



## **RELATED PARTY TRANSACTIONS POLICY**

**OWNER:**  
LEGAL DEPARTMENT

**CONTACT:**  
JOHN GOLDEN

**ISSUE DATE:**  
MARCH 31, 2015

**REVISION DATE:**  
September 5, 2019

## 1 OVERVIEW

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### 1.1 OBJECTIVE

The following policies and procedures with regard to Related Party Transactions (this “**Policy**”) applies to any Apollo Conflict and any transaction where the aggregate amount involved will or may be expected to exceed \$120,000 in any fiscal year, Athene Holding Ltd. (the “**Company**”) is a participant, and the Related Person has or will have a direct or indirect material interest, unless the transaction is exempt under Section 3 of this Policy. This Policy may be amended at any time and is subject to further guidance from the SEC and/or actions taken by the Board of Directors of the Company (the “**Board**”) or either of the Audit Committee or the Conflicts Committee thereof (collectively, the “**Committees**”).

### 1.2 DEFINITIONS

**Apollo:** means Apollo Global Management, LLC (together with its affiliates and its and their respective successors and assigns).

**Apollo Conflict:** has the meaning set forth in the Conflict Committee Procedures, which are attached hereto as Exhibit A.

**Apollo Group:** has the meaning set forth in the Byelaws.

**Byelaws:** means the Twelfth Amended and Restated Bye-Laws of the Company, as may be further amended from time to time.

**Conflicts Committee RP Transactions:** Apollo Conflicts, Related Party Transactions that are incidental or ancillary to Apollo Conflicts, or Related Party Transactions that relate to or involve, directly or indirectly, Apollo or any member of the Apollo Group (whether or not the actual party to the transaction is an affiliate of Apollo Global Management, LLC or any of the other members of the Apollo Group identified in clauses (i) through (iv) of the definition of such term, or their respective successors or assigns).

**Excluded Transaction:** means any transaction that involves the Apollo Group that, pursuant to the Conflicts Committee Procedures, is not required to be approved by the Conflicts Committee prior to its execution.

**Immediate Family Member:** means a person’s spouse, parents, children, siblings, mothers and fathers-in-law, sons and daughters-in-law, brothers and sisters-in-law, and anyone (other than domestic employees) who shares such person’s home. To the extent amended, “Immediate Family Member” shall have the meaning set forth in NYSE Rule 303A.02(b) or its successor section.

**Material Apollo Contract:** has the meaning set forth in the Conflicts Committee Procedures.

**Related Party Transaction:** means any transaction directly or indirectly involving any Related Person that is required to be disclosed under Item 404(a) of Regulation S-K under the Securities Act of 1933, as amended (the “Act”). Under Item 404(a), the Company is required to disclose any financial transaction, arrangement or relationship occurring since the beginning of the Company’s last fiscal year or any currently proposed transaction, in which (a) the aggregate amount involved will or may be expected to exceed \$120,000 in any fiscal year, (b) the Company is a participant, and (c) any Related Person has or will have a direct or indirect material interest. A Related Party Transaction shall also include any material amendment or modification to an existing Related Party Transaction regardless of whether such transaction has previously been approved in accordance with this policy.

**Related Person:** means any person who since the beginning of the Company’s last fiscal year was a director of the Company, a Senior Manager of the Company, any nominee for director, any shareholder owning in excess of 5% of the total equity of the Company, and any “Immediate Family Member” of any of the foregoing.

**Senior Manager:** includes any individual serving as an officer of the Company and who has been designated by the Board as an executive officer for purposes of Section 16 of the Securities Exchange Act of 1934, as amended.

### **1.3 OWNER**

Any changes to this Policy must be approved by action of the committee(s) responsible for its adoption.

Questions about this Policy and its application to Related Persons or their Immediate Family Members should be directed to the General Counsel of the Company via email at [corpsec@athene.bm](mailto:corpsec@athene.bm).

### **1.4 EFFECTIVE DATE/TRANSITION PERIOD**

This Policy is effective immediately.

### **1.5 EXCEPTIONS**

Any exceptions to this Policy must be consistent with the Act, including any regulations promulgated thereunder. Any exceptions to this Policy, other than those related to the review and approval of Conflicts Committee RP Transactions, must be approved in advance by the Audit Committee. Any exceptions to this Policy related to the review and approval of Conflicts Committee RP Transactions must be approved by the Conflicts Committee.

## **2 PROCEDURES**

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### **2.1 NOTIFICATION OF RELATED PARTY TRANSACTIONS**

Each Director and Senior Manager shall promptly notify a senior legal officer of the Company of any material interest that such person or an Immediate Family Member of such person had, has or may have in a Related Party Transaction. The notice shall include a description of the transaction and the aggregate dollar amount.

### **2.2 REVIEW OF RELATED PARTY TRANSACTIONS**

The Audit Committee shall be responsible for the review, approval or ratification of all Related Party Transactions, other than Conflicts Committee RP Transactions (such transactions, “**Non-Apollo Conflicts**”). The Conflicts Committee shall be responsible for the review, approval or ratification of all Conflicts Committee RP Transactions.

If advance notice of a Non-Apollo Conflict has been given to the Chair of the Audit Committee and it is not possible to convene a meeting of the Audit Committee, then the Chair of the Audit Committee shall consider whether such Non-Apollo Conflict is appropriate and, if so, shall approve such Non-Apollo Conflict. The Audit Committee will be asked to ratify such Non-Apollo Conflicts at the Audit Committee’s next scheduled meeting.

Meeting requirements of the Conflicts Committee are set forth in the Byelaws.

No Director shall participate in the negotiation or approval of a Related Party Transaction for which he or she or any member of his or her Immediate Family Member is a Related Person. The Director shall provide all material information concerning the Related Party Transaction to the Audit Committee or Conflicts Committee, as applicable.

### **2.3 GENERAL CRITERIA FOR APPROVING RELATED PARTY TRANSACTIONS**

In determining whether to approve, ratify, disapprove or reject a Non-Apollo Conflict, the Audit Committee shall take into account, among other factors it deems appropriate, whether the Non-Apollo Conflict is entered into on terms no less favorable to the Company than terms generally available to an unaffiliated third-party under the same or similar circumstances or is otherwise fair and reasonable to the Company; the results of an appraisal, if any; whether there was a bidding process and the results thereof; review of the valuation methodology used and alternative approaches to valuation of the transaction; and the extent of the Related Person’s interest in the transaction. The Audit Committee may review some or all of the following information when assessing a Non-Apollo Conflict:

- The terms of such transaction;
- The Related Person’s interest in the transaction and whether such interest is a material interest to such Related Person (including the approximate dollar value of the transaction and the approximate dollar value of the Related Person’s interest in the transaction);

- The purpose and timing of the transaction;
- Whether the Company is a party to the transaction, and if not, the nature of the Company's participation in the transaction;
- If the transaction involves the sale of an asset, a description of the asset, including date acquired and costs basis;
- Information concerning potential counterparties in the transaction;
- Description of any provisions or limitations imposed as a result of entering into the proposed transaction;
- Whether the proposed transaction includes any potential reputational risk issues that may arise as a result of or in connection with the proposed transaction; and
- Any other relevant information regarding the transaction.

Senior Managers and Immediate Family Members who share a Senior Manager's household may not invest in partnerships or other investment opportunities sponsored, or otherwise made available, by the Company unless their participation is approved in accordance with this Policy. Such approval shall not be required if the investment opportunity: (i) is offered to qualified employees and investment by Senior Managers is approved by the Audit Committee; (ii) is made available to a Senior Manager actively involved in a business unit, the principal activity of which is to make such investments on behalf of the Company, and is offered pursuant to a co-investment plan approved by the Audit Committee; or (iii) is offered to Senior Managers on the same terms as those offered to qualified persons who are not employees of the Company.

Except with the approval of the Audit Committee, no Director or Senior Manager may invest in a third-party entity if the investment opportunity is made available to him or her as a result of such individual's status as, respectively, a Director or a Senior Manager of the Company.

In determining whether to approve, ratify, disapprove or reject a Conflicts Committee RP Transaction, the Conflicts Committee shall act in accordance with the Bye-laws, Conflicts Committee Charter, and Conflicts Committee Procedures.

#### **2.4 RELATED PARTY TRANSACTIONS NOT APPROVED UNDER THIS POLICY**

In the event the Company becomes aware of a Related Party Transaction with a Related Person that has not been approved in accordance with this Policy prior to its consummation, the matter shall be reviewed by the Audit Committee or Conflicts Committee, as applicable. The applicable committee shall evaluate all options available to the Company, including ratification, revision or termination of the Related Party Transaction. Such committee shall also examine the facts and circumstances pertaining to the failure of reporting such Related Party Transaction to the respective committee under this Policy, and shall take any such action it deems appropriate.

### **3 PRE-APPROVED RELATED PARTY TRANSACTIONS**

The Audit Committee has determined that each of the types of Related Party Transactions listed below shall be deemed to be pre-approved or ratified, even if the aggregate amount involved exceeds \$120,000 and shall not require approval by the Audit Committee or the Conflicts Committee.

- a. *Employment of Senior Managers.* Any employment-related compensation of a Senior Manager of the Company who is a “named executive officer” or is reasonably expected to be identified as a “named executive officer” in the Company’s next proxy statement, provided that the compensation is of a type required to be reported in the Company’s proxy statement under Item 402 of Regulation S-K.
- b. *Non-employee director compensation.* Any compensation paid to a non-employee member of the Board if the related compensation is required to be reported in the Company’s proxy statement under Item 402 of Regulation S-K.
- c. *Certain transactions with other companies.* Any transaction with another company at which a Related Person’s interest arises only (i) from such person’s position as a director of another corporation or organization that is a party to the transaction, (ii) from the direct or indirect ownership by such person and all other Related Parties, in the aggregate, of less than 10% equity interest in another person (other than a partnership) which is a party to the transaction, (iii) from both such position (specified in (i)) and ownership (specified in (ii)), or (iv) from such person’s position as a limited partner in a partnership in which the person and all other Related Parties, in the aggregate, have an interest of less than 10%, and the person is not a general partner of and does not hold another position in the partnership.
- d. *Ordinary course transactions.*
  - Any financial services, including insurance services and other financial services, provided by the Company to any Director or any Immediate Family Member of a Director, provided that the services are on substantially the same terms as those prevailing at the time for comparable services provided to non-affiliates.
  - Annuity products issued to a Director, a Senior Manager or an Immediate Family Member in the ordinary course of business and on substantially the same terms as those prevailing at the time for comparable transactions with non-affiliated persons, subject to any employee plans approved by the Compensation Committee.
- e. *Certain Company charitable contributions.* Any charitable contribution, grant or endowment by the Company to a charitable organization, foundation or university where a Related Person is an employee or director, if the aggregate amount

involved does not exceed the lesser of \$1,000,000 or 2 percent of the charitable organization's total annual receipts.

- f. *Transactions where all shareholders receive proportional benefits.* Any transaction where the Related Person's interest arises solely from the ownership of the Company's common stock and all holders of the Company's common stock received the same benefit on a pro rata basis (e.g., dividends).
- g. *Regulated transactions.* Any transaction with a Related Person involving the rendering of services as a common or contract carrier, or public utility, at rates or charges fixed in conformity with law or governmental authority.
- h. *Certain banking-related services.* Any transaction with a Related Person involving services as a bank depository of funds, transfer agent, registrar, trustee under a trust indenture, or similar services.
- i. *Excluded Transactions.* Any transaction with a Related Person that constitutes an Excluded Transaction.

#### **4 DISCLOSURE OF RELATED PARTY AND OTHER TRANSACTIONS**

Transactions between the Company and Related Persons may need to be disclosed publicly. In addition to the Audit Committee's responsibility to review certain Related Party Transactions pursuant to the foregoing provisions of this Policy, the Audit Committee shall review all transactions between the Company and Related Persons (including Excluded Transactions), solely for the purpose of determining whether such transactions are required to be publicly disclosed in accordance with applicable federal and other securities laws and applicable listing rules as they may be amended from time to time.

**EXHIBIT A**

**CONFLICTS COMMITTEE PROCEDURES**



**ATHENE HOLDING LTD.**  
**CONFLICTS COMMITTEE PROCEDURES**  
**Adopted: September 5, 2019**

## **1. Purpose and Scope**

These Conflicts Committee Procedures (these “**Procedures**”) are intended to provide a brief overview of the Athene Holding Ltd. (the “**Company**”) Conflicts Committee (the “**Committee**”), whose purpose is to review and, if appropriate, consent to certain material transactions between the Company and its subsidiaries (which for purposes of these Procedures shall include funds withheld accounts, modified coinsurance accounts and reinsurance trusts and any similar accounts supporting reinsurance agreements entered into by the Company and its subsidiaries) (collectively with the Company, “**Athene**” and, each individually, an “**Athene Entity**”), on the one hand, and any member or members of the Apollo Group (as defined in the Company’s Twelfth Amended and Restated Bye-Laws (as may be amended from time to time, the “**Bye-Laws**”), on the other (as further defined below, “**Apollo Conflicts**”), and such other Conflicts Committee RP Transactions (as defined in the Company’s Related Party Transactions Policy). The Committee shall act on an informed basis, in good faith, and in the honest belief that any action taken by the Committee is in the best interests of the Company. All capitalized terms that are not otherwise defined in these Procedures shall have the meaning set forth in the Bye-Laws or the Committee’s charter (as may be amended from time to time, the “**Conflicts Committee Charter**”), as applicable.

**Note:** Athene Asset Management LLC (“**AAM**”) is an indirect subsidiary of Apollo Global Management, LLC (“**AGM**”) and is therefore included in the definition of the “Apollo Group”. AAM is not a subsidiary of the Company and is therefore not included in the definition of “Athene”. Thus, transactions involving AAM, on the one hand, and any Athene Entity, on the other hand, may give rise to an Apollo Conflict that could require Committee review.

The Committee is only required to review Apollo Conflicts and other Conflicts Committee RP Transactions.

Pursuant to the Bye-Laws, for so long as any Class B Common Shares remain outstanding, all transactions involving Apollo Conflicts must be submitted for approval to the Committee prior to consummation, except as listed in these Procedures.

In addition, each strategy that is managed, advised or sub-advised for Athene and/or any of its subsidiaries by AAM or another member of the Apollo Group through a managed account and was previously subject to Committee approval (other than an IMA (as defined below) or any New IMA (as defined below)) may, at the initiation of the Company or the relevant member of the Apollo Group, be re-examined by the Committee if such strategy underwent a material change in the amount of assets under management (“**AUM**”) in the immediately preceding twelve (12) months. In advance of each regular meeting of the Board, the Company is required to provide the Directors a reasonably detailed description of any material change over the immediately preceding twelve (12) months in the amount of AUM with respect to any such strategy.

## 2. Procedures

### a. Meetings

In order to minimize the exposure of the Company to arguments by the Internal Revenue Service that it is engaged in a trade or business within the United States and therefore subject to U.S. federal income tax laws, all meetings of the Committee must take place entirely outside of the United States. This means that no participant in the meeting (whether participating in person, by telephone, by e-mail or by videoconference) may be physically located within the United States during the course of the meeting. A Director that is unable to attend a Board or Committee meeting should not participate in such meeting by telephone from the United States.

The only exception to this rule covers meetings to consider investments falling within the “stocks and securities” safe harbor in Section 864 of the Internal Revenue Code. Such meetings may be conducted while the Directors are physically present in the United States so long as the agenda for the meeting is limited to such investments and no other business is discussed. The “stocks and securities” safe harbor provides that a foreign corporation will not be considered to be engaged in a trade or business in the United States by virtue of trading in stocks or securities for the foreign corporation’s own account.

### b. Recordkeeping

The Company shall maintain a log setting forth a list of contracts, agreements and arrangements between the Company and/or one or more of its subsidiaries, on the one hand, and a member of the Apollo Group or any other related party of said Athene Entity, including other subsidiaries of the Company, on the other hand (the “**Conflicts Log**”), including, for the avoidance of doubt, all Conflicts Committee RP Transactions. The Conflicts Log shall list all such contracts, agreements and arrangements, whether or not subject to approval of the Committee. For each item included therein, the Conflicts Log shall include (i) the names of the parties entering into such contract, agreement or arrangement, (ii) the effective date and term of such contract, agreement or arrangement, (iii) a brief description of the purpose of such contract, agreement or arrangement and (iv) for an exception set forth under sections (d)(5) and (d)(7) below, the rationale for such exception from review by the Committee and any supporting documentation related to such exception (including, for example, any materials related to the fair market value, valuation, service fees or certificates). The portion of the Conflicts Log pertaining to potential Apollo Conflicts and other Conflicts Committee RP Transactions shall be available for review by the Committee on a quarterly basis.

### c. Guidelines as to Conflicts that the Committee Must or May Address

#### 1) What is an Apollo Conflict?

“**Apollo Conflict**” means to:

- (a) enter into or materially amend any Material Apollo Contract (as defined below);
- (b) impose any new fee, or increase the rate of fees, charged to the Company or any of its subsidiaries by a member of the Apollo Group, or provide for any additional expense reimbursement to or offset by a member of the Apollo Group to be borne by the Company or any of its subsidiaries (directly or indirectly) pursuant to any Material Apollo Contract (except to the extent that any such Material Apollo Contract sets forth the actual amount or formula for calculating the amount of any new fee or increase in rate at which fees are

- charged and such Material Apollo Contract has been approved or is exempt from approval pursuant to the Conflicts Committee Charter);
- (c) include any acquisition or reinsurance transaction not contemplated by the definition of Qualifying Transaction (as defined in the Master Framework Agreement (the “**Master Framework Agreement**”), dated September 11, 2019, by and between Athene Co-Invest Reinsurance Affiliate 1A Ltd. (“**ACRA**” and, together with any alternative investment vehicle formed from time to time in which the shareholders of ACRA will make a direct investment for purposes of entering into Qualifying Transactions, the “**ACRA Investment Entities**”)) and Athene Life Re Ltd. (“**ALRe**”)) to be offered to any ACRA Investment Entity except for (i) new production from in-force flow reinsurance transactions and (ii) new funding arrangements; or
  - (d) exercise ALRe’s commutation right under the terms of the Reinsurance Program Agreement, dated September 11, 2019, by and between ACRA and ALRe (the “**ACRA 1A Reinsurance Program Agreement**”) or the commutation right of Athene Annuity Re Ltd. (“**AARE**”) under the terms of the Reinsurance Program Agreement, dated September 11, 2019, by and between Athene Co-Invest Reinsurance Affiliate 1B Ltd. (“**ACRA 1B**”) and ALRe (the “**ACRA 1B Reinsurance Program Agreement**” and, together with the ACRA 1A Reinsurance Program Agreement, the “**Reinsurance Program Agreements**”), in each case, as recommended by management of the Company.

## 2) How are Apollo Conflicts identified?

- (a) AAM will identify investment transactions that could raise Apollo Conflicts and forward such potential Apollo Conflicts to Athene management.
- (b) At the end of each calendar quarter, an officer of AAM will identify, to the best of his or her knowledge, all Apollo Conflict investment transactions to Athene management for the prior quarter.
- (c) In the course of review or negotiation of any Material Apollo Contracts, the Company’s legal team will identify non-investment transactions or investment transactions in which the Company is involved that could raise Apollo Conflicts and present such potential Apollo Conflicts to the Committee for review and approval.

## 3) What is a Material Apollo Contract?

“**Material Apollo Contract**” means (i) any Master Sub-Advisory Agreement entered into by AAM, on the one hand, and any member of the Apollo Group, on the other hand, relating to any Athene Entity (each, as amended, supplemented or modified from time to time, a “**MSAA**”) or (ii) any material agreement between an Athene Entity, on the one hand, and a member of the Apollo Group, on the other hand, including, without limitation:

- (a) Any Investment Management Agreement entered into between AAM and an Athene Entity (each, as amended, supplemented or modified from time to time, an “**IMA**”) or a New IMA.
- (b) The Cooperation Agreement entered into between the Company and AGER Bermuda

Holding Ltd. (“**AGER**”) (as amended, supplemented or modified from time to time, the “**Cooperation Agreement**”).

- (c) The Shared Services Agreement entered into among the Company, AGER and certain other parties (as amended, supplemented or modified from time to time, the “**AGER Shared Services Agreement**”).
- (d) Any amendment or modification to (i) the Master Framework Agreement, (ii) the Fee and Capitalization Agreement (the “**Fee and Capitalization Agreement**”), dated September 11, 2019, by and between ACRA and ALRe, (iii) any Reinsurance Program Agreement or (iv) the cost or expense allocation arrangements contained in the Shared Services and Cost Sharing Agreement (the “**Shared Services Agreement**”), dated September 11, 2019, by and between ACRA, ACRA 1B, Athene Bermuda Employee Company Ltd. and AAM, with respect to in-force transactions with an ACRA Investment Entity, in each case that are materially adverse to the Company.
- (e) Any retrocession or other transaction agreement with an ACRA Investment Entity on terms that are inconsistent with the Master Framework Agreement, the Fee and Capitalization Agreement or the applicable Reinsurance Program Agreement, in each case that are materially adverse to the Company.
- (f) Any agreement for asset management or investment advisory services.
- (g) Any agreement for the purchase or sale of any tangible or intangible assets to or from the Apollo Group and by or to an Athene Entity valued by the Company at more than \$5,000,000.
- (h) Any loans to or by the Apollo Group by or to an Athene Entity.

#### 4) What are exceptions to Material Apollo Contracts?

A Material Apollo Contract does not include:

- (a) Any transactions that are conducted in accordance with AGM's or AAM's then-current principal and cross trade policies (or successor policies) provided that to the extent either such policy requires the consent of the applicable Athene Entity in its capacity as client such consent must be given by the Company's Chief Risk Officer or his or her designee.
- (b) Any transactions that are entered into in accordance with AGM's or AAM's then-current capital structure conflict policies (or successor policies) provided that to the extent either such policy requires the consent of the applicable Athene Entity in its capacity as client such consent must be given by the Company's Chief Risk Officer or his or her designee.
- (c) Any trade with any investment fund or other investment vehicle whose investment activities are managed or advised, directly or indirectly, by an entity whose general partner or managing member is owned, directly or indirectly, by AGM or by one or more of AGM's Subsidiaries (an "**Apollo Vehicle**") that is (i) not a principal transaction or agency cross trade or (ii) an investment in an Apollo Vehicle.
- (d) Any trade with any portfolio company held by, directly or indirectly, any Apollo Vehicle that is not a principal transaction or agency cross trade.
- (e) Any upside of an investment under, or renewal or extension of, on substantially the same terms, or not more economically favorable terms in the aggregate to the Apollo Group, of a contract, agreement or arrangement that (i) constituted a Material Apollo Contract under these Procedures at the time it was entered and (ii) was entered into in accordance with these Procedures; provided, that (i) any upside, renewal or extension shall satisfy the requirements of sections (d)(5) or (d)(7) below, as applicable, and (ii) payment of additional total fees and/or expense reimbursements at the same or no greater fee and/or expense reimbursement rates shall not be deemed to be more economically favorable terms to the Apollo Group.
- (f) Any agreements (material or otherwise) where Athene and the Apollo Group are not adverse parties.

#### **d. Exceptions – Items the Committee is Not Required to Review**

Notwithstanding anything contained herein or in the Policy to the contrary, none of the following shall require consent from the Committee; however, such transactions shall nonetheless be set forth in the Conflicts Log:

- 1) Any: (i) transactions, rights or agreements specifically contemplated by the Cooperation Agreement or the AGER Shared Services Agreement; (ii) new IMA (a "New IMA") or a new MSAA (a "New MSAA"), on terms similar to and not more economically favorable in the aggregate to the Apollo Group than those set forth in the IMAs or MSAA's currently in effect (provided, that payment of additional total fees and/or expense reimbursements at the same or no greater fee and/or expense reimbursement rates shall not be deemed to be more economically

favorable terms to the Apollo Group); (iii) amendment or modification to an IMA, MSAA, Cooperation Agreement or AGER Shared Services Agreement which is currently in effect for purposes of adding any Athene Entity thereto; or (iv) any reinsurance transaction between AGER or any subsidiary thereof, on the one hand, and an Athene Entity, on the other hand.

- 2) Any (i) transfer of the Company's Equity Securities to or by any member of the Apollo Group, (ii) acquisition by any member of the Apollo Group of any newly issued Equity Securities that are offered to the public in a public offering, to substantially all of the holders of Common Stock on a substantially pro-rata basis or at a price which is equal to or greater than the then-prevailing market price, (iii) issuance of securities to any employee or director of the Company or AAM (including allocating blocks of incentive securities to AAM for allocation by AAM to its employees and directors) pursuant to any stock incentive plan or similar equity based compensation plan approved by the Board.
- 3) The provision of any insurance related products by or to an Athene Entity to or by the Apollo Group; provided that the provision of such products is an ordinary course transaction entered into on an arms-length basis on terms no less favorable to the Athene Entity than could be obtained or provided contemporaneously from or to an unaffiliated party.
- 4) Any transactions, rights or agreements between an Athene Entity and any portfolio company of the Apollo Group that pertain to the ordinary course business of such portfolio company; provided, that any such transactions, rights or agreements (taken as a whole) are no less favorable to the Athene Entity than could be obtained from or provided by an unaffiliated party.
- 5) Any investment by an Athene Entity in any Apollo Vehicle; provided, that an officer of a member of the Apollo Group provides a written certification to the Board that such investment provides the applicable Athene Entity with the same or better terms or a most favored nations clause (in all cases, taken as a whole with respect to such Apollo Vehicle and without consideration of any Designated Terms) as those applicable to other investors (excluding Designated Investors) in the same Apollo Vehicle who invested an amount in such fund equal to or less than that invested by Athene; and provided further that such investment by the Athene Entity represents no more than 25% of the outstanding or expected equity interests of such Apollo Vehicle (based on prior record related to the strategy). Designated Investor and Designated Terms shall have the meanings set forth for such terms or other similar terms in any customary side letter entered into by the applicable Apollo Group advisor or manager, Apollo Vehicle or other Apollo Group entity, on the one hand, and investors, other than an Athene Entity, who have invested in the same Apollo Vehicle, or entered into an investment management, sub-advisory or similar agreement with the Apollo Group for the same asset class, on the other hand.
- 6) The performance in accordance with their terms of any agreement validly entered into with the Apollo Group (i) in existence as of the date of these Procedures or (ii) after the date of the adoption of the Bye-Laws with the consent of the Committee.
- 7) Entering into any investment management agreement with the Apollo Group (other than AAM and an Athene Entity) or amending an MSAA currently in effect (or entering into a New MSAA), so long as ( i ) such agreement is on terms in the aggregate (including expense

reimbursement and indemnities) no less favorable to Athene than customary market terms (excluding the fees charged under the IMA); and (ii) either (a) the rates on AUM under such agreement (including any carried interest or similar profit allocation, but, for the avoidance of doubt, excluding the fees charged under the IMA) do not exceed 50 basis points per annum for non-alternative assets; (b) the rates on AUM under such agreement (including any carried interest or similar profit allocation, but, for the avoidance of doubt, excluding the fees charged under the IMA) do not exceed 100 basis points per annum for alternative assets; or (c) an officer of a member of the Apollo Group provides a written certification to the Board that such agreement provides the applicable Athene Entity with the same or better terms or a most favored nations clause (in all cases, taken as a whole with respect to such agreement and without consideration of any Designated Terms) with respect to other investors (excluding Designated Investors) who have entered into an investment management agreement or sub- advisory or similar agreement with the Apollo Group for the same asset class and whose AUM with respect to such agreement and asset class are all equal or less than those subject to the agreement between Athene and the Apollo Group with respect to such asset class. In addition, investments in an Apollo Vehicle are not deemed Apollo Conflicts so long as such Apollo Vehicle charges fees in line with clause (a) and (b), above.

- 8) Any transaction that has been approved by a majority of the disinterested Directors; provided, that the disinterested Directors are notified that such transaction would otherwise constitute an Apollo Conflict prior to such approval.
- 9) Any modification, supplement, amendment or restatement of the Bye-Laws that has been approved in accordance with the Bye-Laws and the Act.
- 10) Any material amendments to Material Apollo Contracts previously approved or not requiring approval by either the Conflicts Committee or a majority of the disinterested Directors, so long as, in each case, such amendments are either:
  - (a) Not materially adverse to Athene; or
  - (b) After giving effect to any such amendment, such Material Apollo Contract would not require approval by the Conflicts Committee or a majority of the disinterested Directors under the Bye-Laws.
- 11) Allocations of costs or expenses between Athene and the Apollo Group not in excess of 5 basis points per annum of Athene's total investible assets including accounts supporting reinsurance agreements for which Athene acts as reinsurer as of the effective date of such allocation (provided, that any such allocation of costs or expenses may not be used to pay investment management fees).
- 12) One or more investments by an Athene Entity in any Apollo Vehicle, including any upside, renewal or extension of an existing investment, up to and including \$250 million per investment (or series of related investments), provided that:
  - (i) any such investment is on terms, including with respect to fees, which a member of the Apollo Group certifies that it believes are in the aggregate no less favorable to Athene than terms a similarly situated but unaffiliated person would receive in an arm's length

transaction,

- (ii) the (a) management fees earned by the Apollo Group shall not exceed 2% of assets or commitment, as applicable, and (b) carried interest or performance fees earned by the Apollo Group for any such investment shall not exceed 20% of the profits, and
- (iii) any special fees or other fees earned by any member of the Apollo Group in connection with any such investment shall offset management fees (to the extent of management fees) or if such fees do not offset management fees, they shall be arm's length or approved by the Apollo Vehicle's limited partner advisory board.

For this purpose, management fees with respect to an investment are deemed to include (A) the amortized portion of any upfront fees (amortized over the expected life of the investment) and (B) any other fees earned by the Apollo Group in respect of an Athene Entity's investment in such Apollo Vehicle that are reasonably quantifiable at the inception of such investment (amortized over the expected life of the investment, as applicable), but for the avoidance of doubt, shall exclude any fees payable to AAM or other members of the Apollo Group under the applicable IMA, MSAA and/or the Sixth Amended and Restated Fee Agreement by and between the Company and AAM (in each case, as each such agreement may be amended, restated, amended and restated or otherwise modified from time to time).

In addition to the foregoing requirements, for any investment (or series of related investments) by an Athene Entity in any Apollo Vehicle that is greater than \$100 million and equal to or less than \$250 million, management of the Company shall notify members of the Committee of such investment by email no less than five (5) business days prior to the earlier of (x) the closing of such investment or (y) the commitment to make such investment, which notice shall include a summary of such investment and other materials in the form customarily provided for meetings of the Committee. If, within two (2) business days after delivery of such notice, a member of the Committee objects to such investment or wishes to call a meeting of the Committee to discuss such investment, then management of the Company shall promptly call a meeting of the Committee. Absent any such objection or call for a meeting within such two business day period, the investment will be deemed approved by the Committee.

- 13)** The inclusion of (i) new production from in-force flow reinsurance transactions and (ii) new funding arrangements as Qualifying Transactions to be offered to an ACRA Investment Entity; provided, that, management of the Company shall notify members of the Committee of such inclusion by email no less than five (5) business days prior to such offer, which notice shall include a summary of such potential Qualifying Transaction and other materials in the form customarily provided for meetings of the Committee. If, within two (2) business days after delivery of such notice, a member of the Committee objects to the inclusion of such transaction as a Qualifying Transaction to be offered to an ACRA Investment Entity or wishes to call a meeting of the Committee to discuss such inclusion, then management of the Company shall promptly call a meeting of the Committee. Absent any such objection or call for a meeting within such two business day period, the inclusion of such transaction as a Qualifying Transaction to be offered to an ACRA Investment Entity will be deemed approved by the Committee.
- 14)** Any other class of transactions, rights, fees or agreements determined by approval of the



Conflicts Committee to not be an Apollo Conflict nor require the approval of the Conflicts Committee.

#### **e. Specific Examples for Reference**

##### **1) Master Sub-Advisory Agreement**

Adding new parties or asset classes to an MSAA currently in effect, or entering into addendums with respect to new parties, terms or asset classes contemplated therein, does not require Committee approval unless such changes (i) impose any new fee upon, or increase the rate at which fees are charged to, the Company by the Apollo Group or (ii) provide for any additional expense reimbursement to or offset to be borne by Athene.

Committee approval shall not be required with respect to the performance by Athene or the Apollo Group in accordance with the terms of an MSAA. However, amending an MSAA currently in effect shall require Committee approval, unless (i) such amendment is on terms in the aggregate (including expense reimbursement and indemnities) no less favorable to Athene than customary market terms; and (ii) either (a) the rates on AUM under such amendment (including any carried interest or similar profit allocation, but, for the avoidance of doubt, excluding the fees charged under the IMA) do not exceed 50 basis points per annum for non-alternative assets; (b) the rates on AUM under such amendment (including any carried interest or similar profit allocation, but, for the avoidance of doubt, excluding the fees charged under the IMA) do not exceed 100 basis points per annum for alternative assets; or (c) an officer of a member of the Apollo Group provides a written certification to the Board that such amendment provides the applicable Athene Entity with the same or better terms or a most favored nations clause (in all cases, taken as a whole with respect to such agreement and without consideration of any Designated Terms) with respect to other investors (excluding Designated Investors) who have entered into MSAs or similar agreements with the Apollo Group for the same asset class and whose AUM with respect to such agreement and asset class are all equal or less than those subject to the agreement between the Company and the Apollo Group with respect to such asset class.

##### **2) New Investment Management Agreements between AAM and New Athene Subsidiaries or between AAM and Cedent Companies**

Committee approval shall not be required with respect to addendums or modifications to an IMA or a New IMA for the purpose of adding new terms, asset classes or making the Company or any Subsidiary of the Company a party thereto unless such change imposes any new fee or increases the rate at which fees are charged to Athene by the Apollo Group.

Committee approval shall be required with respect to Athene entering into a New IMA unless such New IMA is on terms similar to and not more economically favorable in the aggregate to the Apollo Group than those in an IMA which is currently in effect.

AAM may enter into new investment management agreements with non-affiliated cedent companies without Committee approval so long as such cedent company is neither an Athene

Entity nor the Apollo Group and the fees charged by AAM to the cedent company under the cedent company investment management agreement are not above market.

### **3) Acquisition of Apollo Vehicle Investments by Athene**

Committee approval shall not be required with respect to any investment by Athene in any Apollo Vehicle; provided, that: (i) an officer of a member of the Apollo Group provides a written certification to the Board that such investment provides the applicable Athene Entity with the same or better terms or a most favored nations clause (in all cases, taken as a whole with respect to such Apollo Vehicle and without consideration of any Designated Terms) as those applicable to other investors (excluding Designated Investors) in the same Apollo Vehicle who invested an amount in such fund equal to or less than that invested by Athene; and (ii) such investment by the Athene Entity represents no more than 25% of the outstanding or expected equity interests of such Apollo Vehicle.

### **4) Investment Partnerships**

The Company contributed the assets it received from AP Alternative Assets, L.P. pursuant to the Contribution Agreement dated October 30, 2012 to three subsidiary partnerships (the “**Investment Partnerships**”). The partnership agreements of the Investment Partnerships allow certain subsidiaries of the Company, as limited partners, to reinvest proceeds from the sale of investments made by those partnerships and the Committee has previously approved reinvestment of those proceeds in funds, managed accounts or other investments managed by the Apollo Group in the future without further approval from the Committee. A record will be kept of the balance of amounts distributed in excess of the amounts reinvested by the Investment Partnerships and the subsidiaries of the Company can reinvest the balance at any time without Committee approval.

## **3. Amendments**

Any deviations from these Procedures must be approved in writing by: (i) Executive Vice President, Legal of the Company and (ii) the Chief Executive Officer or the President of the Company. Any amendments to these Procedures must be approved by the Conflicts Committee.