

Morgan Stanley Senior Funding, Inc.

1585 Broadway
New York, New York 10036

Goldman Sachs Bank USA

200 West Street
New York, New York 10282

January 9, 2015

XL Group plc
XL House
8 St. Stephen's Green
Dublin 2
Ireland

Attention: Timothy Goodyer

Ladies and Gentlemen:

Project White
£1,600,000,000 364-Day Senior Unsecured Bridge Facility
Fee and Syndication Letter

Reference is made to the 364-Day Bridge Loan Agreement dated the date hereof (as amended, extended, supplemented, amended and restated or otherwise modified from time to time, the "Bridge Loan Agreement") by and among XLIT Ltd. (the "Borrower"), XL Group plc ("you" or "XL Group") and the other Guarantors party thereto, the Lenders from time to time party thereto and Morgan Stanley Senior Funding, Inc., as administrative agent. You have advised Morgan Stanley Senior Funding, Inc. ("MSSF") and Goldman Sachs Bank USA ("Goldman Sachs") and, together with MSSF, each an "Initial Lender" and, collectively, the "Initial Lenders", "us" or "we") that you intend to consummate the Acquisition and the other Transactions described in the Bridge Loan Agreement. Capitalized terms used but not defined herein are used with the meanings assigned to them in the Bridge Loan Agreement. This letter agreement is the Fee and Syndication Letter referred to in the Bridge Loan Agreement.

1. Titles and Roles. It is understood and agreed that each of MSSF and Goldman Sachs shall act as a joint lead arranger and joint bookrunner (acting in such capacities, the "Arrangers") with respect to the Commitments and Loans under the Bridge Loan Agreement (the "Facility"). You agree that no other agents, co-agents, lead arrangers, arrangers, lead bookrunners or bookrunners will be appointed, no other titles will be awarded and no compensation will be paid in connection with the Facility, unless you and we shall agree; provided that additional agents and co-agents may be appointed to the extent agreed in the syndication plan agreed to between you and the Arrangers prior to the date hereof (the "Syndication Plan"). It is further agreed that MSSF will have "upper left" placement, and Goldman Sachs will have placement to the immediate "right" of MSSF, in all documentation used in connection with the Facility and each shall have all roles and responsibilities customarily associated with such placement and titles.

2. **Syndication.** The Arrangers reserve the right, after the execution of the Bridge Loan Agreement, in consultation with you, to syndicate all or a part of our Commitments to one or more financial institutions and/or lenders (collectively, the “Lenders”), which syndication shall be managed by the Arrangers in consultation with you; provided, however, that (a) until the date that is 60 days after the Effective Date (the “Initial Syndication Period”), the selection of Lenders shall be limited to those (i) that are lenders under either of the Existing Credit Agreements as of the date hereof or (ii) that are set forth in the Syndication Plan, and (b) following the Initial Syndication Period, if and for so long as a Successful Syndication (as defined in Section 5 below) has not been achieved, the selection of Lenders shall be made by the Arrangers in consultation with you; provided, further, that any Lender selected by the Arrangers pursuant to this clause (b) (other than any Lender that is a party to the Existing Credit Agreement or that is otherwise consented to by the Borrower) shall be a commercial or investment bank having, at the time of becoming party to the Bridge Loan Agreement, a credit rating with respect to its senior, unsecured, non-credit enhanced, long-term indebtedness for borrowed money of at least (x) BBB- by S&P and (y) Baa3 by Moody’s; provided, further, that in no event shall the Lenders include any institution that is identified in the Syndication Plan as a “Disqualified Lender”. Following the achievement of a Successful Syndication, all assignments of Commitments shall be in accordance with the terms set forth in Section 10.04 of the Bridge Loan Agreement; provided, that during the Certain Funds Period (unless a Major Default has occurred and is continuing) the Borrower’s consent (which it may withhold in its discretion) will additionally be deemed required for any assignment to a Lender party to the Bridge Loan Agreement pursuant to Section 10.04(b) thereof to the extent it would result in (i) the aggregate Commitments of MSSF and its affiliates which are Lenders being reduced below 33.15% of the aggregate Commitments of all Lenders, or (ii) the aggregate Commitments of Goldman Sachs and its affiliates which are Lenders being reduced below 17.85% of the aggregate Commitments of all Lenders. The Commitments of the Initial Lenders under the Bridge Loan Agreement shall be reduced dollar-for-dollar (and allocated between the Initial Lenders as set forth in Section 5 below) as and when commitments for the Facility are received from Lenders to the extent that each such Lender becomes a party to the Bridge Loan Agreement as a “Lender” thereunder, and you agree, promptly upon either Arranger’s request, to cause the Borrower to execute an Assignment and Assumption with respect to each Lender that is selected in accordance with the foregoing provisions of this Section 2. The Arrangers intend to commence syndication efforts as soon as is practicable after the date hereof, and you agree to use your commercially reasonable efforts to actively assist (including, to the extent reasonably practical and appropriate, using your reasonable efforts to cause the Target to assist) the Arrangers in completing a syndication reasonably satisfactory to each of the Arrangers and you as soon thereafter as practicable. Such assistance shall include, without limitation, (a) your using commercially reasonable efforts to ensure that the Arrangers’ syndication efforts benefit from your existing lending and investment banking relationships, (b) direct contact between your senior management and advisors, on the one hand, and the proposed Lenders, on the other hand at reasonable times and intervals to be mutually agreed, (c) your assistance in the preparation of a Confidential Information Memorandum and other customary marketing materials to be used in connection with the syndication of the Facility and (d) the hosting, with the Arrangers, of a reasonable number of meetings or conference calls with prospective Lenders, at times, intervals and locations to be mutually agreed upon, as deemed reasonably necessary by the Arrangers. Until the earliest of (i) the termination of the syndication by the Arrangers, (ii) the achievement of a Successful Syndication and (iii) the date that is 60 days after the Closing Date (such earliest date, the “Syndication Date”), unless otherwise consented to by the Arrangers (such consent not to be unreasonably withheld, delayed or conditioned), you agree that (and you agree to use your commercially reasonable efforts (to the extent not in contravention of the Implementation Agreement) to ensure with respect to the Acquired Business that) there shall be no competing offering or placement of debt securities, or arrangement of any bank or other credit facilities by or on your behalf or on behalf of the Borrower or any of your other subsidiaries that could reasonably be expected to impair the syndication of the Facility in any material respect, other than with respect to (a) the incurrence of indebtedness under the Existing Credit Agreements and other existing credit facilities of XL Group or its Subsidiaries in existence as of the date hereof, in each case, including any amendment,

extension or replacement thereof and, in each case, not in excess of the respective outstanding and committed amounts thereunder in effect on the date hereof (provided that any such amendment, extension or replacement shall be in consultation with each of the Arrangers), (b) issuances under short-term commercial paper programs and refinancings thereof, (c) the Securities, (d) indebtedness of the Acquired Business permitted by the Implementation Agreement to be incurred prior to the Closing Date (and extensions, refinancings and renewals thereof prior to the Closing Date to the extent permitted under the Implementation Agreement), (e) extensions, refinancings and renewals of the Target Existing Credit Facilities not in excess of the outstanding and committed amounts thereunder in effect on the date hereof plus £100,000,000 (provided that any such extension, refinancing or renewal shall be in consultation with each of the Arrangers), (f) indebtedness with respect to any Committed Financing (provided that the syndication of such Committed Financing shall be managed in consultation with each of the Arrangers) and (g) bilateral working capital facilities, overdraft facilities, capital leases, letters of credit and purchase money and equipment financings, in each case, in the ordinary course of business. In addition, you agree to use commercially reasonable efforts to obtain, promptly following the date hereof, a corporate family rating and a rating for the Facility, in each case giving effect to the Transactions, from both Moody's and S&P. The Arrangers will manage all aspects of the syndication in active consultation with you, including, without limitation, decisions as to the selection of institutions to be approached and when they will be approached (subject to the provisions above), when their commitments will be accepted, which institutions will participate (subject to your applicable consent rights as set forth above) and the allocations of the commitments among the Lenders and the amount and distribution of fees among the Lenders. In acting as the Arrangers, neither MSSF nor Goldman Sachs will have any responsibility other than to arrange the syndication as set forth herein and shall in no event be subject to any fiduciary or other implied duties. To assist the Arrangers in their syndication efforts, you agree promptly to prepare and provide to us all information with respect to you, the Borrower, your subsidiaries, the Acquired Business and the Transactions, including, without limitation, all financial information and projections (the "Projections"), as either Arranger may reasonably request in connection with the arrangement and syndication of the Facility. Notwithstanding the foregoing, it is understood and agreed that neither you nor the Borrower will be required to provide any information to the extent that the provision thereof would violate (i) any attorney-client privilege, (ii) any law, rule or regulation applicable to you, the Borrower, the Acquired Business or your or their respective affiliates, or (iii) any obligation of confidentiality from a third party binding on you, the Borrower, the Acquired Business or your or their respective affiliates (so long as (x) such confidentiality obligation was not entered into in contemplation of the Transactions, (y) you use commercially reasonable efforts to obtain a waiver of such confidentiality obligation and (z) you provide the Arrangers with notice of such confidentiality obligation). You further agree to afford the Arrangers a period of at least 30 consecutive days following the launch of the general syndication of the Facility to syndicate the Facility prior to the Closing Date; provided that such period shall commence no earlier than January 9, 2015. Without limiting your obligations to assist with syndication efforts as set forth above, the Initial Lenders agree that none of the commencement of the syndication by the Arrangers, your agreement to keep "clear markets" or to obtain ratings, the completion of the syndication (including a Successful Syndication), the delivery of the information and documents referred to in this Section or compliance with any of the other agreements in this Section, Section 3 or the last paragraph of Section 5 is a condition to the funding of the Facility.

You agree that the Arrangers may make available any Information (as defined below) and Projections (collectively, the "Company Materials") to potential Lenders by posting the Company Materials on IntraLinks, the Internet or another similar electronic system (the "Platform"). You further agree to assist, at the reasonable request of the Arrangers, in the preparation of a version of a confidential information memorandum and other marketing materials and presentations to be used in connection with the syndication of the Facility, consisting exclusively of information or documentation that is either (a) publicly available (or contained in the prospectus or other offering memorandum for any securities to be issued by the Borrower in connection with the Transactions) or (b) not material with respect to you, the

Target, or your or their respective subsidiaries or any of their respective securities for purposes of foreign, United States federal and state securities laws (all such information and documentation being “Public Lender Information”). Any information and documentation that is not Public Lender Information is referred to herein as “Private Lender Information.” You further agree, at our request, to identify any document to be disseminated by the Arrangers to any Lender or potential Lender in connection with the syndication of the Facility as either (i) containing Private Lender Information or (ii) containing solely Public Lender Information (provided that you have been afforded an opportunity to comply with the applicable Securities and Exchange Commission (“SEC”) disclosure obligations). You acknowledge and agree that the following documents will contain solely Public Lender Information (except to the extent you notify us to the contrary and provided that you shall have been given a reasonable opportunity to review such documents and comply with applicable SEC disclosure obligations): (i) drafts and final credit documentation in connection with the Bridge Facility; (ii) administrative materials prepared by the Arrangers for potential Lenders (e.g. a lender meeting invitation, allocations and/or funding and closing memoranda) and (iii) notification of changes in the terms of the Facility.

3. Information. You hereby represent and warrant (with respect to information relating to the Acquired Business, to the best of your knowledge) that (a) all written information, other than the Projections, other forward-looking information and information of a general economic or industry-specific nature (the “Information”) that has been or will be made available to us or any of our affiliates or any Lender or potential Lender by you, the Acquired Business, or any of your or its representatives in connection with the Transactions is or will be, when taken as a whole and when furnished, complete and correct in all material respects and does not or will not, when taken as a whole and when furnished, contain any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements contained therein not materially misleading in light of the circumstances under which such statements are made (giving effect to all supplements thereto from time to time) and (b) the Projections that have been or will be made available to us or any of our affiliates or any Lender or potential Lender by you or any of your representatives in connection with the Transactions have been or will be prepared in good faith based upon assumptions believed by you to be reasonable at the time furnished (it being understood that such Projections are subject to significant uncertainties and contingencies, any of which are beyond your control, and that no assurance can be given that any particular Projection will be realized and that actual results may differ and such differences may be material). You agree to supplement the Information and Projections from time to time until (i) if a Successful Syndication has been achieved by the Closing Date, the Closing Date or (ii) if a Successful Syndication has not been achieved by the Closing Date, the later of (x) the Closing Date and (y) the Syndication Date, in each case to the extent required for the representations and warranties in the immediately preceding sentence to remain correct. You acknowledge that we will be entitled to use and rely on the Information and Projections without independent verification thereof.

We reserve the right to employ the services of one or more of our affiliates in providing services contemplated by this Fee and Syndication Letter and to allocate, in whole or in part, to such affiliates certain fees payable to us in such manner as we and our affiliates may agree. You acknowledge that we may share with any of our affiliates, and such affiliates may share with us, any information related to the Transactions, you and your subsidiaries or the Acquired Business or any of the matters contemplated hereby in connection with the Transactions.

4. Fees. As consideration for the Arrangers’ agreement to structure, arrange and syndicate the Facility and the Initial Lenders’ Commitments under the Bridge Loan Agreement, you agree to pay, or cause to be paid, the following fees:

(a) structuring fees (the “Structuring Fees”), solely for the account of each Arranger, in an amount equal to 0.30% of their (or their respective affiliates’) Commitments on the date

hereof (which for purposes hereof, in the case of (i) MSSF, is £1,040,000,000 and (ii) Goldman Sachs, is £560,000,000), which Structuring Fees shall be earned and payable on the date hereof;

(b) upfront fees (the “Upfront Fees”) for the account of the Arrangers (to be allocated among the Lenders (including MSSF and Goldman Sachs) ratably based on their final allocated Commitments) in an aggregate amount equal to (i) 0.25% of the aggregate Commitments on the date hereof (which for the purposes hereof is £1,600,000,000), which shall be earned and payable on the date hereof, and (ii) 0.25% of the aggregate amount of outstanding Commitments or Loans on the earlier of (A) the date that is 90 days following the date hereof and (B) the Closing Date, which shall be earned and payable on such earlier date; and

(c) if and to the extent the Loans are funded, closing fees (the “Closing Fees”) for the account of each Lender in an amount equal to 0.50% of the principal amount of the Loans funded by, and the remaining Commitments of, such Lender on the Closing Date, which Closing Fees shall be earned and payable on the Closing Date.

You also agree to pay, or cause to be paid, an administration fee to the Administrative Agent as shall be separately agreed in writing by you and such Administrative Agent.

In addition, MSSF, Goldman Sachs and the other Lenders shall be paid the other fees specified in the Bridge Loan Agreement.

You agree that, once paid, the fees or any part thereof payable hereunder and under the Bridge Loan Agreement shall not be refundable under any circumstances, regardless of whether the transactions or borrowings contemplated by the Bridge Loan Agreement are consummated. All fees payable hereunder shall be paid in Dollars (such Dollar amount to be determined by MSSF using the Exchange Rate in effect 2 Business Days prior to the applicable date of determination) and in immediately available funds, shall be free and clear of and without deduction for any and all present or future applicable taxes, levies, imports, deductions, charges or withholdings, shall be payable without setoff or counterclaim and shall be in addition to reimbursement of the Arrangers’ out-of-pocket expenses. You agree that we may, in our sole discretion, share all or a portion of any of the fees payable pursuant to this Fee and Syndication Letter with any of our affiliates or the other Lenders (including MSSF and Goldman Sachs).

5. Market Flex.

At any time prior to the earlier of (a) the date that is [REDACTED] days after the Closing Date and (b) the date that a Successful Syndication is achieved, either Arranger shall be entitled, after consultation with you and the other Arranger, if determined in such Arranger’s reasonable discretion that such changes are necessary to facilitate or to attempt to facilitate a Successful Syndication or if a Successful Syndication has not been achieved by the Closing Date, solely to [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

6. **Indemnity.** You will (and you will cause the Borrower to) indemnify and hold harmless each Arranger and each Initial Lender and its Related Parties (each, an “indemnified person”) in accordance with the terms set forth in Section 10.03(b) of the Bridge Loan Agreement (without giving effect to any modifications, consents, amendments or waivers thereto or any termination thereof).

Notwithstanding any other provision of this Fee and Syndication Letter, none of you, the Borrower, the Acquired Business or your respective subsidiaries or any indemnified person shall be liable for any special, indirect, consequential or punitive damages in connection with the Fee and Syndication Letter, the Facility, the use of the proceeds thereof, the Transactions or any related transaction; provided that this sentence shall not limit your indemnification obligations, if any, pursuant to this Section to the extent that any such damages are included in any claim against an indemnified person.

You acknowledge that each Initial Lender and its affiliates (the term “Initial Lender” as used below in this paragraph being understood to include such affiliates) may be providing debt financing, equity capital or other services (including, without limitation, financial advisory services) to other companies in respect of which you may have conflicting interests or a commercial or competitive relationship with and otherwise. In particular, you acknowledge that each of Morgan Stanley & Co. LLC and Goldman, Sachs & Co. (in such capacities, the “Financial Advisors”) is acting as a buy-side financial advisor to you in connection with the Transactions. You agree not to assert or allege any claim based on actual or potential conflict of interest arising or resulting from, on the one hand, the engagement of the Financial Advisors in such capacity and our obligations hereunder, on the other hand. No Initial Lender will use confidential information obtained from you by virtue of the transactions contemplated hereby or other relationships with you in connection with the performance by the Initial Lenders of services for other companies, and no Initial Lender will furnish any such information to other companies or their advisors. You also acknowledge that no Initial Lender has any obligation to use in connection with the transactions contemplated hereby, or to furnish to you, confidential information obtained from other companies. You acknowledge that each Initial Lender is acting hereunder pursuant to a contractual relationship on an arm’s length basis, and the parties hereto do not intend that any Initial Lender in its capacity as such or its affiliates act or be responsible as a fiduciary to the Borrower, its management, stockholders, creditors or any other person in each case in connection with the financing transactions contemplated hereby. The Borrower hereby expressly disclaims any fiduciary relationship and agrees that it is responsible for making its own independent judgments with respect to the financing transactions contemplated hereby. The Borrower also acknowledges that no Initial Lender has advised and none is advising the Borrower as to any legal, accounting, regulatory or tax matters, and that the Borrower is consulting its own advisors concerning such matters to the extent it deems appropriate. Each Initial Lender or its affiliates are, or may at any time be a lender one or more existing credit facilities of the Borrower and/or the Target (and/or of their respective subsidiaries) (in such capacity, an “Existing

Lender”). The Borrower further acknowledges and agrees for itself and its subsidiaries that any such Existing Lender (a) will be acting for its own account as principal in connection with such existing credit facilities, (b) will be under no obligation or duty as a result of any Initial Lender’s role in connection with the transactions contemplated by this Fee and Syndication Letter or otherwise to take any action or refrain from taking any action (including with respect to voting for or against any requested amendments), or exercising any rights or remedies, that each Existing Lender may be entitled to take or exercise in respect of such existing credit facilities and (c) may manage its exposure to such existing credit facilities without regard to such Initial Lender’s role hereunder.

7. **Costs and Expenses.** You agree to pay, or reimburse (or to cause the Borrower to pay or reimburse) each Arranger in accordance with the terms set forth in Section 10.03(a) of the Bridge Loan Agreement (without giving effect to any modifications, consents, amendments or waivers thereto or any termination thereof).

8. **Governing Law, etc.** This Fee and Syndication Letter shall be governed by, and construed in accordance with, the law of the State of New York. The parties hereto hereby waive any right they may have to a trial by jury with respect to any claim, action, suit or proceeding arising out of or contemplated by this Fee and Syndication Letter. The parties hereto submit to the exclusive jurisdiction of the federal and New York State courts located in the County of New York in connection with any dispute related to, contemplated by, or arising out of this Fee and Syndication Letter and agree that any service of process, summons, notice or document by registered mail addressed to such party shall be effective service of process for any suit, action or proceeding relating to any such dispute. The parties hereto irrevocably and unconditionally waive any objection to the laying of venue of any such suit, action or proceeding brought in any such court and agree that any final judgment in any such suit, action or proceeding brought in any such court shall be conclusive and may be enforced in other jurisdictions by suit upon the judgment or in any other manner provided by law.

You acknowledge that you have by a separate written instrument, designated and appointed CT Corporation System, 111 Eighth Avenue, 13th floor, New York, New York 10011 (or any successor entity thereto), as your authorized agent upon which process may be served in any suit or proceeding arising out of or relating to this Fee and Syndication Letter that may be instituted in any federal or state court in the State of New York.

9. **PATRIOT Act.** We hereby notify you and the other Obligors that pursuant to the requirements of the USA PATRIOT Act (Title III of Pub. L. 107-56 (October 26, 2001), as amended) (the “PATRIOT Act”), the Initial Lenders and the other Lenders may be required to obtain, verify and record information that identifies you and the other Obligors, which information includes your and their names and addresses, and other information that will allow the Initial Lenders and the other Lenders to identify you in accordance with the PATRIOT Act. This notice is given in accordance with the requirements of the PATRIOT Act and is effective for each Initial Lender and the other Lenders.

10. **Confidentiality.** This Fee and Syndication Letter is delivered to you on the understanding that neither this Fee and Syndication Letter nor any of its terms or substance shall be disclosed, directly or indirectly, to any other person except (a) to your and your affiliates’ officers, directors, employees, stockholders, partners, members, accountants, attorneys, agents and advisors who are directly involved in the consideration of this matter on a confidential and need-to-know basis, (b) as may be compelled in a judicial or administrative proceeding or as otherwise required by law or requested by a Governmental Authority (in which case you agree to the extent permitted under applicable law to inform us as soon as reasonably practicable thereof), (c) in connection with the exercise of remedies hereunder or any suit, action or proceeding relating to this Fee and Syndication Letter or other agreement contemplated hereby or enforcement hereof or (d) as required pursuant to the Target Bye-Laws or the

Takeover Code; provided that with respect to this clause (d), (i) you and the Arrangers shall consult prior to any such disclosure and (ii) no such disclosure of any provision of Section 5 above shall be made.

Each Initial Lender will treat as confidential all confidential information provided to it by or on behalf of you or the Borrower hereunder in accordance with the terms set forth in Section 10.12(b) of the Bridge Loan Agreement.

11. Miscellaneous. It is understood and agreed that this Fee and Syndication Letter shall not constitute or give rise to any obligation to provide any financing; such an obligation will arise only to the extent provided in the Bridge Loan Agreement in accordance with its terms. This Fee and Syndication Letter shall not be assignable by you without our prior written consent (and any purported assignment without such consent shall be null and void), is intended to be solely for the benefit of the parties hereto and is not intended to confer any benefits upon, or create any rights in favor of, any person other than the parties hereto and the indemnified persons. We may assign our agreements hereunder, in whole or in part, to any of our respective affiliates (subject to any applicable provisions of the Bridge Loan Agreement). This Fee and Syndication Letter may not be amended or waived except by an instrument in writing signed by you and us. This Fee and Syndication Letter may be executed in any number of counterparts, each of which shall be an original, and all of which, when taken together, shall constitute one agreement. Delivery of an executed signature page of this Fee and Syndication Letter by electronic transmission shall be effective as delivery of a manually executed counterpart hereof. This Fee and Syndication Letter is the only agreement that has been entered into among us with respect to the Facility and set forth the entire understanding of the parties with respect thereto. No individual has been authorized by any Initial Lender or its affiliates to make any oral or written statements that are inconsistent with this Fee and Syndication Letter.

Each Arranger acknowledges that it is aware of the terms and requirements of Practice Statement No. 25 (Debt Syndication during Offer Periods) issued by The Panel on Takeovers and Mergers.

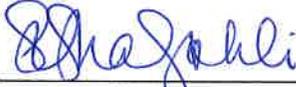
The compensation, reimbursement, indemnification, confidentiality, syndication and clear market provisions contained herein shall remain in full force notwithstanding the termination of this Fee and Syndication Letter or the Bridge Loan Agreement.

[Signatures pages follow]

Please confirm that the foregoing is our mutual understanding by signing and returning to us an executed counterpart of this Fee and Syndication Letter.

Very truly yours,

MORGAN STANLEY SENIOR FUNDING, INC.

By: 
Name: Subhalakshmi Ghosh-Kohli
Title: Authorized Signatory

GOLDMAN SACHS BANK USA

By: _____

Name:

Title:

Robert Ehudin
Authorized Signatory

Accepted and agreed to as of
the date first written above by:

XL GROUP PLC

By: Kirstin Gould

Name: KIRSTIN GOULD

Title: EVP, GENERAL COUNSEL AND SECRETARY