

2. THE INVESTMENT IS NOT ASSUMED, ACCEPTED, GUARANTEED, OR INSURED OR OTHERWISE BACKED BY A DOMESTIC JURISDICTION OR A PERSON, THAT IS NOT A SHELL BUSINESS ENTITY, DOMICILED IN A DOMESTIC JURISDICTION.

~~(12)~~ (13) "FOREIGN JURISDICTION" MEANS A JURISDICTION OTHER THAN A DOMESTIC JURISDICTION.

~~(13)~~ (14) "HEDGING TRANSACTION" MEANS A DERIVATIVE TRANSACTION THAT IS ENTERED INTO AND MAINTAINED TO REDUCE:

(I) THE RISK OF A CHANGE IN THE VALUE, YIELD, PRICE, CASH FLOW, OR QUANTITY OF ASSETS OR LIABILITIES THAT THE INSURER HAS ACQUIRED OR INCURRED OR ANTICIPATES ACQUIRING OR INCURRING; OR

(II) THE CURRENCY EXCHANGE RATE RISK OR THE DEGREE OF EXPOSURE AS TO ASSETS OR LIABILITIES THAT AN INSURER HAS ACQUIRED OR INCURRED OR ANTICIPATES ACQUIRING OR INCURRING.

~~(14) "OBLIGATION" MEANS A BOND, NOTE, DEBENTURE, ASSET BACKED SECURITIES, TRUST CERTIFICATE, INCLUDING AN EQUIPMENT CERTIFICATE, PRODUCTION PAYMENT, NEGOTIABLE BANK CERTIFICATE OF DEPOSIT, BANDERS' ACCEPTANCE, CREDIT TENANT LOAN, LOAN SECURED BY FINANCING NET LEASES AND OTHER EVIDENCE OF INDEBTEDNESS FOR THE PAYMENT OF MONEY (OR PARTICIPATIONS, CERTIFICATES, OR OTHER EVIDENCES OF AN INTEREST IN ANY OF THE FOREGOING), WHETHER CONSTITUTING A GENERAL OBLIGATION OF THE ISSUER OR PAYABLE ONLY OUT OF CERTAIN REVENUES OR CERTAIN FUNDS PLEDGED OR OTHERWISE DEDICATED FOR PAYMENT.~~

(15) "QUALIFIED GUARANTOR" MEANS A GUARANTOR AGAINST WHICH AN INSURER HAS A DIRECT CLAIM FOR FULL AND TIMELY PAYMENT, EVIDENCED BY A CONTRACTUAL RIGHT FOR WHICH AN ENFORCEMENT ACTION CAN BE BROUGHT IN A DOMESTIC JURISDICTION.

(16) "QUALIFIED PRIMARY CREDIT SOURCE" MEANS THE CREDIT SOURCE TO WHICH AN INSURER LOOKS FOR PAYMENT AS TO AN INVESTMENT AND AGAINST WHICH AN INSURER HAS A DIRECT CLAIM FOR FULL AND TIMELY PAYMENT, EVIDENCED BY A CONTRACTUAL RIGHT FOR WHICH AN ENFORCEMENT ACTION CAN BE BROUGHT IN A DOMESTIC JURISDICTION.

~~(17) (I) "REPLICATION TRANSACTION" MEANS A DERIVATIVE TRANSACTION THAT IS INTENDED TO REPLICATE THE PERFORMANCE OF ONE OR MORE ASSETS THAT AN INSURER IS AUTHORIZED TO ACQUIRE UNDER THIS SECTION.~~

~~(II) A DERIVATIVE TRANSACTION THAT IS ENTERED INTO AS A HEDGING TRANSACTION MAY NOT BE CONSIDERED A REPLICATION TRANSACTION.~~

~~(18)~~ (17) "REPURCHASE TRANSACTION" MEANS A TRANSACTION IN WHICH AN INSURER PURCHASES SECURITIES FROM A BUSINESS ENTITY THAT IS OBLIGATED TO REPURCHASE THE PURCHASED SECURITIES OR EQUIVALENT SECURITIES FROM THE BUSINESS ENTITY AT A SPECIFIED PRICE, EITHER WITHIN A SPECIFIED PERIOD OF TIME OR ON DEMAND.