Junior, Steve J - OCI

From:

Noreen Parrett <nparrett@parrettoconnell.com>

Sent:

Tuesday, January 29, 2019 3:37 PM

To:

Junior, Steve J - OCI

Cc:

Mancusi-Ungaro, Michael - OCI

Subject:

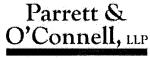
NICW/Wilmington

Steve, one additional point of clarification on the NICW/Wilmington deal that I don't think came out clearly enough in my letter of January 24, 2019. The difference between the reserve amount for the long-term care business agreed upon between NICW and Ability in the Recapture Agreement and the reserve amount calculated by Wilmington's actuaries is \$268,001. That amount will be recovered by Wilmington from NICW by reducing the Merger Consideration at closing by \$268,001. So, while the Holdback Amount really won't be operational after closing since the Ability business has been recaptured, NICW will lose the amount of the difference in reserve amounts by way of a reduced purchase price at closing.

Let me know if you have any questions.

Noreen Parrett

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