

1. AN OPTION FOR THE REPURCHASE OR SALE OF A SECURITY, CERTIFICATE OF DEPOSIT, OR GROUP OR INDEX OF SECURITIES, INCLUDING AN INTEREST THEREIN OR BASED ON THE VALUE THEREOF;

2. AN OPTION ENTERED INTO ON A NATIONAL SECURITIES EXCHANGE RELATING TO FOREIGN CURRENCIES; OR

3. THE GUARANTEE OF A SETTLEMENT OF CASH OR SECURITIES BY OR TO A SECURITIES CLEARING AGENCY.

(II) IN SUBPARAGRAPH (I) OF THIS PARAGRAPH, "SECURITY" INCLUDES A MORTGAGE LOAN, MORTGAGE-RELATED SECURITIES, AND AN INTEREST IN ANY MORTGAGE LOAN OR MORTGAGE-RELATED SECURITY.

(9) "SWAP AGREEMENT" MEANS AN AGREEMENT, INCLUDING THE TERMS AND CONDITIONS INCORPORATED BY REFERENCE IN THE AGREEMENT, THAT IS A RATE SWAP AGREEMENT, BASIS SWAP, COMMODITY SWAP, FORWARD RATE AGREEMENT, INTEREST RATE FUTURE, INTEREST RATE OPTION, FORWARD FOREIGN EXCHANGE AGREEMENT, SPOT FOREIGN EXCHANGE AGREEMENT, RATE CAP AGREEMENT, RATE FLOOR AGREEMENT, RATE COLLAR AGREEMENT, CURRENCY SWAP AGREEMENT, CROSS-CURRENCY RATE SWAP AGREEMENT, CURRENCY FUTURE, CURRENCY OPTION, OR ANY OTHER SIMILAR AGREEMENT, AND INCLUDES ANY COMBINATION OF AGREEMENTS AND AN OPTION TO ENTER INTO AN AGREEMENT.

(B) NOTWITHSTANDING ANY OTHER PROVISION OF STATE LAW, A PERSON MAY NOT BE STAYED OR OTHERWISE PROHIBITED FROM EXERCISING:

(1) A CONTRACTUAL RIGHT TO TERMINATE, LIQUIDATE, OR CLOSE OUT ANY NETTING AGREEMENT OR QUALIFIED FINANCIAL CONTRACT WITH AN INSURER BECAUSE OF:

(I) THE INSOLVENCY, FINANCIAL CONDITION, OR DEFAULT OF THE INSURER AT ANY TIME, PROVIDED THAT THE RIGHT IS ENFORCEABLE UNDER APPLICABLE LAW OTHER THAN THIS SUBTITLE; OR

(II) THE COMMENCEMENT OF A DELINQUENCY PROCEEDING UNDER THIS SUBTITLE;

(2) ANY RIGHT UNDER A PLEDGE, SECURITY, COLLATERAL, OR GUARANTEE AGREEMENT OR ANY OTHER SIMILAR SECURITY ARRANGEMENT OR CREDIT SUPPORT DOCUMENT RELATING TO A NETTING AGREEMENT OR QUALIFIED FINANCIAL CONTRACT; OR

(3) SUBJECT TO ANY PROVISION OF § 9-229(B) OF THIS SUBTITLE, ANY RIGHT TO OFFSET OR NET OUT ANY TERMINATION VALUE, PAYMENT AMOUNT, OR OTHER TRANSFER OBLIGATION ARISING UNDER OR IN CONNECTION WITH A NETTING AGREEMENT OR QUALIFIED FINANCIAL CONTRACT IF THE COUNTERPARTY OR ITS GUARANTOR IS ORGANIZED UNDER THE LAWS OF THE UNITED STATES, A STATE, OR A FOREIGN JURISDICTION APPROVED BY THE SECURITIES VALUATION OFFICE OF THE NATIONAL ASSOCIATION OF INSURANCE COMMISSIONERS AS ELIGIBLE FOR NETTING.