AUSA. The Promissory Note has a 5-year term and was approved by the Iowa Department. Interest shall accrue on the principal balance from time to time outstanding at a rate per annum equal to 2.085%. The Company shall pay such interest in arrears quarterly on the last day of each March, June, September and December, on any day any portion of the principal balance is repaid or prepaid. No amounts were drawn during the year ended December 31, 2025 and December 31, 2024. No interest expense was incurred by the Company during the years ended December 31, 2025, 2024 and 2023.

Funding Agreements

The Company has entered into a purchase agreement, pursuant to which Athene Global Funding, a special-purpose non-affiliated statutory-trust, may offer senior secured medium-term notes under a funding agreement backed notes (FABN) program. The authorized program amount of \$45,000,000 may be increased from time to time, subject to compliance with the relevant provisions of the amended and restated purchase agreement currently in effect. Athene Global Funding uses the net proceeds from the sale of each series of medium-term notes to purchase one or more funding agreements issued from the Company.

The Company has issued funding agreements to Athora Lebensversicherung AG (ALV), an affiliated German company, and to various institutions via direct issuances (Direct FA).

The Company has established a secured funding agreement backed repurchase agreement (FABR) program, in which a special-purpose, unaffiliated entity enters into repurchase agreements with a bank and the proceeds of the repurchase agreements are used by the special purpose entity to purchase funding agreements from the Company.

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Through its membership in the FHLB, the Company is eligible to borrow under fixed or floating rate short-term arrangements to provide additional liquidity. Total available borrowings are determined by the amount of collateral pledged, but cannot exceed 20% to 40% of the Company's total assets dependent upon the internal credit rating. These borrowings are accounted for as borrowed money under SSAP No. 15, *Debt and Holding Company Obligations*. During 2025 and 2024, the Company borrowed no amounts in the general and separate accounts. No interest expense was incurred by the Company during the years ended December 31, 2025, 2024 and 2023.

The Company has issued funding agreements to the FHLB in exchange for cash advances in both the general account and the separate account. FHLB funding agreements held in the separate account have a principal balance of \$22,701,200 and \$15,001,200 at December 31, 2025 and 2024, respectively. FHLB funding agreements held in the general account have a principal balance of \$570,000 and \$570,000 as of December 31, 2025 and 2024.

As part of these agreements, the Company holds \$10,000 in FHLB Class B Membership Stock and \$1,047,204 in FHLB Activity Stock in the general account. The Class B Membership Stock is not eligible for redemption. The FHLB funding agreements in the general and separate account are collateralized by general account and separate account assets with a book adjusted carrying value of \$43,563,085 and \$30,038,449 and fair value of \$43,386,185 and \$28,847,908 at December 31, 2025 and 2024, respectively.

The following table presents the outstanding funding agreement contracts issued by the Company:

	December 31,					
	2025			2024		
	Fixed	Floating	Total	Fixed	Floating	Total
Funding Agreements						
ALV	\$ 29,378	\$ —	\$ 29,378	\$ 56,964	\$ —	\$ 56,964
FABN	28,326,944	6,240,170	\$ 34,567,114	21,918,278	2,229,633	24,147,911
FHLB	17,021,200	6,250,000	\$ 23,271,200	10,871,200	4,700,000	15,571,200
FABR	—	20,950,000	\$ 20,950,000	—	12,000,000	12,000,000
Direct FA	6,096,926	191,546	6,288,472	2,791,631	95,341	2,886,972
Total	<u>\$51,474,448</u>	<u>\$33,631,716</u>	<u>\$ 85,106,164</u>	<u>\$35,638,073</u>	<u>\$19,024,974</u>	<u>\$54,663,047</u>

The weighted average interest rate on all funding agreements was 4.38% and 4.35% at December 31, 2025 and 2024, respectively.

The reserve established by the Company for FHLB funding agreements held in the separate account was \$22,408,086 and \$14,841,302 at December 31, 2025 and 2024, respectively. These are included in separate account liabilities on the balance sheets. The reserve established by the Company for general account funding agreements was \$63,050,231 and \$39,940,806 at December 31, 2025 and 2024, respectively, which was reported as deposit-type contracts on the balance sheets. The Company uses the funding agreements funds in an investment spread strategy. As such, the Company applies SSAP No. 52, *Deposit-Type Contracts*, accounting treatment to these funds, consistent with its other deposit-type contracts. It is not part of the Company's strategy to utilize these funds for operations, and any funds obtained for use in general operations would be accounted for consistent with SSAP No. 15 as borrowed money.

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The Company incurred interest expense of \$2,142,232, \$1,191,781, and \$722,914 on funding agreements in the general account and \$828,547, \$423,223, and \$186,087 on the funding agreements in the separate account during the years ended December 31, 2025, 2024 and 2023, respectively.

The scheduled maturities of the funding agreements are as follows:

2026	\$12,270,942
2027	14,493,726
2028	15,547,807
2029	9,094,066
2030	10,228,552
Thereafter	23,471,071
Total	<u>\$85,106,164</u>

As discussed in Note 7, the Company's funding agreements are ceded to AARE under modified coinsurance agreements.

10. Federal Income Taxes

Current income taxes incurred consist of the following major components:

	Years Ended December 31,		
	2025	2024	2023
Federal income tax expense (benefit) on operations	\$ (186,034)	\$ (222,705)	\$ 452,495
Federal income tax expense (benefit) on net realized capital gain (loss)	12,105	(1,751)	(20,251)
Federal income tax expense (benefit) on operations - prior period	—	18,161	70,481
Total current federal income tax expense (benefit)	<u>\$ (173,929)</u>	<u>\$ (206,295)</u>	<u>\$ 502,725</u>

The Company determines admitted DTAs under paragraph 11 of SSAP No. 101, which allows a DTA to be admitted where existing deductible temporary differences are expected to be realized within three years of the balance sheet date. DTAs are limited to:

1. The amount of federal capital gains taxes paid in prior years that can be recovered through capital loss carrybacks, not to exceed three years, including any amounts established in accordance with the provision of SSAP No. 5, *Liabilities, Contingencies and Impairments of Assets*.
2. If risk-based capital thresholds described in paragraph 11.b. of SSAP No. 101 are exceeded, paragraph 11.b.i. allows a reporting entity to admit DTAs that are expected to be realized within three years of the balance sheet date, subject to a 15% limitation of adjusted capital and surplus described in paragraph 11.b.ii. Since the Company's Risk-Based Capital Authorized Control Level without regard to admitted DTAs is greater than 300%, the applicable period is three years and the applicable percentage is 15% as of December 31, 2025, plus
3. Any remaining DTAs can be offset against existing DTLs after due consideration of character and reversal patterns of temporary differences.

Adjusted gross DTAs exceeding the above limitations are nonadmitted.

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Pursuant to SSAP No. 101, paragraph 7.e., gross DTAs are reduced by a statutory valuation allowance adjustment if it is more likely than not that some portion or all of the gross DTAs will not be realized. The Company expects to fully realize all of its DTAs. As of December 31, 2025 and 2024, the Company has not established a valuation allowance against DTAs.

The admitted DTAs are summarized as follows:

	December 31,			
	2025		2024	
	Limitation	Admitted	Limitation	Admitted
Admitted pursuant to 11.a. - loss carrybacks		\$ —		\$ —
Realization per 11.b.i. - applicable period limitation	\$ 417,544		\$ 206,585	
Realization per 11.b.ii. - applicable percentage limitation	555,636		553,871	
Admitted pursuant to lesser of 11.b.i. or 11.b.ii - realization test		417,544		206,585
Admitted pursuant to 11.c. - DTL offset		910,319		437,193
Total admitted adjusted gross DTA		<u>\$1,327,863</u>		<u>\$ 643,778</u>

The Authorized Control Level Risk-Based Capital (excluding DTAs) percentage used for determining the above applicable period limitation and applicable percentage limitation was 833% and 815% for the years ended December 31, 2025 and 2024, respectively.

No tax planning strategies have been used to recognize net admitted DTAs for the periods ending December 31, 2025 and 2024.

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The tax effects of temporary differences that give rise to DTAs and DTLs are as follows:

	December 31, 2025			December 31, 2024			Change		
	Ordinary	Capital	Total	Ordinary	Capital	Total	Ordinary	Capital	Total
DTAs									
Policyholder reserves	\$ 749,573	\$ —	\$749,573	\$ 753,371	\$ —	\$753,371	\$ (3,798)	\$ —	\$ (3,798)
Investments	400,048	37,787	437,835	114,536	30,511	145,047	285,512	7,276	292,788
Deferred acquisition costs	371,351	—	371,351	290,432	—	290,432	80,919	—	80,919
Policyholder dividends accrual	5	—	5	5	—	5	—	—	—
Fixed assets	3	—	3	3	—	3	—	—	—
Compensation and benefits accrual	56	—	56	55	—	55	1	—	1
Receivable nonadmitted	1,649	—	1,649	1,530	—	1,530	119	—	119
Tax goodwill	98	—	98	294	—	294	(196)	—	(196)
Tax credit carryforward	31,648	—	31,648	\$ —	—	—	31,648	—	31,648
Other (Including items <5% of total ordinary tax assets)	70,560	—	70,560	48,382	—	48,382	22,178	—	22,178
Total gross DTAs	1,624,991	37,787	1,662,778	1,208,608	30,511	1,239,119	416,383	7,276	423,659
Nonadmitted DTAs	(319,830)	(15,085)	(334,915)	(588,715)	(6,626)	(595,341)	268,885	(8,459)	260,426
Admitted DTAs	1,305,161	22,702	1,327,863	619,893	23,885	643,778	685,268	(1,183)	684,085
DTLs									
Investments	(873,114)	(22,702)	(895,816)	(358,075)	(23,885)	(381,960)	(515,039)	1,183	(513,856)
Deferred and uncollected premiums	(843)	—	(843)	(908)	—	(908)	65	—	65
Policyholder reserves	(12,752)	—	(12,752)	(54,325)	—	(54,325)	41,573	—	41,573
Other	(908)	—	(908)	—	—	—	(908)	—	(908)
Total DTLs	(887,617)	(22,702)	(910,319)	(413,308)	(23,885)	(437,193)	(474,309)	1,183	(473,126)
Net admitted DTA/(DTL)	\$ 417,544	\$ —	\$417,544	\$ 206,585	\$ —	\$206,585	\$ 210,959	\$ —	\$210,959

The change in net deferred income taxes is comprised of the following (this analysis is exclusive of the tax effect of unrealized capital gains and losses as the deferred taxes on unrealized gains and losses are reported separately from the change in net deferred income taxes in the statements of changes in capital and surplus):

	December 31, 2025	December 31, 2024	Change
Adjusted gross deferred tax assets	\$ 1,662,778	\$ 1,239,119	\$ 423,659
Total gross deferred tax liabilities	(910,319)	(437,193)	(473,126)
Adjusted deferred tax assets in excess of deferred tax liabilities	\$ 752,459	\$ 801,926	(49,467)
Tax effect of unrealized gains and losses			476,359
Tax credit sale			260,000
Change in net deferred income tax			\$ 686,892

Nonadmitted deferred tax assets decreased \$260,426 and increased \$69,270 for the years ended December 31, 2025 and 2024, respectively.

No unrecognized DTL exists for temporary differences related to investments in foreign subsidiaries or foreign corporate joint ventures that are essentially permanent in duration.

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The provision for federal income tax incurred is different from that which would be obtained by applying the enacted federal income tax rate to income before taxes. The significant items causing these differences are as follows:

	Year Ended December 31, 2025		Year Ended December 31, 2024		Year Ended December 31, 2023	
	Effective		Effective		Effective	
	Amount	Tax Rate	Amount	Tax Rate	Amount	Tax Rate
Net gain (loss) from operations	\$1,438,816		\$1,012,537		\$ 548,083	
Realized capital gain (loss) on investments	(513,990)		(275,273)		(169,807)	
Total statutory gain (loss)	<u>\$ 924,826</u>		<u>\$ 737,264</u>		<u>\$ 378,276</u>	
Statutory tax expense (benefit) at enacted rate	\$ 194,213	21.0 %	\$ 154,826	21.0 %	\$ 79,438	21.0 %
Permanent differences						
Interest maintenance reserve	(6,806)	(0.7)	(4,290)	(0.6)	(12,493)	(3.3)
Nontaxable income	(4,164)	(0.5)	(2,579)	(0.3)	(2,027)	(0.5)
Nondeductible expenses	809	0.1	831	0.1	596	0.2
Nonadmitted assets	(9,725)	(1.1)	(8,564)	(1.2)	(2,107)	(0.6)
Affiliate expenses	(6,424)	(0.7)	(5,198)	(0.7)	2,540	0.7
Reinsurance adjustment A-791	(3,649)	(0.4)	1,645	0.2	4,669	1.2
Unrealized gain (loss) - options	136,578	14.8	136,250	18.5	80,597	21.3
Unrealized (gain) loss ceded	(555,827)	(60.1)	(277,653)	(37.5)	(264,570)	(70.0)
Specific reserves in surplus	(10,586)	(1.1)	(157)	—	(5,641)	(1.5)
Prior period adjustments	(48,722)	(5.3)	23,726	3.2	(23,231)	(6.1)
Insurance Company Owned Life Insurance	(31,507)	(3.4)	(2,701)	(0.4)	—	—
Tax credits and related benefits	(515,011)	(55.7)	(92,701)	(12.6)	(61,310)	(16.2)
Merger restatement	—	—	(9,684)	(1.3)	(27,458)	(7.3)
Total effective income tax expense (benefit)	<u>\$ (860,821)</u>	<u>(93.1)%</u>	<u>\$ (86,249)</u>	<u>(11.6)%</u>	<u>\$ (230,997)</u>	<u>(61.1)%</u>
Current federal income tax expense (benefit)	\$ (173,929)	(18.8)%	\$ (224,456)	(30.4)%	\$ 432,244	114.3 %
Current federal income tax expense (benefit) - prior period adjustments	—	0.0	18,161	2.5	70,481	18.6
Change in net deferred income tax	(686,892)	(74.3)	120,046	16.3	(733,722)	(194.0)
Total effective income tax expense (benefit)	<u>\$ (860,821)</u>	<u>(93.1)%</u>	<u>\$ (86,249)</u>	<u>(11.6)%</u>	<u>\$ (230,997)</u>	<u>(61.1)%</u>

The Company has non-transferrable federal tax credits to carry forward as follows at December 31, 2025:

	Year Incurred	Amount	Expiring
General Business Credit	2025	\$ 31,648	2045

The Company estimated the utilization of the remaining federal tax credits by projecting future tax liability based on projected taxable income, tax rates and tax credits and comparing that projected future tax liability to the availability of remaining tax credits. These tax credits are fully admitted.

The Company has \$0, \$47,583, and \$0 of federal capital gains tax from 2025, 2024 and 2023, respectively, available for recovery in the event of future capital losses. Prior year balances reflect tax returns filed as of December 31, 2025. The Company has incurred no Repatriation Transition tax.

The Company entered into a supplemental tax allocation agreement with Athene Re IV, whereby the Company is obligated to perform all of Athene Re IV's tax obligations and is entitled to accept all of

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Athene Re IV's tax benefits. Accordingly, any current taxes payable or receivable by Athene Re IV are reflected by the Company. During 2025, 2024 and 2023, under the provisions of this agreement, \$110 of tax benefit was transferred to the Company, \$350 of tax benefit was transferred to the Company and \$42 of tax expense was transferred from the Company, respectively.

In accordance with SSAP No. 101, the Company follows SSAP No. 5 to utilize a "more likely than not (likelihood of more than fifty percent)" approach to compute its liability for tax contingencies. No liability for tax contingencies has been recorded as the Company does not have any material items requiring establishment of a loss contingency reserve or disclosure under SSAP No. 5. Interest and penalties associated with recognized tax contingencies would be recognized within the income tax expense line in the statements of operations. Accrued interest and penalties would be included in the related tax liability line in the balance sheets.

Federal income tax of \$10,501 and \$166,513 is due from affiliates at December 31, 2025 and 2024, respectively, pursuant to the Tax Allocation Agreement.

As of December 31, 2025 and 2024, the Company has no unrecognized deferred tax liabilities.

There were no deposits reported as admitted assets under Section 6603 of the Internal Revenue Code as of December 31, 2025 or 2024.

The following entities are included in the consolidated federal income tax return as of December 31, 2025:

- Athene Annuity Re Ltd.
- Athene Annuity and Life Company
- Athene Annuity & Life Assurance Company of New York
- Athene Life Insurance Company of New York
- Athene Re USA IV, Inc.
- Structured Annuity Reinsurance Company

The Company files income tax returns with the U.S. federal government and various U.S. state governments. For tax periods beginning January 1, 2019 and ending December 31, 2023, the Company was included in a consolidated return filed by the parent company, AUSA. For tax periods beginning January 1, 2024, the Company is included in a consolidated return filed by the parent company, AARE. The Company has a tax allocation agreement approved by the Company's Board of Directors, which sets forth the manner in which the total combined federal income tax is allocated to each entity which is a party to the consolidation. Allocation of tax benefits is based on separate returns. Losses are paid at the time they can be used in the consolidated return. Intercompany tax balances are settled quarterly.

On August 16, 2022, the U.S. government enacted the Inflation Reduction Act of 2022 (IRA). The IRA introduced a 15% minimum corporate income tax on certain large corporations, known as the Corporate Alternative Minimum Tax (CAMT). The Company is an applicable reporting entity with tax allocation agreement exclusions.

The Company is not subject to U.S. federal and state examinations by tax authorities for years prior to 2021. The Company is under audit by the IRS as a member of the 2022 consolidated tax return filed by AUSA. Pursuant to the Company's tax allocation agreement, AUSA would be liable for the payment of any liabilities incurred as a result of this audit. The Company is not currently under exam by any state taxing authority.

The Company does not hold any transferable or non-transferable state tax credits gross of any related tax liabilities.

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11. Premiums Due and Deferred

Deferred and uncollected life insurance premiums are summarized as follows:

	December 31, 2025			December 31, 2024		
	Gross	Loading	Net	Gross	Loading	Net
Ordinary renewal	\$ 3,212	\$ (803)	\$ 4,015	\$ 3,450	\$ (876)	\$ 4,326

12. Employee Benefit Plans

The Company is allocated a portion of the costs related to a qualified defined contribution savings and retirement plan sponsored by AUSA. The plan is a qualified 401(k) plan covering officers and employees. The plan provides non-discretionary company matching contributions. Expenses allocated to the Company for AUSA's contributions amounted to \$12,281, \$11,760, and \$10,399 for 2025, 2024 and 2023, respectively.

13. Related-Party Transactions

The Company cedes a quota share of its annuity and funding agreement business to AARe and 100% of the Closed Block liabilities to Athene Re IV. The Company cedes to STAR a 100% quota share of its benefits payable for all structured annuity contracts issued by the Company to Aviva London Assignment Corporation (an affiliated company prior to October 2, 2013). The Company also assumes a quota share of annuity business from its direct subsidiary AANY and from an affiliated entity, VIAC. Refer to Note 7 for details on these reinsurance agreements.

The Company is party to an investment management agreement with Apollo Insurance Solutions Group, LP (ISG), under which ISG agrees to provide asset management services in exchange for management fees. ISG is a subsidiary of AGM. Pursuant to the agreement, the Company pays ISG 30 basis points per annum on the Company's managed assets. The Company incurred expenses on its general account and separate account assets of \$894,280, \$689,680, and \$512,992 in 2025, 2024 and 2023, respectively, under the agreement with ISG.

The Company participates in Shared Services and Cost Sharing Agreements with certain other affiliated companies pursuant to which each party thereto agreed to provide certain financial, legal and other services to the other parties. Under these agreements, the Company incurred expense of \$416,151, \$430,515, and \$378,577 during 2025, 2024 and 2023, respectively.

Some employees of Athene Employee Services, LLC (AES) and the Company participate in one or more Share Award Agreements (the Agreements) sponsored by AHL for which the Company has no legal obligation. Salary expense of AES and the Company is partially allocated to the Company through the Shared Services Agreement. Under SSAP No. 104, *Share-Based Payments*, the stock compensation expense associated with the Agreements that would have been allocated to the Company is required to be recorded as a capital contribution to the reporting entity. The Company has allocated the stock compensation expense associated with the Agreements based on the same methodology as the Shared Services Agreement. In accordance with SSAP No. 104, the Company incurred expense and recorded a capital contribution under the Agreements totaling \$23,301, \$26,638, and \$50,466 in 2025, 2024 and 2023, respectively, which includes amounts contributed by the Company to downstream insurance subsidiaries.

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All intercompany balances shown as payable to or receivable from parent, subsidiaries and affiliates are settled within 90 days of their incurrence under the terms of the intercompany expense sharing agreements. These payables and receivables are presented on a net basis within the accompanying balance sheets when right of offset exists with a particular counterparty.

During 2022, the Company contributed its equity interests in certain partnership investments to Apollo Aligned Alternatives, L.P. (AAA), in exchange for a partnership interest in AAA. AAA is a strategic alternative investment vehicle designed to include investment by affiliated and unaffiliated insurers and other investors, with each investor having pro rata exposure to the underlying investments. The partnership is managed by an affiliate of the Company. Under the terms of the partnership agreement, the Company has the right to require distribution of its pro rata portion of underlying assets and direct such assets to be liquidated. During 2025 and 2024, the Company had contributions, net of distributions to AAA of \$1,147,538 and \$448,573, respectively.

During 2025 and 2024, in the normal course of business, the Company had purchases and contributions, net of sales and distributions, to non-AAA affiliated partnership investments of \$169,090 and \$431,136, respectively.

During 2025 and 2024, the Company transferred \$2,664,709 and \$470,814, respectively, of bonds to AARe in association with reinsurance settlements. These investments were included within bonds on the accompanying balance sheets. All transactions were based on the fair value of the assets at the transaction date.

During February 2023, the Company received a \$100,000 capital contribution from its parent, AARe. This capital contribution was accrued at December 31, 2022 as a \$100,000 receivable from parent with a corresponding increase in gross paid in and contributed surplus. In accordance with SSAP No. 72, *Surplus and Quasi Reorganizations*, capital contributions receivable that are satisfied with the receipt of cash or marketable securities prior to the filing of the annual statement shall be treated as a Type I subsequent event and considered an admitted asset based on evidence of collection and approval of the domiciliary commissioner.

In addition to the accrued capital contributions and stock compensation described above, during 2025, 2024 and 2023, the Company received \$0, \$934,000 and \$1,400,000, respectively, of assets in kind and cash capital contributions from its parent, AARe.

As of December 31, 2025 and 2024, the Company holds \$11,295,451 and \$8,628,116, respectively, of other invested assets representing holdings of affiliated partnership investments. The Company also had \$38,891,066 and \$29,239,015 of affiliated bond holdings, \$1,325,830 and \$1,379,975 of affiliated mortgage loans on real estate and \$75,000 and \$57,362 of affiliated preferred stocks as of December 31, 2025 and 2024, respectively.

During 2025 and 2024, the Company recaptured, amended, and entered into new reinsurance agreements with affiliates. See Note 7 for the details of those changes.

The Company believes that the transactions with affiliates are reasonable and appropriate; however, the operations of the Company may not be indicative of those that would have occurred had the Company operated as a stand-alone entity.

Athene Annuity and Life Company

Notes to Financial Statements – Statutory-Basis

December 31, 2025, 2024 and 2023

(Dollars in thousands)

14. Separate Accounts

The Company maintains five separate account arrangements:

Funding Agreement Separate Account: This separate account contains funding agreements issued to the FHLB. These funding agreements are secured by assets in the Company's general account. The funding agreements may not be accelerated by the holder unless there is a default under the agreement, but the Company may retire the funding agreement policies at any time.

Variable Annuity and Variable Life Separate Accounts: These separate accounts consist of individual variable annuities and variable universal life products. Net investment experience is credited directly to the policyholder and can be positive or negative, as determined by the performance or fair value of the investments held. The variable annuities generally provide an incidental death benefit of the greater of account value or premium paid. The assets and liabilities of these accounts are carried at fair value. No new variable annuity or variable life policies related to these separate accounts are being issued.

Group Annuity Separate Accounts: This contains separate accounts which support annuities payable under group fixed annuity contracts issued to various employers, or trusts established by such employers, in respect of those employers' pension plans. The assets and liabilities of these separate accounts are carried at the same basis as the general account. The Company's general account contributed \$0, \$0 and \$140,000 to the Group Annuity Separate Accounts in 2025, 2024 and 2023, respectively. The group fixed annuity contracts obligate the Company's general account to make annuity payments if the separate account is not able to do so. The product is included in Company's asset adequacy testing.

Index-Linked Deferred Annuity Separate Accounts: These separate accounts support registered index-linked deferred annuity contracts issued by the Company. The assets and liabilities are carried at the same basis as the general account. During 2025 and 2024, no amounts were withdrawn from the index-linked deferred annuity separate accounts. During 2023, the Company's general account withdrew \$24,602 from the index-linked deferred annuity separate accounts. The Company's general account has guaranteed the amounts under the index-linked deferred annuity contracts, to the extent not covered by the assets in the separate account. The product is included in Company's asset adequacy testing.

Private Placement Variable Annuity Separate Accounts: These separate accounts report private placement variable deferred annuities issued by the Company to purchasers meeting the requirements as a qualified purchaser or an accredited investor under applicable federal securities laws. The assets of these separate accounts are carried at fair value. Net investment experience is credited directly to the policyholder and can be positive or negative, as determined by the performance or fair value of the investments held.

The Company's general account has not paid toward separate account guarantees during the last five years. To compensate the general account for the risk taken, the Company's separate accounts have paid risk charges during the last five years as follows:

2025	\$ 24,654
2024	\$ 24,556
2023	\$ 22,954
2022	\$ 19,408
2021	\$ 12,823

Athene Annuity and Life Company
Notes to Financial Statements – Statutory-Basis
December 31, 2025, 2024 and 2023
(Dollars in thousands)

The separate account assets legally insulated from the general account is as follows:

	December 31, 2025		December 31, 2024	
	Legally Insulated	Not Legally Insulated	Legally Insulated	Not Legally Insulated
Funding Agreement Separate Account	\$ —	\$ 212,465	\$ —	\$ 107,023
Variable Annuity Separate Accounts	29,651	—	29,454	—
Variable Universal Life Separate Account	12,109	—	12,004	—
Group Annuity Separate Accounts	43,352,257	—	45,014,387	—
Index-Linked Deferred Annuity Separate Accounts	6,629,067	—	4,625,164	—
Private Placement Variable Annuity Separate Account	162,471	—	94,221	—
Total separate account assets	<u>\$50,185,555</u>	<u>\$ 212,465</u>	<u>\$49,775,230</u>	<u>\$ 107,023</u>

Information regarding the separate accounts of the Company is as follows:

	Indexed	Nonindexed Guaranteed Less Than/ Equal to 4%	Nonindexed Guaranteed More Than 4%	Non-Guaranteed Separate Accounts	Total
Premiums, considerations or deposits for year ended December 31, 2025	<u>\$ 284,340</u>	<u>\$ 4,008,355</u>	<u>\$ 4,141,645</u>	<u>\$ 56,516</u>	<u>\$ 8,490,856</u>
Balances at December 31, 2025					
For accounts with assets at					
Fair value	—	—	—	204,129	204,129
Amortized cost	<u>6,439,518</u>	<u>27,755,956</u>	<u>36,243,554</u>	<u>—</u>	<u>70,439,028</u>
Total reserves	<u>6,439,518</u>	<u>27,755,956</u>	<u>36,243,554</u>	<u>204,129</u>	<u>70,643,157</u>
By withdrawal characteristics					
Subject to discretionary withdrawal					
With market value adjustment	6,439,518	1,830,424	806,565	—	9,076,507
At fair value	—	—	—	204,129	204,129
At book value without market value adjustment and with current surrender charge less than 5%	—	47,588	90,150	—	137,738
Not subject to discretionary withdrawal	—	25,877,945	35,346,838	—	61,224,783
Total reserves	<u>\$6,439,518</u>	<u>\$27,755,957</u>	<u>\$ 36,243,553</u>	<u>\$ 204,129</u>	<u>70,643,157</u>
Interest maintenance reserve					(6,058)
Other transfers to general account due or accrued					(22,158,151)
Other amounts payable on reinsurance					376,959
Other					413,110
Total separate account liabilities					<u>\$49,269,017</u>
Net transfers to or (from separate accounts)	\$ 944,312	\$ —	\$ (654,083)	\$ 50,866	\$ 341,095

Athene Annuity and Life Company
Notes to Financial Statements – Statutory-Basis
December 31, 2025, 2024 and 2023
(Dollars in thousands)

	<u>Indexed</u>	<u>Nonindexed Guaranteed Less Than/ Equal to 4%</u>	<u>Nonindexed Guaranteed More Than 4%</u>	<u>Non- Guaranteed Separate Accounts</u>	<u>Total</u>
Premiums, considerations or deposits for year ended December 31, 2024	\$ 234,224	\$ 1,600,000	\$ 8,033,836	\$ 86,012	\$ 9,954,072
Balances at December 31, 2024					
For accounts with assets at					
Fair value	—	5,077	—	130,530	135,607
Amortized cost	4,455,800	25,987,451	32,175,376	—	62,618,627
Total reserves	<u>4,455,800</u>	<u>25,992,528</u>	<u>32,175,376</u>	<u>130,530</u>	<u>62,754,234</u>
By withdrawal characteristics					
Subject to discretionary withdrawal					
With market value adjustment	4,455,800	2,817,302	—	—	7,273,102
At fair value	—	5,077	—	130,530	135,607
At book value without market value adjustment and with current surrender charge less than 5%	—	113,588	—	—	113,588
Not subject to discretionary withdrawal	—	23,056,561	32,175,376	—	55,231,937
Total reserves	<u>\$4,455,800</u>	<u>\$25,992,528</u>	<u>\$32,175,376</u>	<u>\$ 130,530</u>	<u>62,754,234</u>
Interest maintenance reserve					26,210
Other transfers to general account due or accrued					(14,735,349)
Other amounts payable on reinsurance					477,419
Other					188,768
Total separate account liabilities					<u>\$48,711,282</u>
Net transfers to or (from separate accounts)	\$ 892,319	\$ —	\$ (667,573)	\$ 82,230	\$ 306,976
	<u>Indexed</u>	<u>Nonindexed Guaranteed Less Than/ Equal to 4%</u>	<u>Nonindexed Guaranteed More Than 4%</u>	<u>Non- Guaranteed Separate Accounts</u>	<u>Total</u>
Year Ended December 31, 2023					
Premiums, considerations or deposits	\$ 170,022	\$ 750,000	\$ 4,502,270	\$ 3,062	\$ 5,425,354
Net transfers to or (from) separate accounts	\$ 453,888	\$ 219	\$ 1,350,089	\$ (1,871)	\$ 1,802,325

Athene Annuity and Life Company
Notes to Financial Statements – Statutory-Basis
December 31, 2025, 2024 and 2023

(Dollars in thousands)

A reconciliation of combined net transfers to or (from) separate accounts is as follows:

	Years Ended December 31,		
	2025	2024	2023
Transfers to separate accounts	\$ 491,153	\$ 503,358	\$2,199,670
Transfers from separate accounts	(150,058)	(196,382)	(397,345)
Net transfers to or (from) separate accounts	341,095	306,976	1,802,325
Other adjustments	949	59	346
Transfer to separate account, net, as reported in the Statements of Operations	<u>\$ 342,044</u>	<u>\$ 307,035</u>	<u>\$1,802,671</u>

15. Commitments and Contingencies

The Company has unfunded commitments in certain investments in the general and separate accounts totaling \$25,640,343 at December 31, 2025.

Effective July 31, 2019, the Company entered into a Capital Maintenance Agreement to provide capital support to its wholly owned subsidiary, AANY, such that the Company has agreed to maintain AANY's total adjusted capital in an amount at least equal to 300% of AANY's company action level risk-based capital. Also, effective July 31, 2019, the Company entered into an agreement to guarantee payment of all amounts due from its subsidiary, AANY, to the contract and certificate holders under the terms of a group annuity contract issued by AANY during August 2019. Given the current capital level of AANY, the likelihood of payment by the Company under the terms of these agreements is remote.

On October 22, 2020, the Company entered into an Assignment Agreement with AANY pursuant to which the Company assigned all rights and obligations related to certain individuals entitled to annuity payments from existing PGA business. In the remote scenario and only to the extent AANY is unable to perform its obligations to New York residents entitled to payments under the existing assigned PGA transactions, the Company will be required to satisfy any of the remaining obligations.

Guaranty Association Assessments - Guaranty associations may subject member insurers, including the Company, to assessments that require the insurers to pay funds to cover contractual obligations under insurance policies issued by insurance companies that become impaired or insolvent. The assessments are based on an insurer's proportionate share of premiums written in that state during a specified one-year or three-year period for lines of business in which the impaired or insolvent insurer engaged, subject to prescribed limits. As of December 31, 2025 and 2024, the Company recorded a liability of \$6,453 and \$18,199, respectively, based on the current best estimate of future assessments expected, as well as an asset of \$11,463 and \$11,300, respectively, for future premium tax credits. The actual amount of assessments levied against the Company may vary from this estimate.

Fiduciary or Best Interest Standards - On February 13, 2020, the NAIC adopted the Suitability in Annuity Transactions Model Regulation (SAT), which places responsibilities upon issuing insurance companies with respect to the suitability of annuity sales, including responsibilities for training agents. In addition the SAT incorporates a "best interest" or similar standard with respect to the suitability of annuity sales. A producer is considered to have acted in the best interest of the customer if they have satisfied certain prescribed obligations regarding care, disclosure, conflict of interest and documentation. State adoption of these revisions, and any future changes in such laws and regulations, may impact the way our US insurance subsidiaries market and sell their annuity products. Forty-eight states, including Iowa, have adopted the amended SAT that includes a best interest standard. On July 22, 2018, separate and apart

Athene Annuity and Life Company

Notes to Financial Statements – Statutory-Basis

December 31, 2025, 2024 and 2023

(Dollars in thousands)

from the NAIC, the NYDFS issued amendments to its SAT regulation to incorporate a “best interest” standard with respect to the suitability of life insurance and annuity sales. The amendments made by NYDFS are currently the subject of litigation. Future changes in such laws and regulations, including those that impose a “best interest” standard, may impact the way the Company and its subsidiaries market and sell annuity products.

Since 2016, the DOL has issued various regulations expanding the definition of “investment advice” and broadening the circumstances under which distributors and manufacturers of insurance and annuity products could be considered “fiduciaries” and subject to certain standards in providing advice. On December 15, 2020, the DOL issued regulatory action to reinstate the pre-2016 regulatory definition of fiduciary advice. In the preamble to Prohibited Transaction Exemption (PTE) 2020-02, however, the DOL announced a new interpretation of parts of the regulation that broadens the circumstances under which producers, including insurance producers, could be considered fiduciaries under ERISA in connection with recommendations to “rollover” assets from a qualified retirement plan to an IRA or from an IRA to another IRA. For this purpose, “IRA” includes individual retirement annuities. This guidance reverses an earlier DOL interpretation suggesting that rollover advice by someone who was not already a fiduciary to a plan did not constitute investment advice giving rise to a fiduciary relationship. In connection with the broadened application of the fiduciary definition, the DOL’s PTE 2020-02 allows fiduciaries to receive compensation in connection with providing investment advice, including advice about rollovers, that would otherwise be prohibited as a result of their fiduciary relationship to the ERISA Plan, a participant in the ERISA Plan, or an IRA owner. On April 23, 2024, the Department of Labor published the final version of the fiduciary rule and certain prohibited transaction exemptions, including PTE 84-24 and PTE 2020-02. The effective date of September 23, 2024, is currently on hold due to legal challenges. Two federal district courts in Texas issued stays on the implementation and the DOL filed an appeal to these decisions. The appeals were later dismissed on November 28, 2025. There has been indication the DOL may revisit addressing the rule in 2026 and we will continue to monitor the situation to determine if any update would impact our business.

In addition to the matters previously discussed, the Company is routinely involved in litigation and other proceedings, reinsurance claims and regulatory proceedings arising in the ordinary course of its business. At present, no contingencies related to pending litigation and regulatory matters are considered material in relation to the financial position of the Company.

Estimates of possible losses or ranges of losses for particular matters cannot, in the ordinary course, be made with a reasonable degree of certainty. It is possible that the Company’s results of operations or cash flow in a particular quarterly or annual period could be materially adversely affected by an ultimate unfavorable resolution of pending litigation and regulatory matters.

16. Capital and Surplus

The Company is subject to limitations, imposed by the State of Iowa, on the payment of dividends to its stockholder. Generally, without prior regulatory approval, dividends paid during the year must be paid from earned surplus and may not exceed the greater of (1) ten percent of the Company’s paid-in and unassigned surplus as of the preceding December 31, or (2) the Company’s net gain from operations before net realized capital gains on investments for the preceding year. Based on December 31, 2025 results, the Company may not declare or pay dividends without approval in 2026. The Company did not declare or pay dividends during the years ended 2025, 2024 and 2023.

In connection with the acquisition of AUSA during 2013, AHL entered into a Net Worth Maintenance Agreement to provide capital support to the Company such that AHL is obligated to maintain the Company’s capital and surplus in an amount sufficient to maintain the Company’s Total Adjusted Capital

Athene Annuity and Life Company

Notes to Financial Statements – Statutory-Basis

December 31, 2025, 2024 and 2023

(Dollars in thousands)

to be at least 200% of Company Action Level Risk-Based Capital (RBC). The agreement also provides that the Company will not pay any dividends if such dividends would cause the Company Action Level RBC ratio to fall below 200%.

Effective January 30, 2020, the Company's then parent, AADE, entered into a Capital Maintenance Agreement to provide capital support to the Company, in an amount sufficient to satisfy the insurance laws of the State of New Jersey, in order to obtain authority for the Company to issue registered index-linked annuities in New Jersey (Original Agreement). In connection with the merger of AADE into the Company, effective October 11, 2024, the Company's new parent, AARE, entered into a Capital Maintenance Agreement with similar terms to continue to provide capital support to the Company in an amount sufficient to satisfy the insurance laws of the State of New Jersey. The agreement will remain in effect for ten years from the Original Agreement's effective date.

Life insurance companies are subject to certain RBC requirements as specified by the NAIC. Under those requirements, the amount is to be determined based on the various risk factors related to the Company. At December 31, 2025 and 2024, the Company exceeds all control levels of the RBC requirements.

During 2025, 2024 and 2023, the Company received and made capital contributions. See Note 13 for additional details regarding capital contributions.

During 2017, \$1,502,316 of the Company's surplus was reset under SSAP No. 72, *Surplus and Quasi-Reorganizations*, as a reclassification of unassigned surplus to paid-in surplus. In accordance with SSAP No. 72, the Company is required to disclose this surplus reset for ten years following its effective date.

17. Subsequent Events

The Company has evaluated subsequent events through March 31, 2026, the date that these financial statements were available to be issued.

18. Reconciliation to the Statutory Annual Statement

There are no reconciling items between total assets, total liabilities, capital and surplus or net income as previously reported to state regulatory authorities in the 2025, 2024 and 2023 Annual Statements and those reported in the accompanying financial statements.

INDEPENDENT AUDITOR'S REPORT ON SUPPLEMENTARY INFORMATION

To the Board of Directors of
Athene Annuity and Life Company
7700 Mills Civic Parkway
West Des Moines, IA 50266

Report on Supplemental Schedules

Our 2025 audit was conducted for the purpose of forming an opinion on the 2025 statutory-basis financial statements as a whole. The supplemental schedule of selected statutory-basis financial data, the supplemental investment risks interrogatories, and the summary investment schedule as of and for the year ended December 31, 2025, are presented for purposes of additional analysis and are not a required part of the 2025 statutory-basis financial statements. These schedules are the responsibility of the Company's management and were derived from and relate directly to the underlying accounting and other records used to prepare the statutory-basis financial statements. Such schedules have been subjected to the auditing procedures applied in our audit of the 2025 statutory-basis financial statements and certain additional procedures, including comparing and reconciling such schedules directly to the underlying accounting and other records used to prepare the statutory-basis financial statements or to the statutory-basis financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, such schedules are fairly stated in all material respects in relation to the 2025 statutory-basis financial statements as a whole.

Deloitte + Touche LLP

March 31, 2026

SUPPLEMENTARY SCHEDULES

Athene Annuity and Life Company
Supplemental Schedule of Selected Statutory-Basis Financial Data
December 31, 2025

(Dollars in thousands)

Investment income earned	
U.S. Government bonds	\$ 370,027
Other bonds (unaffiliated)	5,926,147
Bonds of affiliates	1,983,604
Preferred stocks (unaffiliated)	97,665
Preferred stocks (affiliates)	8,874
Common stocks (unaffiliated)	82,338
Mortgage loans	4,736,362
Real Estate	37,404
Policy loans	5,546
Cash equivalents and short-term investments	422,726
Derivative instruments	458,865
Other invested assets	(132,205)
Aggregate write-ins for investment income	13,455
Gross investment income	<u>\$ 14,010,808</u>
Real estate owned (book value less encumbrances)	<u>\$ 219,236</u>
Mortgage loans (book value)	
Commercial mortgages	\$ 33,612,994
Mezzanine real estate loans	937,435
Residential mortgages	52,088,099
Farm mortgages	—
Total mortgage loans on real estate	<u>\$ 86,638,528</u>
Mortgage loans by standing (book value)	
Good standing	\$ 85,229,472
Good standing with restructured terms	632,819
Interest overdue more than 90 days, not in foreclosure	508,771
Foreclosure in process	267,466
Total mortgage loans on real estate	<u>\$ 86,638,528</u>
Other long-term assets - statement value	<u>\$ 17,387,119</u>
Collateral loans	<u>\$ 707,254</u>
Bonds and stock of parents, subsidiaries and affiliates - book value	
Bonds	\$ 38,891,066
Preferred stocks	75,000
Common stocks	508,666

Athene Annuity and Life Company
Supplemental Schedule of Selected Statutory-Basis Financial Data
December 31, 2025

(Dollars in thousands)

Bonds and short-term investments by maturity based on anticipated cash flows (statement value)

Due within one year or less	\$ 16,343,724
Over 1 year through 5 years	60,315,989
Over 5 years through 10 years	37,075,690
Over 10 years through 20 years	27,248,471
Over 20 years	17,890,490
Total by maturity	<u>\$158,874,364</u>

Bonds and short-term investments by NAIC designation (statement value)

NAIC 1	\$ 94,177,106
NAIC 2	60,099,596
NAIC 3	2,404,314
NAIC 4	1,530,685
NAIC 5	508,316
NAIC 6	154,347
Total by NAIC designation	<u>\$158,874,364</u>

Total bonds and short-term investments publicly traded	<u>\$ 44,469,498</u>
Total bonds and short-term investments privately placed	<u>\$114,404,866</u>
Preferred stocks (statement value)	<u>\$ 1,450,140</u>
Common stocks (fair value)	<u>\$ 1,594,349</u>
Short-term investments (book value)	<u>\$ 18,569</u>
Options, caps and floors owned (statement value)	<u>\$ 4,339,545</u>
Options, caps and floors written and in force (statement value)	<u>\$ (158,893)</u>
Collar, swap and forward agreements open (statement value)	<u>\$ (667,640)</u>
Futures contracts open (fair value)	<u>\$ 188,061</u>
Cash on deposit	<u>\$ 2,055,258</u>
Cash equivalents	<u>\$ 7,283,525</u>

Athene Annuity and Life Company
Supplemental Schedule of Selected Statutory-Basis Financial Data
December 31, 2025

(Dollars in thousands)

Life insurance in force

Industrial	\$ 123,567
Ordinary	\$ 15,329,642
Credit Life	\$ —
Group Life	\$ 199,787
Amount of accidental death insurance in force under ordinary policies	\$ 686,123

Life insurance policies with disability provision in force

Industrial	\$ 653
Ordinary	\$ 1,613,175
Credit Life	\$ —
Group Life	\$ 4,130

Supplementary contracts in force

Ordinary - not involving life contingencies	
Amount on deposit	\$ 93
Amount of income payable	\$ 113,465
Ordinary - involving life contingencies	
Amount of income payable	\$ 38,786
Group - not involving life contingencies	
Amount on deposit	
Amount of income payable	\$ 537
Group - involving life contingencies	
Amount of income payable	\$ —

Annuities

Ordinary:	
Immediate - amount of income payable	\$ 122,867
Deferred - fully paid - account balance	\$ 94,889,503
Deferred - not fully paid - account balance	\$ 69,789,703
Group:	
Immediate - amount of income payable	\$ 3,945,270
Deferred - fully paid - account balance	\$ 75,990
Deferred - not fully paid - account balance	\$ 645,168

Athene Annuity and Life Company
Supplemental Schedule of Selected Statutory-Basis Financial Data
December 31, 2025

(Dollars in thousands)

Accident and health insurance - premiums in force

Ordinary	\$ 181
Group	
Credit	

Deposit funds and dividend accumulations

Deposit funds - account balance	\$ 997
Dividend accumulations - account balance	\$ 3

Claim payments 2025

Group accident and health	
2025	\$ —
2024	\$ —
2023	\$ —
2022	\$ —
2021	\$ —
Prior	\$ —
Other accident and health	
2025	\$ 5
2024	\$ 39
2023	\$ 6
2022	\$ 12
2021	\$ 7
Prior	\$ 202

Other coverages that use developmental methods to calculate

Claims Reserves	
2025	\$ —
2024	\$ —
2023	\$ —
2022	\$ —
2021	\$ —
Prior	\$ —

Athene Annuity and Life Company

Supplemental Investment Risks Interrogatories and Summary Investment Schedule

December 31, 2025

(Dollars in thousands)

Investment Risks Interrogatories

- Athene Annuity and Life Company's total admitted assets, excluding separate account assets, as reported on page two of its Annual Statement is \$290,351,834.
- Ten largest exposures to a single issue/borrower/investment:

Issuer	Description of Exposure	Amount	Percentage of Total Admitted Assets
Alternative	2.01 AltsCo - Core (A-A Offshore AAA)	\$ 11,102,347	3.8 %
Bond, Alternative	2.02 AP Grange Holdings LLC	4,049,501	1.4
Bond	2.03 Atlas Securitized Products Fun	3,302,875	1.1
Bond	2.04 Fox Hedge LP	3,225,000	1.1
Bond	2.05 AMAPS 2 LLC	2,785,000	1.0
Bond	2.06 AP ALKAIOS (LUXEMBOURG) SARL	2,636,929	0.9
Bond	2.07 STATE ST INST TR PL MM-INV	2,540,707	0.9
Bond	2.08 AMAPS 1 LLC	2,284,500	0.8
Bond	2.09 SVF II Finco Cayman LP	2,185,453	0.8
Bond	2.10 Electricite de France SA	1,690,773	0.6

- The Company's total admitted assets held in long-term bonds, short-term bonds and preferred stocks by NAIC rating, are:

Long-Term and Short-Term Bonds			Preferred Stocks		
NAIC Rating	Amount	Percentage of Total Admitted Assets	NAIC Rating	Amount	Percentage of Total Admitted Assets
3.01 NAIC-1	\$ 94,177,106	32.4 %	3.07 P/RP-1	\$ 22,304	— %
3.02 NAIC-2	60,099,596	20.7	3.08 P/RP-2	1,212,428	0.4
3.03 NAIC-3	2,404,314	0.8	3.09 P/RP-3	215,407	0.1
3.04 NAIC-4	1,530,685	0.5	3.10 P/RP-4	—	—
3.05 NAIC-5	508,316	0.2	3.11 P/RP-5	—	—
3.06 NAIC-6	154,347	0.1	3.12 P/RP-6	1	—
	<u>\$ 158,874,364</u>	<u>54.7 %</u>		<u>\$ 1,450,140</u>	<u>0.5 %</u>

- The Company's assets held in foreign investments are \$76,183,219 or 26.3% of total admitted assets. The Company has foreign-currency-denominated investments of \$33,729,176 or 11.6% of total admitted assets.

The Company has foreign-currency-denominated insurance liabilities of \$12,697,619 or 4.4% of total admitted assets.

Athene Annuity and Life Company
Supplemental Investment Risks Interrogatories and
Summary Investment Schedule

December 31, 2025

(Dollars in thousands)

5. Aggregate foreign investment exposure categorized by NAIC sovereign rating:

	Amount	Percentage of Total Admitted Assets
5.01 Countries rated NAIC-1	\$ 73,368,694	25.3 %
5.02 Countries rated NAIC-2	1,465,762	0.5
5.03 Countries rated NAIC-3 or below	1,348,763	0.5
	<u>\$ 76,183,219</u>	<u>26.3 %</u>

6. Two largest foreign investment exposures to a single country, categorized by the country's NAIC sovereign rating:

	Amount	Percentage of Total Admitted Assets
Countries rated NAIC-1		
6.01 Country: Cayman Islands	\$ 25,527,487	8.8 %
6.02 Country: United Kingdom	10,051,255	3.5
Countries rated NAIC-2		
6.03 Country: Mexico	393,032	0.1
6.04 Country: Italy	343,540	0.1
Countries rated NAIC-3 or below		
6.05 Country: Brazil	514,670	0.2
6.06 Country: Turkey	435,566	0.2

7-9. Assets held in unhedged foreign currency exposure are less than 2.5% of the Company's total admitted assets.

Athene Annuity and Life Company
Supplemental Investment Risks Interrogatories and
Summary Investment Schedule
December 31, 2025

(Dollars in thousands)

10. Ten largest non-sovereign (i.e. non-governmental) foreign issues:

	Amount	Percentage of Total Admitted Assets
10.01 AltsCo - Core (A-A Offshore AAA)	\$ 11,102,347	3.8 %
10.02 Fox Hedge LP	3,225,000	1.1
10.03 AP ALKAIOS (LUXEMBOURG) SARL	2,636,929	0.9
10.04 Electricite de France SA	1,690,773	0.6
10.05 AA Infrastructure Fund 2 LLC	1,092,475	0.4
10.06 AP Falkor Senior Issuer Limite	884,583	0.3
10.07 HEYLO HOUSING GROUP LIMITED	797,099	0.3
10.08 CAYMAN UNIVERSE HOLDINGS LLC	691,573	0.2
10.09 AP Fides HOLDINGS I LLC	682,295	0.2
10.10 AP Dolphin (Luxembourg) S.a.r.	668,771	0.2

11. Assets held in Canadian investments and unhedged Canadian currency exposure are less than 2.5% of the Company's total admitted assets.

12. Assets held in investments with contractual sales restrictions are as follows:

	Amount	Percentage of Total Admitted Assets
12.01 Aggregate statement value of investments with contractual sales restrictions	\$ 13,986,056	4.8 %
12.02 AltsCo - Core (A-A Offshore AAA)	11,102,347	3.8
12.03 FEDERAL HOME LOAN BANK OF DES	1,057,204	0.4
12.04 BUILDERS CAPITAL	578,391	0.2

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13. Ten largest equity interests (including other invested assets) are as follows:

	Amount	Percentage of Total Admitted Assets
13.01 AltsCo - Core (A-A Offshore AAA)	\$ 11,102,347	3.8 %
13.02 Federal Home Loan Bank Of Des	1,057,204	0.4
13.03 AT&T Mobility II LLC	775,351	0.3
13.04 State Street Corp	91,739	—
13.05 Apollo Asset-Backed Finance Le	75,000	—
13.06 Energy Transfer LP	61,372	—
13.07 Wells Fargo & Co	58,933	—
13.08 Bank of America Corp	45,331	—
13.09 Public Storage	43,395	—
13.10 Capital Farm Credit ACA	35,175	—

14. Assets held in nonaffiliated, privately placed equities are less than 2.5% of the Company's total admitted assets.

15. Assets held in general partnership interests are less than 2.5% of the Company's total admitted assets.

16. The Company's ten largest aggregate mortgage interests, excluding property occupied by the Company, are as follows. The aggregate mortgage interest represents the combined value of all mortgages secured by the same property or same group of properties:

Type	Amount	Percentage of Total Admitted Assets
16.01 RESIDENTIAL	\$ 797,099	0.3 %
16.02 COMMERCIAL	528,145	0.2
16.03 COMMERCIAL	450,720	0.2
16.04 COMMERCIAL	364,296	0.1
16.05 COMMERCIAL	362,640	0.1
16.06 COMMERCIAL	360,000	0.1
16.07 COMMERCIAL	352,925	0.1
16.08 COMMERCIAL	313,670	0.1
16.09 COMMERCIAL	312,809	0.1
16.10 COMMERCIAL	297,035	0.1

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Amounts and percentages of the Company's total admitted assets held in the following categories of mortgage loans:

	Amount	Percentage of Total Admitted Assets
16.11 Construction loans	\$ 1,294,201	0.4 %
16.12 Mortgage loans over 90 days past due	405,597	0.1
16.13 Mortgage loans in the process of foreclosure	267,466	0.1
16.14 Mortgage loans foreclosed	71,695	—
16.15 Restructured mortgage loans	735,992	0.3

17. Aggregate mortgage loans having the following loan-to-value ratios as determined from the most current appraisal as of the annual statement date:

Loan-to-Value	Residential		Commercial		Agricultural	
	Amount	Percentage of Total Admitted Assets	Amount	Percentage of Total Admitted Assets	Amount	Percentage of Total Admitted Assets
17.01 above 95%	\$ 2,794,344	1.0 %	\$ 520,962	0.2 %	\$ —	— %
17.02 91% to 95%	427,523	0.1	—	—	—	—
17.03 81% to 90%	8,307,620	2.9	424,166	0.1	—	—
17.04 71% to 80%	19,544,440	6.7	712,300	0.2	—	—
17.05 below 70%	21,014,172	7.2	32,893,001	11.3	—	—
	\$ 52,088,099	17.9 %	\$ 34,550,429	11.8 %	\$ —	— %

18. Assets held in each of the five largest investments in one parcel or group of contiguous parcels of real estate are less than 2.5% of the Company's total admitted assets.

19. Assets held in investments in mezzanine real estate loans are less than 2.5% of the Company's total admitted assets.

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20. The Company's assets subject to securities lending, repurchase agreements, reserve repurchase agreements, or dollar repurchase agreements as of year-end, or for the first, second or third quarters (unaudited) are:

	At Year-end		At End of Each Quarter		
	Amount	Percentage of Total Admitted Assets	1st Quarter Amount	2nd Quarter Amount	3rd Quarter Amount
20.01 Securities lending agreements	\$ —	— %	\$ —	\$ —	\$ —
20.02 Repurchase agreements	6,310,542	2.2	3,394,693	3,335,923	3,093,634
20.03 Reverse repurchase agreements	1,546,951	0.5	766,028	—	7,000
20.04 Dollar repurchase agreements	—	—	—	—	—
20.05 Dollar reverse repurchase agreements	—	—	—	—	—

21. Warrants not attached to other financial instruments, options, caps and floors are:

	Owned		Written	
	Amount	Percentage of Total Admitted Assets	Amount	Percentage of Total Admitted Assets
21.01 Hedging	\$ 4,339,545	1.5 %	\$ 158,893	0.1 %
21.02 Income generation	—	—	—	—
21.03 Other	—	—	—	—

22. The Company's potential exposure (defined as the amount determined in accordance with the NAIC Annual Statement Instructions) for collars, swaps, and forwards as of the following dates (unaudited):

	At Year-end		At End of Each Quarter		
	Amount	Percentage of Total Admitted Assets	1st Quarter Amount	2nd Quarter Amount	3rd Quarter Amount
22.01 Hedging	\$ 1,458,607	0.5 %	\$ 1,217,872	\$ 1,412,836	\$ 1,512,963
22.02 Income generation	—	—	—	—	—
22.03 Replications	638,591	0.2	172	170	12,917
22.04 Other	—	—	—	—	—

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23. The Company's potential exposure (defined as the amount determined in accordance with the NAIC Annual Statement Instructions) for futures contracts as of the following dates (unaudited):

	At Year-end		At End of Each Quarter		
	Amount	Percentage of Total Admitted Assets	1st Quarter Amount	2nd Quarter Amount	3rd Quarter Amount
23.01 Hedging	\$194,390	0.1 %	\$ 72,584	\$124,981	\$151,635
23.02 Income generation	—	—	—	—	—
23.03 Replications	—	—	—	—	—
23.04 Other	—	—	—	—	—

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Summary Investment Schedule

	Gross Investment Holdings*		Admitted Assets as Reported in the Annual Statement	
	Amount	Percentage of Total Invested Assets	Amount	Percentage of Total Invested Assets
Issuer credit obligations				
U.S. government obligations	\$ 14,783,433	5.2 %	\$ 14,783,433	5.2 %
Non-U.S. sovereign jurisdiction securities	640,533	0.2	640,533	0.2
Municipal bonds - general obligations (direct & guaranteed)	34,712	0.0	34,712	0.0
Municipal bonds - special revenue	343,244	0.1	343,244	0.1
Project finance bonds issued by operating entities	5,634,436	2.0	5,634,436	2.0
Corporate bonds	40,883,031	14.5	40,883,031	14.5
Mandatory convertible bonds	20,659	0.0	20,659	0.0
Single entity backed obligations	8,711,535	3.1	8,711,535	3.1
Bonds issued by funds representing operating entities	11,834,873	4.2	11,834,873	4.2
Bank loans - issued	1,058,120	0.4	1,058,120	0.4
Bank loans - acquired	1,443,904	0.5	1,443,904	0.5
Total issuer credit obligations	85,388,480	30.2	85,388,480	30.2
Asset-backed securities				
Financial asset-backed securities - self-liquidating	58,721,405	20.9	58,721,405	20.9
Financial asset-backed securities - not self-liquidating	10,088,798	3.6	10,088,798	3.6
Non-financial asset-backed securities	4,653,712	1.6	4,653,712	1.6
Total asset-backed securities	73,463,915	26.1	73,463,915	26.1
Total bonds	158,852,395	56.3	158,852,395	56.3
Preferred stocks				
Industrial and miscellaneous (Unaffiliated)	1,375,140	0.5	1,375,140	0.5
Parent, subsidiaries and affiliates	75,000	0.0	75,000	0.0
Total preferred stocks	1,450,140	0.5	1,450,140	0.5
Common Stocks				
Industrial and miscellaneous Publicly traded (Unaffiliated)	68	0.0	68	0.0
Industrial and miscellaneous Other (Unaffiliated)	1,085,615	0.4	1,085,615	0.4
Parent, subsidiaries and affiliates Other	508,709	0.2	508,666	0.2
Total common stocks	1,594,392	0.6	1,594,349	0.6
Mortgage loans				
Residential mortgages	52,096,388	18.5 %	52,096,388	18.5 %
Commercial mortgages	33,644,882	11.9 %	33,644,882	11.9 %
Mezzanine real estate loans	1,004,150	0.4 %	1,004,150	0.4 %
Total valuation allowance	(106,892)	0.0 %	(106,892)	0.0 %
Total mortgage loans	86,638,528	30.8 %	86,638,528	30.8 %
Real estate				
Properties held for production of income	219,236	0.1 %	219,236	0.1 %
Total real estate	219,236	0.1 %	219,236	0.1 %
Cash, cash equivalents and short-term investments				
Cash	2,055,258	0.7	2,055,258	0.7
Cash equivalents	7,283,525	2.6	7,283,525	2.6
Short-term investments	18,569	0.0	18,569	0.0
Total cash, cash equivalents and short-term investments	9,357,352	3.3	9,357,352	3.3
Contract loans	131,259	0.0	130,700	0.0
Derivatives	5,395,753	1.9	5,395,753	1.9
Other invested assets	17,461,798	6.2	17,387,119	6.2
Receivables for securities	415,289	0.1	415,289	0.1

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Derivative collateral assets	655,644	0.2	655,644	0.2
Total invested assets	<u>\$282,171,786</u>	<u>100.0 %</u>	<u>\$282,096,505</u>	<u>100.0 %</u>

* Gross investment holdings as valued in compliance with *NAIC Accounting Practices and Procedures Manual*.

ISSUER

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Wilmington, Delaware 19890
United States of America

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Paying Agent, Registrar and
Transfer Agent**
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388 Greenwich Street
New York, New York 10013
United States of America

Irish Listing Agent
Walkers Listing Services Limited
5th Floor, The Exchange, Georges Dock
IFSC, Dublin 1
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\$45,000,000,000

**Athene Global Funding
Global Debt Issuance Program
Senior Secured Medium-Term Notes**

OFFERING MEMORANDUM

Arranger

Deutsche Bank Securities

Purchasing Agents

U.S. Purchasing Agents

Deutsche Bank Securities

Apollo Global Securities	Barclays	BNP PARIBAS
BMO Capital Markets	BofA Securities	Citigroup
Goldman Sachs & Co. LLC	J.P. Morgan	Morgan Stanley
RBC Capital Markets	SMBC Nikko	SOCIÉTÉ GÉNÉRALE
Wells Fargo Securities		

European Purchasing Agents

Deutsche Bank

BofA Securities	BNP PARIBAS
Citigroup	Goldman Sachs International
Morgan Stanley	RBC Capital Markets
Wells Fargo Securities	